

Papers of Hugh Dalton:
Original Manuscript Diary

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3.7.44.

Back from West Lease by earlier train. Meeting of Labour Ministers, all sizes, at No. 11 to discuss Town and Country Planning Bill. W.J. explains and there is not much response from those present. I suggest that we should postpone the second reading and that some Ministers, in addition to W.S.M., should meet the Local Authorities. Their unanimous opposition to the Bill - City Councils, County Councils, Town Councils, U.D.C's., R.D.C's., and the City Corporation itself! - is a new fact. But there is not much support for my first point and the second is left vaguely to be raised at the War Cab. Ben Smith, who is over for a short time from Washington, has a few minutes in which to tell us that the U.S.A. think that they are being out-smarted by us for post-war exports, and that there is a wonderful "Woolton blue print" all ready for the end of Stage I.

Reconstruction Committee this afternoon. Charwell says the figure of $1\frac{1}{2}$ million, on which we have worked hitherto, for the labour force in the building industry is much too high and that we shall not be able to keep them all employed after we have caught up with the first arrears of post-war re-building. This discussion takes a long time, in the end, it is agreed that the figure should be regarded as "flexible" and subject to consideration from time to time, but that it would be disastrous to re-open the question of the figure with the building Trade Unions, who, E.B. says, have been playing up wonderfully well and admitting a new category of skilled men who will be allowed, and able, to do any of the building craftsmen's jobs, carpentering, brick laying, plastering etc.

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Answering P.Q's. I get the House entirely on my side and dissolved in laughter by saying, in reply to a Supplementary, that "I understand that a 'physiotherapist' is what we used, in old days, to call a masseuse." Then

follows a discussion whether there is not some equally good simple English word for both. I invite suggestions and there are cries of "rubbers".

I.C.I. refused last week to send their representatives to give evidence to the Company Law Committee, because they were afraid of the Flying Bombs. An admirable minute is prepared on this subject by Jardine, the Secretary of the Committee. I write a sharp official letter to McGowan, to which he replies this same day. Cohen, whom I consult a little later, is very well satisfied with my side of this correspondence (attached). McGowan is very anxious that this record should not go on our files! It is clear that he, or his man James, is lying. It would do them no good if this came out and there is no obligation on anyone who knows to keep it secret.

Lunch at invitation of Sir Frank Alexander, who hopes to be Lord Mayor of London soon, at the Baltic Mercantile and Shipping Exchange. I am not much impressed. Many of these people are unnecessary intermediaries. They are out of a job now, and there is no reason why their job should be recreated after the war. Now we have one ship owner, Lord Leathers, and three shippers, the Ministers of Food and Supply and the President of the Board of Trade. This is a very economical and efficient system. Anyhow "Baltic" is a misnomer now, as they admit. They are interested in commissions all over the world and call them "invisible exports".

Long meeting of L.P.'s. Committee on Export White Paper. I have put in a proposal to stop negotiations pending the Stage II talks, since the Americans are obviously pressing us harder and harder and will soon have throttled our post-war export trade altogether. I have seen most loyal and obstinate support from Dick Law, and general sympathy from most other members of the Committee. J.A., to my surprise, has very little to say, and O.L., not to my surprise, is inclined to appease the Americans. Halifax, who turns up at the meeting, suggests that we might, rather

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than break off negotiations, send a reasoned telegram explaining our difficulties and suggesting alternative procedure. This is accepted and I get ~~it~~ later in the afternoon, P.L. and Tout to make a draft. The time has certainly come when we must talk very bluntly to the Americans. One of our Canadian friends in Washington has said that "they are giving you a good run round" on all this. So far no one at the Embassy seems to have been able to put the position bluntly to them.

Captain Prescott, the recently elected M.P. for Darwen, comes to see me, at my request, to talk about cotton. He is young, lively and keen, which can be said about no one else connected with the cotton industry! I encourage him to push about and assert himself at cotton conclaves. He asks whether I have any objection to his local paper saying that I asked him to come and see me to discuss the cotton industry, following on his speech in the House, in which he demanded that "violent action" should be taken about the industry. I say I have no objection, provided that the statement is kept quite general. I suggest to him to get in touch with Street and Platt.

5.7.44.

Party Meeting on Town and Country Planning Bill. Dull exposition by W.J. Long speech by Silkin and short speech by J.W., followed by an explanation by E.B., who is much cleverer at handling the Party Meeting than any of the others. Discussion adjourned until to-morrow. Meanwhile, W.S.M. is having trouble with the Tories who think the Bill is socialistic and unfair to landlords.

S.L.A. Committee, with O.L. in the Chair. S.H.A.E.F. have propounded the problem whether we should assume that enemy territories are to be treated, for food and clothing, on the same footing as liberated territories. I say surely not, and Llewellyn agrees with me. After some argument this is agreed. We are once more in a stage of great doubt as to

what supplies will be available. I don't think this will ever be settled until we get close up to the problem and then I am pretty confident that supplies will be rushed in, if necessary, from across the Atlantic. All our estimates now are only guess work.

Viscount Ridley to see me on the North-East. I get Warter and D.J. to join us and we agree that such a Body as Ridley has in mind would be advisory to the Government. On this understanding there is everything to be said for it. Ridley strikes me as being a bit loose in the mental saddle but, no doubt, quite keen and anxious to help. He asks, as Headlam did last week, that I should try to get the services of Major Bell to act as Secretary to their Association. I am taking this up with the W.O.

6.7.44.

Another Party Meeting on T. and C. P, with a very lengthy self-important speech from Latham, and a rhetorical contribution from Moelwyn Hughes. C.R.A. makes a few inaudible and ineffective remarks which are ill received. He has no grip in these days on the Party Meeting. Most react eagerly and audibly to the suggestion that they should vote against the Bill on second reading. They have an insatiable longing to be in opposition, to vote against things, to refuse responsibility, to dodge detail, to find easy safety in negatives and impotence. The meeting is adjourned until next Tuesday!

A word afterwards with E.B. who says that his officials and mine are trying to put us both into a straight jacket on delimitation of Development Areas. He doesn't want to find that the officials have drawn a line and someone wants to start a factory three miles outside, and is told by the officials that he can't. I mention a series of particular cases - South Teeside, Blyth, and Ashington, Dundee, Swansea, etc. and in all these he agrees with me that the places in question should be inside. He says he will write me a

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letter on the question. He is by far my best ally on Development Areas, as on a number of other things. It is indispensable that he and I should play ball together, even if he is sometimes tiresome, long-winded and inattentive!

Meeting in J.A.'s room to draft telegrams on Lend/Lease to be sent to Washington. J.A., O.L., Law and P.L. Law is going soon to Washington in connection with Oil and suggests to me that he might handle the whole thing himself. He is very sound on all this and I support this suggestion. O.L. tries to take some of the vigour out of our drafts but we finally settle it and produce it satisfactorily. Then hear P.M. make long statement on Flying Bombs, following appeals to A.E., from all parts of the House, to postpone the second reading of T. & C. P. Bill next week and have debate on W.P. instead. This A.E. resists. Everybody is saying how badly W.S.M. compares with R.A.B. who had a much more difficult job in dealing with the Local Authorities, and all the Churches as well(!), whereas W.S.M. has only had the Local Authorities to handle and no other job in his office at all except this Bill and W.P.

F.B.I., seven or eight of them, including their very unimpressive officials, to talk about post-war international trade. The talk goes quite easily but a lot of them are very stupid indeed.

Dine with G.J. who is working very hard on "The Future of the World". He is shortly going to Washington with Cadogan and other officials to discuss the possibility of a real "American Alliance". He repeats what he has said to me before that the P.M.'s attitude to post-war foreign affairs is quite lamentable, that he doesn't understand a thing about it, and that his approach is wholly romantic. And this is no use at all. His personal telegrams to F.D.R. and Stalin are much too soft-soapy and, with Stalin in particular, this is quite the wrong line. Gousev, he thinks now, is intelligent and powerful, though his reactions are slow and stereotyped. Lunching there the other day, Winant, after drinking several glasses of vodka, became quite a new man, self-confident, decisive, incisive and the very opposite of

all his ordinary qualities. He began to understand how it came to be said that W. had been, in his day, the slyest Governor they had ever had in New Hampshire. G.J. says that he is getting on very well with the Services and there is no difficulty about his taking the Chair at a meeting attended by many men in uniform and reporting direct to the Chiefs-of-Staff, or the Vice Chiefs-of-Staff or occasionally to the Attlee Committee. The Russian zone of occupation is to leave the sea at Lubec and strike the Elbe and then proceed along it. (I had heard before that it was to "follow the Elbe" and had supposed that that would bring it out to the sea at Hamburg, but this was clearly a wrong interpretation.) Previously it had been agreed that we should take the North-West and the Americans the South-West of Germany, but now the Americans were asking for the North-West and leaving us the South which would be very awkward if, as seemed likely, they left Europe after only a few months. Alternatively, if we had the North-West, the French would be able, after a few months, to take over the South from the Americans if they were determined to quit. The Russians are now much more inclined than either we or the Americans to say there must be a Central German Government to sign and execute the terms of the Armistice. G.J. thinks that perhaps the Russians have a puppet German Government up their sleeves. He repeats that he thinks there will be great ~~chaos~~ and starvation in Germany when they collapse. There is some difference of view as to how far German personnel should be used for police and administration under our occupation. A paper, with which the Russians agree, proposing to use Germans for most of this, including Nazis, has been referred back, largely owing to the strong line taken by E.B. who said that the Nazis must be put right outside, even if this meant bringing in large numbers of British and American personnel.

We discussed what would happen if the P.M., for any reason, passed out. I said that many Tories would prefer J.A. to A.E. G.J., on the other hand, was quite sure that A.E. would get the majority. We spoke also of the future of the Foreign Service and of the need both to give opportunity to the younger people already in it, and to recruit a good, well assorted and well spaced new

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consignment at the end of the war.

7.7.44.

L.P.'s. Committee agrees with my proposal that Law should go out to Washington and handle the Lend/Lease talks, so that the telegrams on which we had laboured yesterday would not now be sent to Washington, but would form part of his brief.

Cohen reports that his Company Law Committee is making good progress and he hopes to have his report, if not by the end of the year, at least by next Easter. This is not quite as quick as I had hoped. Nor, perhaps, will their proposals be quite as drastic as I had hoped. Only the T.U.C. and I.C.I. remain to give evidence.

To my constituency in the afternoon.

8.7.44.

Following usual routine spend two hours at Lightfoot Institute this afternoon (Saturday) receiving callers. That I shall be here between these hours has been advertised both in the daily and in the evening press yesterday and the day before. But very few turn up, much fewer than usual. This, we agree, is a very good sign. If the whole place was seething with discontent there would have been a long queue. Tea with Proud's, where I met their son Leslie, a Major in the D.L.I., who was all through the North African campaign and later in Sicily. He is now going on a staff job to Australia and I give him introductions to General Blamey and Sir F. Shedden. Dine with the Lewins, who have now got more work than they can handle, and later go on to Mascall's. He has got a site in view for his factory to manufacture tiled fire places etc., close to St. Helen's railway station on a side road on the North of the main road to Darlington. He is very anxious that local enterprise should also play its part, in addition to immigrants. He gives me an unsolicited promise to speak on

my platform at the next general election, to explain that he is not a member of the Labour Party but to tell the public how much I have done to help him, and, in his view, to help the district, and to say that he thinks it a great mistake to give any support to any other candidate for Parliament. At 6 o'clock addressed the usual private meeting of delegates with Jack Bell in the Chair. (Middlewood, having been defeated for the Presidency at the General Meeting, is absent.) I talk to them of Flying Bombs, the progress of the war on all fronts, and, very frankly, about the problems of coalition Government, the degree of success Labour Ministers have had in getting their ideas accepted, and the time and manner in which, without rash haste, our present association with our Ministerial colleagues might be terminated. I always risk a little in these private talks, since, if even a small part of what I said were published, I should "hit the headlines" pretty hard and create a first-class political sensation. But these excellent people are very trustworthy and don't realise how dynamic, for press purposes, a lot of this stuff is. When I sit down the Chairman says I have spoken for 95 minutes. My watch had stopped! But they all sat it out with patient interest. No awkward questions.

9.7.44.

Sleep in a bit but go for a walk before lunch to see Mr. Chalder at Wood Houses, and meet there a farmer from Escombe who is very friendly, but whose name I don't know. (Will Davis tells me that another farmer, whose son I got released for harvesting, is now a most devoted supporter, and when he hears I am coming to stay at Manor House, always regularly sends round some eggs and a large piece of bacon and refuses to accept any payment.) I have a look with W.N.D. at various sites in the neighbourhood, and we both think there is much to be said for the site adjoining the

[Handwritten note: attached]

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Trading Estate at the West Auckland end. This would be better for Wansbrough than the one at the other end.

Public meeting at West Auckland at 3 p.m. Quite a good little meeting at a very dark little cinema; the Welfare Hall where we used always to have meetings here is in the hands of the Military. Friendly talk with police and other local residents before and after the meeting, which goes off very smoothly.

Then drive to Darlington to dine with Ernest Wallach, who brings us back later.

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10.7.44.

Read
Catch the 8.50 from Darlington which is not seriously crowded (~~with~~ Friday the train coming up from London was a shocking jam, partly with evacuees). Slept nearly all the way, and am hardly awake for the Reconstruction Committee meeting on Ship building this afternoon!

Reconstruction Committee. Row about ship building. A.V.A. would like the Admiralty to continue to control it all after the war, and there is something to be said for this. E.B. and I say that we can't possibly allow a repetition of what went on before the war, and Ch@rwell quotes figures to show that fluctuation in ship building employment was greater than in any other industry, with consequent drifting away of the labour force. Leathers says that "the industry", i.e. the employers, would like to run the whole thing themselves without any Government intervention. I think he would almost have said, had some of us been absent, that he would think this a good thing. I said, however, that none of us could agree to any such "private enterprise" racket, (Leathers, indignantly, "It isn't a racket"!) and that the state of affairs before the war was "disgraceful". This excited O.L. as much as when I had said, on a previous occasion, that pre-war fluctuations in commodity prices were "ridiculous". He has never forgotten this and this afternoon quoted again this epithet of mine. Duncan said that the trouble was entirely due to the Trade Unions, of which, he said, there were more than thirty connected with ship building. None of them would allow any modern methods and, unless they changed their attitude, this would mean the British ship building industry could not revive. There was then some back-chat between him and E.B. about Lithgow, and J.A. intervened to suggest that the Lithgow whom Duncan was praising was not the same man as the Lithgow who E.B. was abusing, but was his father. It is left that A.V.A. and L. will prepare a joint factual paper.

11.7.44.

Party Meeting (the third) on T. & C.P. Bill. An

inconclusive discussion. Adjourned until to-morrow.

Moving the second reading of the Bill W.S.M. does much better than I expected and gives fairly wide undertakings to consider all conceivable amendments.

Concoct with D.J. a reply to a letter from E.B., who is complaining that his officials are not sufficiently consulted by us on location and on the delimitation of "Development Areas", that on the latter we must not be too "rigid", and that if our officials encounter any trouble "they must come to us immediately". My reply, which is very much a soft answer, suggests that we should recognise the areas now suggested (in fact by D.J.) as "minimum areas", but that we should not be rigid and should not exclude places a short distance outside them. I hope that this will work the trick.

Take to dine with me Harold Kemp, the stepson of Peter Fraser. He is a Lieutenant in the N.Z. Navy, but not very exciting.

12.7.44.

J.W. has two innings on T. & C.P. Bill to-day. The first is at the Party Meeting (the fourth on this subject,) when it is decided by a majority of more than two to one that the Party should abstain on the motion for the second reading, it being understood that Ministers would all vote for the Bill. Before I came in, Shinbad had apparently announced that, whatever the Party decided, he was going to vote against the second reading. This had made a not wholly good impression, and probably helped the final vote. I sat on a table at the back in the neighbourhood of Stokes and one of the other malcontents, who loudly groaned and shouted interjections whenever any speaker advocated anything else than straight out opposition to the Bill. Then, having made a lot of row in a small room with plenty of echo, they turned to one another and exclaimed "There's no mistaking the mood of the Party to-day."

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In addition to J.W., Silkin and Barnes made very sensible speeches, the latter saying that this was not an issue on which, nor a moment at which, we should contemplate breaking up the Government, and that, therefore, we should avoid any crisis on this Bill and that Shinbad's proposal, for a "free vote", should be resisted because this would result, in fact, in a very large Party vote against the Bill, which would be just as bad as a Party decision to vote against the Bill.

The idea of ^{abs)} extension was J.W.'s. and he had worked very hard, with Silkin, Latham, A.G. and the A.C. getting it accepted. A.G. had been a little difficult, but, after he had persuaded him, the A.C. had all agreed, with the inevitable exception of Grenfell and Daggar: the two South Welsh halfwits.

J.W. had been appointed to wind up for the Party before the final vote and made quite a good and fluent speech, though sometimes he went on a little too long without advancing his argument. He has got quite used now to speaking from the front bench, and is no longer in danger, as at his first attempt, of being too much tied to his notes. Shinbad sat looking very glum throughout J.W.'s. speech and finally, with five or six others, voted against the second reading. But this is not a revolt which need be heeded. In fact, there would be a tremendous election ~~in any case~~ against the second reading. It might well be represented as a vote to prevent any repair or re-building or re-planning of the blitzed areas. It is admitted by all that this Bill, bad as it is, is better than nothing, and it is obvious to all, except the halfwits, that the choice this Session, and probably this Parliament, is between this Bill - which may indeed be considerably amended and improved if it gets a second reading - and nothing. Peculiarly irritating are those who sincerely think - as distinct from those who insincerely assert - that a Party vote against the second reading will "strengthen the hands" of Labour Ministers. In fact, of course, the exact opposite is true. Our Tory colleagues will say "What is the good of agreeing anything with you, or making any concessions to your point of view, if your Party is going to throw you over?"

Streat to see me. He has secured another verbal

below the
gangway!

argument
against a
vote

As one goes ~~to~~ part
flaming I say, "You see the Germans
have invented a new substance - ~~arsenic~~
arsalight." ^{4.} ~~the~~

diplomatic triumph by getting all the Cotton Board and the Post-war Cotton Committee to agree on a long statement and a resolution saying, in very guarded fashion, that there may perhaps be something, sometimes, to be said for strictly voluntary amalgamations, provided that they first have "price management", but that there could be no consent to "legal compulsion" for amalgamations. I tell Streat that I am very much disappointed at the persistent clamour for this price management dope, which, admittedly is not required in the sellers' markets of the next few years - one of his suggestions had been that I should agree to it only for the next few years - and I then read him the draft of a letter which I had composed the other night, denouncing the cotton industry and prophesying its early and inglorious death, unless they would wake up and do something to bring both their machinery and their ideas up to date. He admits that this is "a very good letter", though he adds that it would cause a most frightful explosion if it were published. A good number of Doodle Bugs" come over while he is with me and I think he likes them less than most people. I find a certain malicious delight in taking him out on to the balcony so that he shall have a chance of seeing one, as they don't have this kind of fun in Manchester. He thinks I might come and open one of their Exhibitions in the middle of September and make a speech there, if, by that time, I can carry my colleagues with me and make some official announcement on Government Policy. This might not be a bad method or time.

Dine with Sir A.M. Livingstone and his usual American party. Rieffler, who is always very forthcoming, talks about his post-war plans, when he intends to go back to Princeton University and run a large research department. He asks whether it has ever occurred to me that I would like to spend three, or six months, or a year, at an American University, giving as few lectures, and meeting as many people, as I liked. I say it is indeed most attractive and recall that, shortly before the 1935 election, I had fixed up to come to Princeton for a term, but that the election was so imminent that I had to cry it off. I tell him that things might, perhaps, so turn out that such a sojourn at Princeton might, when all this is over, and if and when I am no longer in office,

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be most attractive. He is a very nice chap.

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Long talk with H'fax. He thinks that probably Roosevelt will get back, though he is the most bitterly hated man in the U.S., but that Congress will quite certainly have a large Republican majority. He thinks that Dewey has quite a sporting chance. He has seen him, quietly, several times and, though it would never do for this to get out, he thinks that we might very likely get on much better with Dewey than with Roosevelt for a Fourth Term. The deadlock between the President and Congress would be frightful and no policy would ever emerge. Further, H'fax thinks Roosevelt is "not at all secure", rather like Lloyd George, and may, at any time, play politics to our detriment. Dewey had said to him "Make a note in your Diary. About October 15th Roosevelt will make a strongly Nationalist speech, which you will all hate very much." He would be at the height of his Election Campaign then. Meanwhile, before then, we may see him over here. Turning to commercial policy, H'fax said that he quite understood our difficulties resulting from divisions in the Conservative Party. On this I expatiate a little, explaining that the main blame was on the Beaver, Amery and Hudson. H'fax said that he thought the P.M. was a little too sensitive to waves of Parliamentary opinion; also that he thought he looked a good deal older since he last saw him, and that he understood he was often very irascible without much reason. H'fax did not think the P.M.'s war-time methods would go down at all in a peace-time Parliament, and that J.A. and others must find it quite infuriating to have to go over everything again, in meticulous detail, in the War Cab., after it had been lengthily debated and settled in very competent Ministerial Committees. The P.M., he said, never reads any of the papers that are put up to the War Cab., but enters with great zest into the discussion of all of them, asking that everything be explained again from the beginning. (This is, in fact, a most exhausting and ineffective method of Government, of which one

is sometimes quite despairingly aware.) H'fax said that Dewey had told him that he wondered whether it would not be best, in the interests of both of us, to go all out for free trade between the U.S. and the British Commonwealth. Winthrop Aldrich, a staunch Republican and head of the Chase National Bank, had said the same to him. "Let's go for Union Now in the economic field". This might mean little or nothing H'fax admitted, but one might keep it at the back of one's mind. He said he would be helped if, when we could not reach decisions here, owing to Ministerial disagreements, we would frankly tell him so and then he could then discreetly convey this to the Americans. They would quite easily understand. They were constantly in that situation themselves. The trouble was that, when months passed without replies to their suggestions and enquiries, we gave the impression of having all gone to ground, and of being sulky, reserved and non-committal. This irritated the Americans a good deal. He had met McCormick of the Chicago Tribune once at lunch, and, following a meal time of banalities, had said "Tell me, Colonel, do you really regard co-operation between your country and mine as quite a repellent idea?" McCormick had replied "Not so much repellent, as utterly impossible. How can a free and democratic republic like ours co-operate with a monarchical class-ridden country like yours?" And this description was widely believed by many Americans who were much more friendly to us than M.

We then spoke of the Russians. H'fax said that he was quite sure that we must never let ourselves get into the state of mind of asking whether it was better to co-operate with the Americans or with the Russians. We must do our utmost with both and, in particular, must always treat the Russians with the greatest consideration, and never let them think that we were having secrets with the Americans from which they were excluded. Hull, he said, was very good about this. But he was now a very old man and it was very difficult to get him to focus practical issues or to entertain new ideas. H'fax said he had been told "by those in the F.O. who are working on post-war problems" that, if we were to hold the confidence of the Russians, we must make

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it quite clear to them that we are as determined as they on a "tough peace" with Germany. He thought there was much truth in this, but he would himself put it slightly differently. We must never let the Russians think that we, or any important section in this country, or, if we could help it, the Americans, were playing with the idea of building up, or allowing to emerge from defeat, a Germany strong enough to be a partner with us in an Anti-Russian policy. It would also be very tricky to get the right relationship, in the post-war political organisation, between great and small powers. The Russians would be very hard-boiled about this. They would want the big powers to have all the real power. The Americans, and Hull in particular, might go too far the other way. He himself thought it was essential that the three Great Powers should retain the right of initiative and the right of decision in all important post-war security issues. But he didn't think this inconsistent, not only with being polite to the smaller powers, but in giving them a real opportunity to express their point of view, to argue on behalf of their own interests and to co-operate usefully within the limits of their capacity. I said I had no quarrel with this, but I thought it most essential that we should not drift into any international constitution in which the small people had a big voice on anything that mattered. Otherwise there would be complete unreality and frustration.

only
Lunch with Dunbar. What an ordeal this is! One has to shout, and shout again, repeating platitudes two or three times, and listen to most frightful, boring, unreal generalities. "International Co-operation", he's always saying. But when I insist on the importance of co-operating with Russia, or with France, after the war he says we must avoid Nationalism. It's all abstract. He really seriously wants to co-operate, I suspect, with small powers and enemies; with Switzerland, Liberia, Germany and Japan!

14.7.44.

L.P. Committee. In view of the damage to arms production in London through Flying Bombs, I resuscitate the proposition for the immediate building of standard factories.

I remind them that these were held up because Charwell^e said, some months ago, that he didn't think anything would ever come of Crossbow.

The Prof., at this, looked rather sheepish and said nothing. It was agreed that the thing should be looked at again. It is stuck, like many other projects, in a morass of inter-Departmental delay and obstruction.

To Datchet this afternoon and have a final look round with Mrs. B. She is moving out on the 24th, i.e. after having gone on looking after the house for just on four months. This has been a very good arrangement from every point of view.

I give her a present of £100, & tell her how grateful I am. She is very appreciative.

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15.7.44. (Saturday)

With Davenport to Denham, where we visit Korda's laboratories and see something of the preparation of two films "Perfect Strangers" which Korda is doing, and "Caesar and Cleopatra" which is one of Rank's new undertakings. Korda is very quick and intelligent, but not, I think, a very good co-operator. None the less, I should like to get him on my new Films Council and shall try to find a way of doing this without giving serious offence in other quarters. Korda says that Rank understands nothing whatever about production and that his father told him that he was not clever enough for the milling business. He, therefore, gave him a large sum of money and told him to run away and play with it. Hence his entry into films.

Thence to Hinton Waldrist where I spend two nights in Davenport's Manor House. He is now married to Olga Edwardes, the actress, who is now also taking up films. Also present Brigadier Harker of M.I. V., who was previously an Indian policeman. Not, I think, very bright, but anxious to tell a good story about his show. He offers to assist me to make sure that there are no large undetected black-market scandals in coupons. He says the Ministry of Food have brought in Sir John Teggart, likewise an old Indian policeman, who, he thinks, is very good at his job. He wonders whether my Mr. Yandell is quite of the same calibre. I think that Yandell is better than he thinks. Also present Anthony Davenport, his son aged 21, who, after being at Stowe, had one year at Oxford and then joined the Army. Also Peter Lesse, now in command of Minesweepers, who has previously been in the N.W. Mounted Police and something in California, together with his wife. I sleep a lot, play tennis and make a tour of Davenport's trees, about which he has learnt quite a lot since he first came here. He has some wonderful old Cedars and a very fine old Ilex.

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17.7.44.

Back by car with Harker and his wife.

Discuss tinplate with Palmer and Sanders and decide to send a further letter to Macdairmid of the Iron and Steel Federation, urging once more that they should settle on definite sites for new plants in South Wales and on how to raise the necessary finance. Pending all this, I can't give them a certificate for their Redundancy Scheme.

H.G. is a little doubtful about putting Korda on the Films Council, but thinks it might be managed if I put on Major Baker of Ealing Studios as one of the four Exhibitors. This would justify the removal of Balcon and his substitution in the Producers' Panel, by Rank and Korda. H.G. also thinks that I am running into trouble if I turn off Eckman, but I say that I can't justify putting on an American and that I might ease this/~~bomb~~ by asking Eckman to see me and inviting him to tell me, from time to time, his ideas.

H.G. and E.D. to dine at the Acropolis, which, I am very glad to say, and ~~which~~ to my surprise, has not been blitzed, though a bomb fell fairly near the back of the restaurant and did some minor damage.

18.7.44.

An American, passing through Eton the other day, and noting the boys' garb, asked "What's this? An O.C.T.U. for morticians?"

The post-war Reconstruction machine seems badly blocked again. I had hoped that, when Woolton had got rid of Employment, Social Security, and Town and Country Planning, the way would be cleared for dealing with a lot of other questions, including many in my field. But we are getting no decisions, and everyone, Ministers and Officials alike, seems to be dragging back and playing for position. No one ever says "Go ahead and God bless you"; everyone says "I

haven't been consulted. Therefore nothing should be done." E.B., in many ways much the best of all my colleagues, is in a suspicious peasant-minded mood about Location. He has written me several stupid letters and doesn't really deal with the points at issue. I ask D.J. whether he doesn't think there is some official "nigger in the woodpile" at the Ministry of Labour. But he thinks it is the Minister himself, who seems quite incapable of delegating decisions on Location and wants to settle everything himself.

L.P. International Sub. It is announced that, following last week's Cabinet decision, no L.P. Delegation can go to the S.U. at present, and that a Parliamentary Goodwill Mission, containing members of all the Parties supporting the Government, should go first. Ernest Brown was very persistent for this, though the F.O., including A.E., were quite prepared that our Delegation should go. This announcement is taken quite easily by the Sub-Committee, Laski being absent. They think it is quite common sense and will recommend the N.E. next week simply to postpone our Delegation till a more convenient time.

2/ Machinery of Government Committee on post-war supply arrangements for the Services. Officials have prepared a case on the whole adverse to a post-war Ministry of Supply, and O.L. supports this, arguing that each of the Service Departments should be responsible for its own supply. I argue, on the contrary, that there should be a Ministry of Supply covering as wide a field as possible, though not cutting across the general responsibility of the Board of Trade for industry generally and for all raw materials which are predominantly used by civilians rather than the Services. The discussion is adjourned, several Ministers assenting that they feel quite unable to make up their minds on this very difficult problem.

Talk alone to J.A. after this meeting and before the Cab., to which to-night only members of the War Cab. are summoned for a "political talk" on Article vii etc. Law is now in Washington and J.A. and I both think that he should be

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authorised to talk frankly to the Americans and tell them that we find it difficult to make progress with Article vii at present because Ministers are seriously divided on this and also greatly pre-occupied with the war. (This is finally agreed at the War Cab., to-night, though originally the P.M. had been against it. Law talks very sensibly to Stettinius during the next days at Washington). J.A. and I also both agree that Keynes and Eady should not be let loose on Commercial Policy at Washington. J.A. praises P.L., which I encourage. J.A. asks whether I think it would be worthwhile for us to try again, among ourselves, to make a redraft of the Commercial Policy paper, which, while leaving Imperial Preference on one side as a specially political and inflammable question, should endeavour to meet Hudson's objections on bulk purchases, quotas etc. I say I am quite willing to have a try, though I am not very hopeful of success. The idea is to separate Hudson from the Beaver and Amery.

19.7.44.

Rank to see me. I told him that the Films Council Committee on Monopoly is sending me its report and that I shall, in the first instance, send it round to the various Organisations in the industry. Meanwhile it will be very rash, I say, for him to run any risks of public criticism. He should, therefore, be very careful to keep us informed of all his moves and, even if some of these are all right in principle, he should be guided by us as to timing etc. He says that he will be very glad to do this.

More than an hour wasted with two spokesmen, George Faber and Lowson, of the Unit Trusts. They are very anxious not to be compelled under the Share Pushing Act to publish the absolute amounts of the investments of each Trust. They want only to publish percentages. Strongly supported by my officials and by everyone who knows about the thing outside, I resisted this argument. I am requiring Unit Trusts, as from next month, to publish their "accounts" and this clearly means absolute amounts and not percentages. They allege that

that Oliver Stanley gave a verbal undertaking, of which they admit there is no record, to Sir Cassie Holden in 1937 that they would not be required to publish absolute figures. I say, supported by my officials, that such an undertaking would not only be unnatural but keenly resented by Parliament and the general public, and I quote from the "Financial News" in this sense. Finally, to get rid of these two, I say that I will carefully study any note which they may send to me on the subject. They look to me like a pair of twisters, and quite unnecessary intermediaries - money lending middlemen - for whose continued existence I see no good reason.

Leprévost, French Commercial Counsellor, comes to see me on Viénot's introduction. I arrange for him to see P.L., though at present there is little detail we can usefully talk on Anglo-French post-war commercial relations.

Then more than an hour and a half with Amery, H.J. and a number of industrialists on the impending visit of Indian Industrialists, lead by Birla and Tata. McGowan appears and says to G.P. before hand, that he doesn't like these bombs. Clearly this old man's morale is bad, and this has been communicated to his staff. Hence the incident over their evidence before the Company Law Committee.

C.R.A. to dine with me at the Etoile, also, to my surprise and satisfaction, practically unscathed by Fly Bombs, though one filled the place with dust some weeks ago. I tell C.R.A. that Woolton's machine is stuck and he says he will himself speak to him about it. Woolton, he finds, is very timid in tackling Ministers and problems. I tell C.R.A. that Restrictive Practices are held up because Woolton is trying to square O.L. C.R.A. said this is very bad technique.

I give him my paper, my twenty points, on the encouragement of exports and efficiency. I stress the need to get a move on with W's. paper on Disposal of Government Factories and not to tie ourselves up too tightly by any declaration which would imply the alienation of Government

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property. He seems to agree. He also says we should do something about iron and steel, or there will be a first-class scandal one day.

come
The war is going ahead at a great pace and he thinks it quite possible that the Germans may surrender within two months. If the Turks/~~give~~ in and the Bulgars go out, there will be a land slide in S.E. Europe. He is all for weakening Germany economically after the war and for breaking the power of the Junkers and heavy industry. Wherever there is an economic case for it, industry should be located outside Germany, especially in Poland, Czechoslovakia and Yugoslavia. There should be some plan of International control over the Ruhr, whereby the ~~parties~~ *plans* here should be used to supply needed peace products for the whole of Europe. A lot of this is much better sense than I had expected from him. He says, as Chairman of the Cab. Committee on the Post-war World, he gets a lot of his own way. The F.O., he says, want to re-establish Germany very much as before - I don't think this is true - and the W.O. want to deal with Germans who can "keep order" in the post-surrender chaos.

He has got the P.M. to agree that he (C.R.A.) should visit France, Italy and Greece during the summer to encourage the development of democratic Left Governments. He thinks it might be quite useful if he also went on to Moscow. I strongly support this, particularly in view of the hold up of our Delegation.

He is all for postponing our Annual Conference and thinks that Flying Bombygive a very good pretext for this, not only as against the Conference in London, but as against bringing a thousand delegates to any other centre where there is great pressure on space for evacuees.

We agree that it would be much the best if we had no election for, say, six months after the German surrender, and if then we could separate from the Tories without too fierce a quarrel. I say it would be a good thing, both

for the country and for the P.M.'s. own reputation, if the latter were about then to retire, to write the history of these days, and say that he felt the time had come when those who differed sincerely among themselves should fight it out in the country. He doesn't quite despair of the P.M. accepting this view. For the moment the idea of A.E. leaving the F.O. is off, but, if A.E. wants to be a future P.M., he must learn something about Home affairs and must stick to the Leadership of the House of Commons for the present. But this job is going to become more and more difficult.

20.7.44.

Vienot died yesterday. This is a sad end, just when his work was beginning to bear fruit. He handled the negotiations here very well. But he had been a sick man for a long time, first T.B. and at the end a heart attack. He got up, unwisely, to do a broadcast to his countrymen on July 14th, speaking of "the new France which must be born after the war." He had sent me, through his Secretary, a very nice letter in reply to mine congratulating him on the course of the war and his own part in the negotiations and on the success of De Gaulle's recent visits to London and Washington, and excusing himself for not having been able to dine with me owing to illness.

Lunch at Drapers, for the first time for three months. We elect Pooley to be Master for next year and I meet for the first time Powell the new Clerk.

From Drapers' Hall to Old Jewry ^(Bank Buildings) to see the damage done yesterday morning by a bomb which fell at 9.30 a.m. in the well here, smashing up half of our Export Licensing Department, as well as the National Debt Office and the Office of the Public Works Loans Board. A bomb falling in a well does the maximum damage. Six of our staff were killed and two more are on the Danger List. Many of them are very shaken. I say a few words to some fifty who have

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gone back to work at an office in King William Street nearby. The B. of T. have had more incidents than any other Government Department, though several of these have done very little damage. But this particular one was a bad one.

War Cab. with C.R.A. in the Chair. After long discussion we pass Woolton's paper on Disposal of Government Factories, with an amendment which will give ~~him~~ enough elbow room for next week's Debate. I have a brush with B.B. who says he hears that business people are not satisfied with what they get from my Factory and Storage Premises Control about post-war factories. I say "The Minister of Information is misinformed. They are quite satisfied, except that we cannot tell them as much as they would like to know as to when particular factories will be available."

J.A. says that he finds that much land on which Government Factories are built has been only requisitioned and not purchased, and that we shall have to look into this if ~~the~~ whole policy in this connection is not to be reduced to a farce. I quite agree. New snags are always being turned up.

Irene and Phil to dine at Josefs and I go back afterwards and have a good talk with them on many things. Phil is doing very useful work at M.W.T., but finds it difficult to get his Chief to read four page Minutes on the future. (They have seen R.)

21.7.44.

A bomb at 8.15 a.m. blows out a lot more windows in my bedroom and along the sixth floor. It fell just behind Lambeth Palace and the Ministry of Works and set light to a petrol store.

Lunch with Street, Holmes, Will Dobbie and their Russian from the Trade Delegation, whose name I forget.

DIARY.22.7.44. (Saturday and Sunday)

23.7.44.

Stayed in London as Sheila, Mrs. Shepherd's daughter, is seriously ill.

Talk to Llewelyn at Lansdowne Club. They have gone slack again lately, since the Flying Bombs. He will give up the Secretaryship as soon as he can after the German war is finished and will go back with his wife to Nairobi, where they have a house. He hopes that his son, now in Ceylon with Mountbatten's Headquarters, will also come to Kenya and take a leading part in the political life. A nice man. We speak of the time when I was at M.E.W., and he says that I was always "going a hundred miles an hour then" and he wondered how I managed to keep it up.

R. W. H. H. all alone,

1.

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24.7.44.

Looking very successful
& strained. I made a
little slip, as I had only got the
maned away.

To Vienot's funeral at the Brompton Oratory. A.E. J.A. and I are the only Cabinet Ministers present, though Morton represents the P.M. A long, disorderly and, to me, unsympathetic ritual. Often it does not seem clear whether we are expected to stand or kneel. Nor are all the hangers-on and acolytes very well briefed. A considerable congregation, including one or two very sad faces, and a French Guard of Honour outside. Looking at the French official representatives in the mass, including Massigli who had come specially from Algiers to attend the funeral, one felt how shrunken and broken is the France of old. But she must, and will, revive and live again. V. would have thought all this proceeding frightful humbug, but he would have liked us to be there. Morton said that V. deliberately worked himself to death knowing the risks he ran and refusing his Doctor's orders to take things quietly, in order to finish those negotiations which removed so many Anglo-French misunderstandings and paved the way for De Gaulle's visits to London, Normandy and Washington. Having started shakily here in London, and having learnt no English, and having had it said of him by many that he was a melancholy sick man who cut no ice, he came right up towards the end and finished his life with a real first-class diplomatic achievement which will have permanent value.

Carol Johnson to lunch. He has a long run in front of him and will, I think, do well. He struck me as being a bit shy and uncertain of himself and of the directions in which he should concentrate his efforts. He had a vague idea of forming groups of M.P's. to study particular questions and work out policies, e.g. the future of the B.B.C. I told him he must be very careful about this. Policy making was for the National Executive and great dangers of jealousy were possible here. I told him to keep in close touch with Morgan Phillips, who, like himself, had a long run in front of him. For the next twenty years it would be most important that these two should be good friends and work together. He agreed with me that much of the material in the Parliamentary Party was very poor indeed at present.

Prepare speech for to-morrow.

25.7.44.

Make a statement in the House on Plans for Disposal of Government Stores and Factories. Poor little Ellis Smith who follows me makes a deplorable speech. He has been brooding over the White Paper and should, of course, have come and talked to me about it. Instead of this he has convinced himself that it's all wrong and that none of these assets should be handled by private traders. He has not reflected that the alternative would be to set up an immense new ad hoc distributing mechanism. A mass of State shops all over the country requiring special new staffs, new administrative arrangements and the acquisition of premises everywhere. A most hair-brain conception! (See Hansard attached). Not a bad Debate on the whole, though Bowles, now known as A. Bevan's P.P.S., also makes a very foolish speech. He does not like Labour Ministers taking any part in or any responsibility for any post-war plans at all!

L.P. Policy Sub agreed that an enquiry should be held, preferably jointly with the T.U.C., on Cartels, etc. M. Hughes and Ellis Smith to be invited to join in. Neither of these two, although invited, turn up!

H.G. to see me on Films Council. He has mobilized A.O. to urge me to keep an American on the Council. He has, I fear, been intimidated by Eckman, who has been receiving cables from the U.S. expressing deep concern at his prospective expulsion from the Council, and more generally, at the prospect that no American will be on the Council this time. H.G. is, clearly, not too keen on my nominating Korda. I agree to see Eckman to-morrow and to tell him that I am proposing to invite Korda and that, therefore, I cannot also invite him, since this would give two votes to M.G.M. Therefore, I should invite Eckman to suggest which other American would be best. (We

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understand that E. hates Rose of Paramount, the most natural American alternative.) Meanwhile Major Baker of Ealing has accepted with alacrity, ringing up H.G. in case his letter of acceptance should arrive too late. This means that I am absolved from ~~ear~~ inviting M. Balcon, since this would give Ealing two votes.

Dine with Weir, with whom is Frank Platt and Templetown, who has some knowledge of conditions in the N.E. H.M. is also dining at 55, Park Lane with a number of people, including Miss Donald. I persuade H.M. to look in at Weir's flat afterwards. He is in very good form.

26.7.44.

L.P. N.E. all the morning. Some still think we should hold our Annual Conference soon. But this is clearly impossible, since hundreds of thousands of people have already left London and more hundreds of thousands are on the way, so that the provinces are being choked up with evacuees. And London is not suitable because, apart from Fly Bombs, there is thought by some to be a risk of Rocket Bombs. Shinwell sees this at once and quite agrees with me that London would not be a good place for a Conference. It is left that the office shall make enquiries as to where, possibly, a Conference should be held. It is generally agreed that, if we hold a Conference, it should be a full week and not only one or two days. It is also agreed that there shall be no N.E. in August but that we shall meet early in September just before the projected Conference of Commonwealth Labour Parties.

A Joint Meeting of two of our Sub-Committees recommends that we should turn down any proposal for a Left Unity Conference, but that the L.P., when the next election comes, should fight as an Independent Party, aiming at an Independent majority. There is nothing new in this. But, later in the afternoon, someone says that this decision should be published. I say that this seems to me not the right moment, but, the

general feeling being in favour of publication, it is agreed that this need not take place for several weeks (i.e. not till after Parliament has got up and we have entered on the Silly Season) and it is left that E.W., H.J.L., A.G. and I should settle the "terms" of the publication. It is agreed that we should emphasize we do not contemplate leaving the Government or breaking up the Coalition until after the war in Europe, at least, is won. This declaration will take a bit of drafting, but we should be able to put it over in such a way as to encourage and satisfy our own people, without arousing any acute political crisis.

In the afternoon a Joint Meeting between N.E. and A.C. on Standing Orders and Discipline. A little group of second-raters - E. Smith, Daggar, Dobbie and Barnes - sit in a bunch and object to everything. They are concerned to maintain the right to indiscipline. I leave before the meeting is over, being fed up with the indecision and perverseness of it all.

War Cab. from 6.30 till after 8.30. More than two hours meandering about Man-power. The Chiefs-of-Staff have been asked to make an estimate of their requirements for the Japanese war and for the occupation of Europe after the defeat of Germany. We have also put in demands for man and woman power for :

- (i) Direct exports.
- (ii) Housing.
- (iii) Home front production.

The net effect of all this is to show a deficit of $1\frac{3}{4}$ millions which must be met either by reducing the demands of the Chiefs-of-Staff or by starving exports and the home front. It is quite clear from the start that the P.M. is not prepared that any decision should be taken to-night. And, indeed, the whole thing is highly hypothetical. The notion that, twelve months after the defeat of Germany, we shall have more than $2\frac{1}{2}$ million making munitions, as against 1,150,000 working for direct export and about the same number on housing is fantastic. The truth is that the Americans don't want us to play too large a part in the Japanese war. But the P.M. and others, including

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A.E. and O.L. are really all playing for position in view of the need for early contacts with the Americans on high levels. Everything must really wait on this and on the progress of the war. When the time comes, I have no doubt that the Services and Supply Departments will have to take less and that the "deficit" will have to fall on them rather than on the home front and exports. Cherwell specifically proposes that we should cut Services plus Supply ~~by~~ $1\frac{1}{2}$ millions and ask them what they could do with this. But, though this is a most sensible suggestion, the P.M. does not react to it to-night. He will issue a new directive shortly. C.R.A. makes the sensible suggestion that we should use the other United Nations in Europe to provide forces for the occupation of Germany. "They have earned it", he says. The P.M., moreover, thinks that the French will wish to rebuild their Army and, without a strong French Army the peace of Europe will be unsustainable, and this Army can well garrison the Rhineland and other parts of Germany. The Americans have lately been trying to re-arrange the zones of British and American occupation of Germany. But they will want to take back, as soon as possible, all their soldiers, alive and dead, to the U.S. (A great claim on our shipping will be the coffins of all the dead American soldiers, whom the U.S. Authorities want to bury in the U.S.A.) The P.M. says that the Germans will want very little "occupying". He thinks that when they are beaten they will become totally subservient and any Second Lieutenant will be able to give them orders which they will most obediently execute. They will fight very hard till the end but, once they have given in, they will give in totally. He doesn't think there will be much guerilla warfare by the S.S. in the German mountains.

Dine with Piercy and Durbin. Talk about
Candidates etc.

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27.7.44.

Frank Platt to see me. A good deal of vague talk about his visits to the Bank to discuss the raising of money for new voluntary cotton amalgamations.

Eckman this afternoon. My interview with him goes off very well. He had come prepared to raise hell at being "thrown off" the Films Council, simply because he was an American. After a little friendly introductory talk about his valuable services, I tell him that, as regards the Films Council, I will put all my cards on the table. Strong representations had been made to me from many quarters, and the point was also raised at a recent House of Lords debate, that it is unsuitable that any American citizen should sit on the Council. I have, however, after careful consideration, rejected this view and shall again appoint an American. I have decided to invite Korda, who is one of those nominated by the Producers and, if he accepts, it will be impossible for me also to re-appoint Eckman, since this would be regarded by the public as giving M.G.M. two votes. The same argument would apply to a number of other Americans, e.g. Max Milder. I find, however, that two Americans, Rose of Paramount and Friedman of Columbia, out of the names suggested to me, would be all right and I should be glad if Eckman could advise which would be the better. He expresses great satisfaction at this statement of mine, and produces from his pocket a sheaf of cables, no doubt inspired by himself, from America, protesting at the suggestion that he is to be thrown off because he is an American. He asks whether I am sure that K. would like to serve on the Council. I say I have reason to think so. He asks whether, if Korda doesn't accept, I will then re-appoint him. I say "Yes". (As soon as he has left me I tell G.E.P. to get H.G. to ring up K. at once and make sure that Eckman doesn't pull strings to dissuade him from accepting my invitation.) E. says, that as between R. and F., undoubtedly F. would be better. R., he says, is only a "socialite", though he is a good mixer. I part with him with a mutual assurance of esteem and ask him to regard himself as entitled at any time to come and see me about film matters.

Then comes little Wing Commander James, also interested in Films, though oh how small a personality with most in this queer world. He makes dark hints that Rank will soon completely crash. "You will see" he says.

Compliment

See Sanders on his appointment of Comptroller General of Patents. A most honest and estimable character, an "old boy" (Bancrofts) of the noblest type. Not very clever, I think, but perhaps this is not necessary in this job now.

Dine with C.R.A., with Brigadier Edwards, who tells ~~the~~ tales of the mineral resources still untouched in this Island, and he has a plan for working them all under a single Public Enterprise. It sounds too good to be true and I have a faint suspicion that the man, though expert, is a bit of a crank. He seems never to have considered whether the cost of production of some of these minerals might not be rather high. Agreed that Meade and Piercy should go into his memorandum on our behalf and, if necessary, see him themselves.

Talk

28.7.44.

Swinton with N. Hall and another of his officials to see me. I have with me only C.W. We are found reading up the Nigerian Trade Returns as the visitors enter. They admit that we have treated them very well and S. says, on leaving, after quite an interesting talk, "What a pleasure it is to have to deal with Ministers who know their subject. I don't find that so everywhere." Though this is partly flattery, it is not, I think, wholly false. I am rather attracted by West Africa and its problems. Here we have great possibilities, and good sorts of niggers (it seems) and no wretched complications from Indian or White traders and settlers, as in E. Africa.

Lunch with Meynell and Miss K, in order that I

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shall be finally briefed on Design. But the Ministerial Committee on this, which should have taken place this afternoon, is postponed to next week in order that the Cab. may consider Rockets. These are now thought to be an imminent possibility and various plans for partial evacuation are being considered.

Conference with Lintott, Sich and Bourne on prosecution of defaulting Civil Defence Personnel who won't surrender coupons. It is due to Bourne's skillful handling that we have now got three convictions in Highgate, but I am anxious not to have any more slip-ups, as in Lambeth, so urge them to give full publicity, on N.F.S. notice boards, etc., to these convictions and not to start any further prosecutions without my express authority. I am apprehensive, particularly when London is under fire, that some gallant fellow may be summoned to Buckingham Palace in the morning to receive a George Cross and be haled before a Magisterial Bench the same afternoon for not giving up coupons. This would not make good publicity for the Board of Trade, but it is extraordinary how slow-witted Lintott and others are about this.

To W.L. in a most crowded train.

29.7.44.

30.7.44.

At W.L. Lots of rain and last stages of a very good raspberry crop. Mrs. S. has made quantities of jam.

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31.7.44.

Switch Over Committee this morning breaks all records for achievement and decision. First we get through the machinery for operating the Location of Industry policy. The composition of the Ministerial Committee is approved, though the question of the Chairmanship is left discreetly undecided, and at long last the official committee for which D.J. has been pining for months is also authorised. All this machine should now be able to move forward. Next we debate machinery for facilitating preparations for post-war trade, especially exports, through release of labour, materials etc. There is to be a Ministerial Committee and an Official Committee sitting in three Panels - this is not so complicated as it sounds - with Palmer presiding over two and Water over the third. There is also to be a Technical Panel of people drawn from the Supply Departments, over which, likewise, Palmer will preside. I am making a monthly report to this Committee on progress in this field. All very healthy! Next, unexhausted by these labours, my colleagues swallow whole my proposals for Design, authorising my officials to discuss costs etc. with the Treasury. This gives Meynell and Miss K. all the rope they asked for. My own amendment of the scheme, whereby I, and not as previously proposed, the Lord President of the Council, should appoint the Central Design Council, is accepted without debate. And so to lunch! Congratulating W. on the success of the Committee this morning, I tell him I will put up proposals for cotton and iron and steel by the end of this month, after we have all had some holidays.

2/

But later
J.A. how
had left
the meeting
early, had
making various
objections
in finance.
This upset
Miss K. but
I advised
her to
when
see when
she could
get to

The large Reconstruction Committee meeting this afternoon. How much less good than this morning's smaller body! They discuss Decasualisation and other topics.

Flutter over prospective cigarette shortage. Maxwell is getting very excited and, indeed, it is clear that we must have some hundreds more workers if we are to maintain civilian supplies in addition to meeting the ever

rising demand of the Troops who naturally smoke more when overseas than at home, partly because they get double the ration and partly because they also get many gift parcels. So far we have done very well over tobacco and, since my first days here, there has been no serious shortage.

1.8.44.

Talk, by request, to Welsh M.P's of all Parties on Location of Industry and Timplat. The discussion and excitement mostly turns on the latter topic. Except for Lewis Jones, who is himself in the Timplat racket, I am strongly supported by the Welsh Members in my refusal to sign the certificate desired by the timplaters for their Redundancy Scheme, at any rate until they decide, and tell me, just where the new hot strip mills and cold reduction plants are to go, and who will be responsible for putting them up. I deliberately put a cat among the Welsh pigeons by relating that a representative of the Iron and Steel Control said to me, when presenting the Redundancy Scheme, that it had not yet even been decided that the new plant should all go in Wales, and hinted that Lincolnshire might be a better location.

Noel Hall to dine with me. Very full of West Africa, where he is with Swinton, though he says there is not enough of a job there now fully to occupy a man of S's. energies. He speaks ill both of the C.O., and of the spirit of the local administration in W.A. He will, I hope, produce some furniture for me, made of West African hardwood, and ready to be assembled in this country.

2.8.44.

P.M's. War Report in the House, precluded by one

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and three quarter hour's debate by Shinwell and others . . . against adjourning for seven weeks (subject, of course, to recall by the Government if necessary). The P.M. has an easy tale to tell this time, since the enemy is now "recoiling on every front", and does it very well.

Dine with Retinger, whom I find established and well cared for in a private suite at the Dorchester. He has, I suppose, succeeded to Sikorski's heritage here. He has been for several months in and around Warsaw, and I am amazed that the Germans did not pick him up. He was dropped from an aeroplane, and this was the first parachute jump he ever made in his life. He landed quite comfortably, he says. This is very plucky, since he still hates the air in all its forms. He looked pretty ill, having both disabling neuritis in his legs and hands and a most frightful sounding cough. Stanczyk also there. Both say that, if the Russians insist on setting up their own Puppet Government of Polish nobodies, the Poles will rise and fight against the Russians. I said this would be a total tragedy and must, at all costs, be avoided. Mikolajczyk should, by now, have arrived in Moscow with Romer and Grabski, and I have great hope that he may pull off something with Stalin. Arcziszewski, a veteran Polish Socialist Leader, who has been imprisoned by the Russians, has now arrived in London, having come out of Poland via the Underground and Cairo. He is very anti-Russian. They asked me to agree to see him. They say, as they have often said before, that I am regarded by the Poles as their best friend in England, and that my name is known and loved throughout their Underground. I agree to see him and he comes next day with S. He can only speak Polish. He too says that the Poles will rise and fight if the Russians try to force upon them a Government contrary to their choice. Both tell me that the Russians have, in certain cases, shot the leaders of the Polish Underground when the latter, seeking to co-operate with them, made contact. The Polish Underground is to-day rising in Warsaw against the Germans, and we are sending aircraft to drop arms for them.

3.8.44.

H. J. ...
 Crinks to see me, to talk about Machinery of Government Proposal, originally to be taken to-morrow, but now postponed, whereby D.O.T. is, in fact, to be absorbed in the B. of T. I am in favour of this, but he is against it. I am a bit impressed by the consideration that the only outward sign of change will have to be a Bill dis-establishing, to some extent, the statutory rights of the D.O.T. and declaring that the Secretary is no longer to be a Permanent Under Secretary of State at the F.O. I agree that this might not look too well from the point of view of Government interest in post-war export. Crinks, meanwhile, is being ragged at Question time by Young Tories and others, who put down a series of P.Q.'s. to him asking what he has done in 1944 to prepare for post-war trade in this or that region, while they also address P.Q.'s. to the P.M. asking what are the functions of the D.O.T. Crinks asking a P.Q. last week was greeted with much pleasantry and many catcalls. He is, both by nature and appearance, something of a natural butt, and, being only a Liberal, has no counter-criers to come to his rescue. But he is a silly ~~off~~ not to come to the House more often and to stand a few people drinks in the Smoke Room.

Kalina to see me. Just back from Washington. As usual, he talks a good deal about his own personal position and the intrigues within the Czechoslovak emigration. Nemeč, till now called Minister of Commerce and Reconstruction, is to go at once to C.S. as soon as any bit of it is really free, and to represent the C.S. Government there. He will continue to be called Minister of Reconstruction, but this makes a vacancy in the C.S. Government in London, and K. was one of the three nominees put forward by the Socialist Party for the vacancy. But a man named Mayer of whom K. was very contemptuous, saying that he is totally undistinguished, can speak no word of English and always wears the wrong tie with the wrong suit, is to be appointed. K. had two hours with President B. this week, and the latter talked most confidently for an hour and three quarters about military operations and his own relationships with the British, Russian

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and American Governments. K., before he was due to leave, raised with the President his own position, asking whether he had not been nominated by his Party, both as one of three possible candidates for the Ministry of Commerce and also, with no other alternative names, to be a member of the Council of State. The President changed the subject very quickly, and it was clear to K. that he did not want him. Before, K. was always told that it was because his own Party did not back him that nothing could be done for him, except continual offers of Civil Service posts which he won't take. Now that his own Party is backing him, K. is convinced that the President doesn't want him because of his good contacts with the English. B. wants to keep everything in his own hands, and would dislike the idea that K. had independent lines to us - though, in fact, he seems to boast a good deal of seeing C.R.A. and me and others. Hampl, now murdered by the Germans in Prague, said to K. on one occasion "Remember that Benes is never grateful." It is very silly of the Czechs not to make more use of K., but it is very difficult for me to intervene. I tell K. that, perhaps, my previous interventions, in the form of saying loudly in the presence of B. and other Czechs, what a good chap K. is and how well we all get on with him, has done him more harm than good! This strengthens the case for non-intervention.

Will Henderson to lunch. He still wants to leave the office soon and get back to Parliament, but is rather dissatisfied that stronger efforts are not being made to get him a good constituency. We discuss how much should be said, and how, in pursuance of the last N.E. decision that, at the next election, we shall fight independently. He is shrewd and sensible on this and is inclined to argue that we should let it all slide and publish nothing. But I point out, on the other hand, that, if we publish something, three or four of us can phrase it to the best advantage, whereas, if we leave it over, an Independent next Executive may plunge into some inept and damaging form of words. He will make a draft, following our talk to-day, and will let me have it next week.

Sir C. Bartholomew to consult me on an offer to buy

matches from Russia. I'm all for this and urge him to get into direct touch with the Soviet Trade Delegation in London.

5.30 - 8.30 War Cab. I am there only because the first item out of eight on the Agenda is the report of the Cab. Committee, on which I have been a member, on Indian Finance. This is not reached. We begin with some discussion on the Oil talks in Washington, not on the Agenda, but on which a draft telegram is handed round. This is finally sent off, with minor amendments, though some Ministers think that we are capitulating to the American Oil Lobby. But, in fact, the phrasing seems pretty safe. Then an infinitely rambling discussion on what the Viceroy should write to Gandhi, to whom he owes a letter. The P.M. pours forth at great length about the Indians and speaks ill of Wavell. "He was a bad General. He let us down atrociously at Crete. I have been too kind to him." Wavell had, in fact, never been authorised to "open negotiations" with Gandhi. Amery - as many outside would be surprised to find - is always in Cabinet the warmest advocate of a "sympathetic" and "constructive" policy in India, but is overborne by the P.M. and others. He says that it has long been a habit for successive Viceroy's to have a correspondence with Gandhi. The P.M. said that any honourable man would voluntarily return to jail, from which G. had only been released while the P.M. was away in Cairo, because Wavell assured us that, if not released, he would die, that, even if released, he would almost certainly die and that, quite certainly, he would never be able to take any further part in politics. All this had turned out to be false. He was still sticking to his "Quit India" policy, and there was no doubt that he had been quite prepared to make an arrangement with the Japs whereby the Japanese claw of the pincers could have stretched unopposed across India to join up with the German claw coming down across the Caucasus. Someone asked H.M. "What would you do, if Mosley, whom you let out of jail on much the same grounds as Wavell let out Gandhi, were to start a campaign for 'Make Peace with Hitler now!'" H.M. said "I should put him inside again at once." And so they rambled on, for most of the three hours. A dozen of them in turn proposing minor changes in the draft

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of the telegram. Long debate as to whether one should say "it is a mistake to say that minority problems are due to the British" or "it is not true to say that", or "minority problems are not due to the British". Further long debate as to whether our statement, when agreed, should be sent to Wavell as a reply which he should send to Gandhi, or as a statement, to be published by W., of H.M.G.'s position, in which case either W. himself, or some Ministers thought, one of his Private Secretaries - and there was a long debate about this - should send to G., while thanking him for his letter. Long debate as to whether the draft should say that we "welcomed" the forthcoming meeting between G. and Jinnah or that we "thought it possible that it might serve a useful purpose", or merely that we "took note" of their intention to meet.

After this totally wearisome proceeding, to which I had nothing to contribute, the P.M. says that he supposes Parliament is now risen. A.E. says "I hope so", and the P.M. states that all Ministers should now take a fortnight's holiday, though leaving a few of their number always available for current business, and thinks with two or three more Cabinets we can clear off all the remaining urgent business.

This altered my timing a little as I had been hoping to get away to-morrow after lunch, but later this afternoon it seems possible we may finish to-morrow morning. Many Ministers are ~~glad~~ ^{glad} to be away and most are pretty tired.

Hear on the 9 o'clock news to-night that the Americans have taken Rennes. It really looks as though there is at last the genuine "break through" in the West.

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4.8.44.

War Cab. at 12.30 with further endless talk about India. "The rottenest show I've ever seen", says the P.M. to L.A., "This huge Indian army you talk about is just a gigantic scheme of outdoor relief, as Wingate said to me". In the Cab. L.A. always stands up for India and the Indians and, as the P.M. said this afternoon, "You who have become, like Wavell and Linlithgow and all the rest of you, more Indian than the Indians are attacked in the House of Commons as being a narrow-minded old-fashioned reactionary! It serves you right". L.A. and the P.M. shouted at one another quite a lot. L.A. said "India has saved the Middle East". "Rubbish", replied the P.M. All Ministers are a bit tired, and the P.M. says he wants everyone to take a fortnight's holiday, fitting it in so that there are always a few left here.

I go off to-night to W.L. for six days. Before we separate, we approve generally the P.M.'s latest Man-Power Directive, which cuts down by more than a million the personnel allowed for the Services and Supply Departments and establishes first civilian priority for :-

- (a) increase of exports, and
- (b) housing programme,

while putting (c) increase of civilian supplies, "where the shoe pinches", in a high priority, but definitely after (a) and (b).

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10.8.44.

Return from W.L. this evening after a lovely run of hot sunny days. Much work in the garden and a visit from Mr. F. Pizzey, a most excellent and cheerful person. My electric pump is put into good order now. Fay to stay from Tuesday evening to Thursday evening, when we return together. We go for a good walk, taking our lunch, on Wednesday as far as Ashdown, now occupied by U.S. Troops. A very thirsty day! On Thursday he does some very useful hedge clipping and other jobs in the garden.

11.8.44.

Having read some arrears of telegrams etc. and dictated a few letters, - including J.S.M. and Ellen Wilkinson, commenting on J.S.M.'s wretched little starveling draft on N.E. decision on General Election - I lunch with Cecil Weir and members of the Footwear Board to say good-bye to Durston, who is giving up his job as Controller of Civilian Footwear as from the end of this month and returning to business. He is supposed to be ill, but doesn't look it.

Then by afternoon train to Cambridge to spend the week-end with the Hardmans.

12.8.44.

13.8.44.

At Cambridge. Very warm and lazy. D. and F.H. are admirable hosts. Dine one night in Corpus Lodge and find Spens very full of himself and of the possibilities of a Regional Commissioner in peace-time who would have direct access to Ministers, or their Permanent Secretaries. I don't think this would be very popular! Meet the next evening Geoffrey Hickson of the Extra-Mural Board and his Assistant, Wilson. There has been great expansion in

their war-time work in connection with British, Dominion and American troops. Cambridge is very crowded both with troops, chiefly American, and evacuees.

Lionel Elvin, whom I saw for a moment in the street, has been appointed the new Principal of Ruskin. He may make a success of this, and it will be good for him to leave Cambridge.

D.H. is going to Darlington for a Selection Conference at the beginning of next month. If he doesn't get it, he is one of two possibles at Dudley, where he has had quite a good reception. I hope very much he gets Darlington.

14.8.44.

Back to London this evening. Train grotesquely crowded, with eight people standing in the carriage - four American soldiers, two British Airmen and two W.A.A.F's. - in addition to eight sitting down, and the corridor quite full. And it is hot!

15.8.44.

To-day at dawn we landed in the South of France, very much where I had for some time been thinking we should land. Lots of little beaches that I know - St. Raphael, St. Tropez, Pardigon, Aiguebelle, Cavalaire, Cap Negre etc. There seems, at the start, very little resistance. The withering up of the German forces is going pretty fast, but I am still prepared for a most furious resistance on their own door-step.

O memory!

Bob Fraser to dine. Betty and Rosalind are still

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- very rightly - keeping out of London. They have just had a fortnight in Cornwall. He says that, apart from its coast, it is the ugliest county in England, and the coast is being more and more spoiled by bad building. Some day we shall have to pull down a lot of these bungalows.

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16.8.44.

Silly little Wing-Commander James comes fussing in about Ealing and Stephen Courtauld's offer to buy some of Mrs. Maxwell's shares, also with more grizzles about Rank. In fact, as H.G. confirms after this interview, we are anxious, and satisfied, that a lump of Mrs. Maxwell's shares shall be sold to some suitable British purchaser. But Baloon and Baker are so hysterical and garrulous, and Courtauld is so dumb, that Ealing is felt by A.B.P.C. to be likely to prove a most troublesome partner. They would want two seats out of six on the Board, and there would be a lot of fuss and trouble about delimiting their production from that of A.B.P.C. The Bank of England think they have found a suitable purchaser. H.G. hopes soon to be told his name.

Commercial Policy. Meeting in J.A.'s. room to think whether we cannot reach some accommodation, apart from the question of Imperial Preference (the P.M. has appointed a committee consisting of J.A., G.R.A., Granborne, Sinclair and Butler, to go into this. This is one of the committees which "takes account of the balance of Parties" and I, Hudson, Llewelin, and T.J., are to attend and join in the talk, though not nuclei members). We have had wads of papers on this already, though Sinclair, coming new to it, is quite confused as between bulk purchase and buffer stocks, and Butler isn't sure whether we should be allowed to have any protection for, e.g. motor cars, unless they could be represented to be an "infant industry"! J.A. proposes, and we agree, that four officials - from the Treasury, B. of T., D.O., and the Economic Secretariat - should look at one or two questions and give short answers and interpretations of the earlier scheme. In particular, could we have a pool fed, and drawn upon, by levies and subsidies on a number of separate agricultural products? I gather that Meade has been working out something on this, and that Bridges has been active in trying to set going this new piece of inter-Departmental machinery.

Go over with a number of officials my 20 points on Export and Efficiency, and consider what next steps are necessary. I am making a practice of being here in the middles of weeks so as to keep things moving. Next week I must finish and dispatch :-

- (i) A Paper on Cotton,
- (ii) A Paper on Iron and Steel,
- (iii) A Paper on Restrictive Practices, and
- (iv) A letter to Duncan on Tinplate.

Ellen Wilkinson to dine with me, and I afterwards go back and gossip in her flat. She is quite fit again after her various accidents and illnesses. We agree that it would be a mistake, in spite of last month's Executive decision, to make any public statement at present about the next Election; or to contemplate a Party Conference in the next few months. We will try and put this over at a small Sub-Committee next week, and then at the N.E. early next month.

17.8.44.

Clear things up and go in the evening to W.L.
with E.D.

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18.8.44.

Walk with E.D., calling at Upham now a Convalescent Home for wounded soldiers. We talk to them. They seem to like the place and the arrangements. A Corporal in charge is from Tow Law, and one of the Privates, quite a lad, is from Horden. He says he doesn't want to stay in the Army and he won't go back to the pits.

E.D. makes the bright remark to-day to me that this war is being better run than the last because this time nearly all our Ministers have been soldiers and therefore understand soldiers and their point of view and military problems generally much better than such sheer civilians as Lloyd George, Bonar Law, Milner, Arthur Henderson and Carson last time. Only Smuts of the War Cabinet, in the first world war, had been a soldier. L.G.'s "War Memoirs", which I had been reading and which started this conversation, show an unbelievable gulf between soldiers and civilians and modes of communication and address, e.g. between L.G. and Robertson and Haig, which would be quite inconceivable now. From one aspect this is a tremendous tribute to our present P.M.

19.8.44.

E.D. goes to Oxford and it then rains steadily until I return to London.

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22.8.44.

Back from W.L. in the morning.

Meeting of Committee of I.P. National Executive to consider (i) Conference arrangements and (ii) the publication of the statement agreed on at the last N.E. Meeting about the next General Election. Everyone is very sensible including, surprisingly, H.J.L., who takes the initiative of saying that the Conference must be in London in order to allow Ministers and other M.P's. to come and that, therefore, it cannot take place until security permits. All present are against immediate publication of any statement about the next election. It will need careful timing all are agreed, in order to get any prominence in the rush of the war news and also in order that we shall not seem to be playing politics. C.R.A. says that he objects to saying publicly that we shall fight the next election as an Independent Party as much as he would object to saying that he has not become a Conservative. These things should be taken for granted. We then have a frank discussion as to how this Coalition Government should come to an end. C.R.A. thinks that after the German surrender we shall all be too busy for a little while to think about this, but that a moment will come when the P.M. will say to him that he hopes, having gone through the war in Europe together, we can go on together through a General Election on an agreed programme. C.R.A. would then reply that he is afraid that this is impossible and that, when the General Election comes, - and we should do nothing to hasten it - we must offer the country the choice between two alternative programmes. But, C.R.A. insists and all agree with him, we should aim at closing our association with the Conservatives, and particularly with the P.M., without any bitterness or ill-feeling and with expressions of mutual respect. There might well be an exchange of letters between the P.M. and C.R.A., which might be published, in the course of which C.R.A. would pay a very warm tribute to the P.M. as a war leader and, in that case, he is sure that the P.M. will respond generously towards the Labour Party. I say that I am sure this course is both morally right and politically wise, and this is the general view.

Robin Brook to dine with me. He has been offered a post by "our cousins" in Paris and they expect an early answer. I say I find it very difficult to advise him. I think he is rather inclined to take it. It would be very interesting and he would do it very well.

23.8.44.

At Lord President's Committee I ask for more labour for tobacco. There are difficulties about this but my colleagues authorise me to cut the N.A.A.F.I. supplies for the troops at home by 10%, as compared with the supplies they were getting in January and February of this year, when the forces at home were much larger before the invasion. E.B. says that he will join with me in appealing to the workers to work a bit of overtime for a little while.

Warter and I lunch with Colonel Weil and Alfred Denville, M.P., at the Mirabelle. We strive to get Weil to move to the N.E. coast. He manufactures dinghies and other rubber goods. Not a very pleasant character.

Retinger to see me this afternoon to urge me to send for the Polish Socialist Leaders and give them a good talking to. He says that some of them are being very difficult about the negotiations with Russia. They won't authorise Mikolajczyk to send his offer to Stalin until this has been submitted to and approved by the Underground in Poland. Also, he says, they are resisting the idea that the new Polish Government should move from London to Warsaw. We try to collect them on the 'phone; but this proves impossible and it is agreed that I shall see them next week. By the time they come things have moved on and the Underground have approved M's. proposals. Nor is the objection to going to Warsaw being pressed.

Official dinner, A.E. in the chair, in honour of

D I A R Y.

Massigli, who is here to sign Anglo-French Agreements. The news in the Press is that Paris is liberated to-day but both A.E. and M. are cautious in their speeches, since the truth is that the Germans are still resisting and that the news of the liberation was premature. But this corrects itself the next day. Someone said to me what a pity it was that A.E., when he spoke, sounded so much like a "doleful" curate.

24.8.44. (Thursday)

By morning train to Windermere to stay with Vogel for five nights till the morning of the 29th.

This is a very pleasant break, in which I combine a little official business with a good deal of agreeable relaxation. V. and his wife and sister are very good hosts. I sleep, not in his house but just down the road where everything is very clean and comfortable and I lie in in the mornings.

He invites various neighbours in to dine in the evenings and we spend the days variously.

On the Friday, at my suggestion, he has B. L. Thompson to lunch and afterwards we inspect a number of National Trust properties in the Lakes. They are doing very well and T. is their local representative. A young, intelligent and healthy looking person - I don't know why he isn't in the Army - who was at John's, Cambridge, from which, being an archaeologist, he went into the London Office of the National Trust and was there for eight or nine years, having only just taken up this job in the Lake District. He is a Cumbrian by birth, and his wife was a Miss Rigg, whose family was also well-known locally and own a number of hotels and bus services in the district. They have a pleasant house at Troutbeck, next door to "The Mortal Man" Inn. He is very keen on extending their properties but very sensible about relations with the Forestry Commissioners, the Manchester Corporation (who own Thirlmere and have done some extremely good planting

along it) and other neighbours. His office is in a most attractive old barn attached to his house.

On the Saturday we drive to Workington for a lunch organised by John Adams, most delighted to be my Deputy Regional Controller, and this delight is widely shared locally. Those present include all the stalwarts of the West Cumberland Development Council, and a very good lot they are, and also J.W. who is staying at St. Bees with Miki and Tommy Szekeres, the two Hungarians who have started The Silk Factory near Whitehaven. Various speeches are made and healths drunk. Colonel Hibbert of Millom is in the Chair, very rough and ready but full of hearty goodwill. He delighted the audience by saying, when proposing my health and calling on me to speak, that they expect the Government to give them a lead and tell them what it was going to do. "As we say in Cumberland, 'either piss or get off the pot'". When replying I said I proposed to choose the former alternative and told him, not indeed anything new, but the substance of my intentions under the Employment White Paper over again. And with this they all seemed very pleased.

J.W. has been discussing with Archie Rowe and Adams the question of his shift from Kennington to Workington for the next election. They are both very keen on it. Kennington is getting more and more depopulated by the Fly Bombs, quite apart from the longer term prospect of a reduction in the number of seats in Lambeth when the general redistribution takes place. Old Cape is 74 and, in Adams' words "a laughing stock in the constituency", but he hasn't yet said that he will resign. They intend to press him to do so before long. It isn't thought that there is any other serious claimant for the seat. J.W. meanwhile is regarded, quite properly, as my liaison officer with West Cumberland.

After lunch a party of us motor to Buttermere and there J.W. and Elsa and Tommy and Miki and I do a quick climb from one of the hotels beside the Lake to the top of Upper Schoklerigg which is just at 1,700 feet, i.e. a rise of 1,400 feet from the Lake level. We go up in three

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quarters of an hour and come down in less than twenty minutes. This is the best piece of concentrated exercise I have had for some time. It is satisfactory to find that, though I've lived such a physically lazy life in these days, I can still do this kind of thing pretty well. V. told J.W. privately that he was most grateful to him for arranging this, since I had been demanding climbs in the Lakes and V. had felt himself unable to oblige. If we had a little more time we could easily have gone on, in another quarter of an hour, to the top of Robinson which is over 2,100. The opening out of the view as we went up was very good. The Lakeland hills are in perfect proportion. They are great mountain ranges reduced to scale. After some drinks the party broke up and we went home.

On the Sunday V. and I went out to see Thompson who was taking out a party of Boy Scouts camping over the week-end at Tilburthwaite. It was pouring hard and their tents in a field looked rather damp but were, apparently, keeping the rain out very well. It was not, however, a good time to stay and, leaving some food we had brought, - though they seemed to have immense quantities themselves - we went back to Windermere, having had a look on the way at Tarn Hause, a rather lovely spot, likewise the property of the National Trust.

On Monday V. and I lunched with Adams and Woodward at Moresby Hall, the guest house of High Duty Alloys at Distington. (I slept here on my first official visit, which I did from the fact that Port Moresby, called after the Admiral, who also gave his name to this house, was then being threatened by the Japs and if it had fallen, Northern Queensland would almost certainly have been invaded. The war has moved great and grateful distances since then.) In the afternoon we visit the two R.O.F's. Sellafeld and Drigg. I thought that the latter was close to the outlet of Wastwater, but this is quite wrong, it is right down on the coast. These two R.O.F's. are close together and I think it would be quite satisfactory if one of them, preferably Sellafeld was taken over for peace-time production, at about the same employment as now, and the other closed down.

There are great quantities of water here and no difficulty about disposing of the effluent. Both are explosives factories. We then went on to tea with Hibbert at his country house a few miles from Millom, after having a look at his works which, to my inexperienced eye, looked pretty efficient and up-to-date. He lives in a large Victorian house and has a farm adjoining. On our way back V. and I had a minor motor accident, being run into at Windermere by a light car being most rashly trailed behind a lorry to which it was attached on the offside, so that coming round a curve at a good pace the light car swung out and ran into us though V. was keeping well on his own side of the road. A small boy in the light car was cut on the lip and below the knee and bled a good deal, but was not, I think, seriously hurt. A large crowd gathered, and a Police Inspector laboriously took all particulars. V. was rather upset, on my account, but I told him not to fuss. We were only slightly bumped, our car being a good deal heavier.

29.8.44.

Back this evening from Windermere.

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30.8.44.

Nearly the whole morning at Reconstruction Committee, Town and Country Planning Bill. W.S.M. has been having talks with the Local Authorities and produces various suggestions which will mean definite improvements in his Bill, chiefly on procedure for land acquisition. He has a wrangle with J.A. over money for open spaces and it is finally left that the Bill should be amended so as to compel Local Authorities to provide the minimum of open spaces and that Treasury assistance may be granted for this purpose in necessitous cases, though not generally. We don't reach the 1939 standard, on which, I suspect, from what he says, that he wants to make some concessions to the landlords. There will be a row if he does. He is guessing that he may get the Committee stage of his Bill, if he disarms most of the opposition, in four days. This seems wild optimism.

Stanczyk, Grosfeld and Ciolkosz to see me at my request. Things have moved since Retinger tried to arrange this meeting last week. I am afraid that the form of the latest London-Polish proposal to Moscow may make it unacceptable. I speak to them rather frankly and tell them that unless they make friends with the Russians, who are great favourites in this country, there will be nobody left to back the Poles over here except "a few Roman Catholic priests". I also tell them that they should not attach too much importance to their own personalities. They may say that they "represent" this that or the other pre-war Polish political party, but we cannot take for granted that the Poles in Poland, when liberated, will take quite the same view. On the other hand, it is very hard not to share their bitter views about the Russian failure to co-operate effectively with the brave and, as it now seems, increasingly hopeless rising in Warsaw. This is a frightful affair, on which, without very much fuller knowledge, it is impossible to apportion all the blame. But, though I do not say so to the Poles I am sure that the Russians have behaved very badly over this.

A fidget over tobacco. M.-Williams and Sir A.

Maxwell between them always muddle up all the figures, and both are fussy, nervy old women where smokes are concerned. Who said that tobacco was a sedative? (All this boils up in the next two days as a result of the 10% cut on N.A.A.F.I's. home supplies. Furious strings are pulled with the Service Departments. Archie Sinclair rings me up in great concern and asks whether the cut can't be suspended. I refuse, but urge him to line up with the Board of Trade against the W.O. rather than with the W.O. against the B. of T., since the bulk of the cut should fall on the Army, whose numbers in this country have been greatly diminished since D. Day, and not on the Air Force whose bombers are still operating from this side. Royle then makes most mischievous statement to the Press, to which I issue, on the evening of September 1st, a rather good short reply, which, however, takes some time to concoct, but comes through all right in the Press next day, not much notice, in the midst of the rush of the war news, being taken of the matter at all.

Dine with Sir A. M. Livingstone. Most of those present being British and American Generals. We take a sweepstake on when the war in Europe will end. All except myself put the date in October or November. I put it at Christmas Eve. A wave of optimism is sweeping everyone off their feet. C.W., whom I see next morning, without telling him these dates, puts it at February 20th, 1945. We must remember that next month the rain comes down in Western Europe and we must get well past Paschendale by then.

31.8.44.

See C.W. and run over Films, Black-out Material, Disposals, Second-Hand Furniture Price Order and Fixing of Prices for Funerals. We have a very varied life at the B. of T.!

Go this afternoon to the Armistice and Post-war

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Committee where there is some discussion on Reparations, Post-war Security etc. I have not been much in on this side of the show - quite deliberately, since I want to keep my mind fresh and not too much officially informed in order the more freely to work out L.P. policy - but I am very much impressed by the amount of detail work which is being put in by a large number of people. An amazing and magnificent contrast to the slithering unpreparedness at the end of the last war. We have before us to-day a paper by the E.I.P.S., on the whole pretty good. The practical proposal is that we should talk to the Americans and the Russians about these things now, and indeed it is not too early. Though we have done a lot of preparatory work ourselves our preparatory discussions with the other Big Two have been very slow. O.L. thinks that we should have a peace of "Draconian" severity over a not limited field, but that we should not try over a wider field to ruin, or even closely to control, Germany. The difficulty is that we shall need, in the future, to prevent, not this war but the next, and the weapons for this, with the development of rockets etc. may not yet be clearly predictable. The paper should, therefore, be looked at again in the light of this. This principle is all very well, but its application is a bit difficult. I urge that, in any case, it will be desirable to stop the Germans making synthetic oil. I also urge that it is not a primary British interest to promote the economic recovery of Germany, much less of German foreign trade before that of other countries, not only because many of the latter have been our Allies while the Germans have been our enemies, but also because the German economy is most inconveniently like our own, much more so than that of any other country in the world, so that every increase in normal German exports means an increase of competition with us in textiles, coal, chemicals and iron and steel and engineering products. I note that the Americans have been taking an interest in "restarting German foreign trade" after the war and I suggest that we should ask them whether they are equally interested in restarting Jap foreign trade. I think the answer would be "No". But the Germans are to us even a greater inconvenience, economic, political and military, than the

4.
Japs are to them.

Talk with O.L. a deux on regional organisation. His wretched official, Kipping has been trying to hot him up, but with no great success, to obstruct our regional arrangements and the setting up of Regional Distribution of Industry Committees. O.L. and I finally reach, no officials being present, a concordat, a copy of which I send him. This will provide for D.I. Committees being set up everywhere under the Chairmanship of the Board of Trade Regional Controller - a point on which he was inclined to be a little sticky and on which his Kipping would have liked him to be even stickier - but these committees to be committees of the Regional Board, though their minutes should go direct not only to the Regional Board but to him and to me, and the Chairmen and the Regional Board should within the field of their D.I. duties, be jointly responsible to me and to him. This last point is intended to be, and I think is, a considerable concession to me and O.L. throughout insists that he is "only a butterfly" and wants to hand over his regional organisation intact to the B. of T. when the M. of P. fades out. A very good colleague to deal with. No false pride and not much influenced by his officials.

Bob Fraser to dine and we discuss many post-war problems. He gives me a rather grim picture of life in North Bucks. He is clearly more drawn to editing and writing than to Parliament.

1.9.44.

Lady Reading calls with bright ideas for the W.V.S. to take over from Government Departments surplus odds and ends, out of which bedding, curtains and pots and pans might be fashioned - an extension of Make Do and Mend - for distribution without payment to victims of Fly Bombs. I encourage this idea and arrange for her to be in touch, so far as we are involved, with H.G.

Lunch at the Ivy with Marchbank, to meet an

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engineer called Blair, whom I put in touch with some of our officials for post-war work.

One and a half hours with E.B., very friendly, very fertile of ideas and a very practical tactician. We discuss, primarily iron and steel and cotton. I have sent him copies of my drafts on these. He is in favour of an enquiry into iron and steel but advises me to have a word with J.A., before the paper is taken, on personalities. He thinks we should have not less than three nor more than five members and that none should be connected with the industry. He would like a good young-minded employer, a good accountant and, if we could find one, a good banker. For this last perhaps Beckett of the Westminster. Bankers, he says, are much concerned with our export trade and should have a right bias. And this particular banker is intelligent and might involve Eden (through his wife) and hence the Tory Party. Of industrialists, he mentions Heyworth and Lawrence Cadbury. He doesn't like the latter personally but he is a good man on efficiency and is on the Bank of England Board. We ought also, I suggest, to have a Trade Unionist outside iron and steel. E.B. then speaks very disparagingly of Citrine and the G.C. Citrine, he says, is always trying to be a super Foreign Secretary and is always flying about, to Washington, Moscow etc. But he doesn't run his office nearly as well as old Charlie Bowerman and doesn't really get as much out of the Government. The G.C., E.B. thinks, are a hopeless lot. They don't keep their end up against the employers in joint consultations, so that he himself often has to play the part, in such talks, of a Trade Union leader rather than a Minister. The Trade Unionists come late to such meetings, come in insufficient numbers (a number of those invited simply not turning up with no explanation or excuse), come without having read the papers or studied the question, and leave early. Meanwhile, the employers all arrive in full force, and up to time, knowing quite a lot about the business, prepared to talk at great length and to sit it out. On the whole, E.B. thinks, George Chester is about the best of the G.C. I mentioned Charlie Dukes but he dismissed him saying that he is bone lazy now and spends all his time breeding dogs and trying to be a gentleman. E.B.'s only further suggestions on iron

and steel are that I should emphasize the export side of the case and that I should put in my paper the proposed terms of reference for the Committee of Enquiry.

On cotton he produced a version, obviously dictated immediately after I had seen him last March, of what he said to me then, and also a note by Leggett to the effect that the cotton employers are quite hopeless and that there is nothing for it but to apply force to them and therefore we should have another enquiry, by an Independent Commission, into the industry!! In the course of a rather rambling talk, E.B. suggests that we should "have a show-down with the Tories" on the Reconstruction Committee and that I should put a proposal for a Spinning Board, with an Independent Chairman appointed by me and one or two other Independent Members, the rest being drawn from the employers and Trade Unionists in the spinning section. This Board should be the sole buyer of raw cotton from the Control and the sole seller of yarn to the weavers. It should have a fund of its own to help re-equipment etc., and should have power to compel amalgamations. I am rather taken with this idea. He thinks that I might seek "agreement in principle" to this arrangement and discuss the details with the two sides when I go to Lancashire.

He then describes his triumph in the War Cab. over the Beaver, and his refusal to accept the latter's account of his conversation with Berle "in a Washington Hotel" as sufficient basis for deciding our policy on Civil Aviation. He finally succeeds in insisting that the P.M. should communicate direct with the President on this. He further says that "the old boy", i.e. the P.M., wants very much to be "cock of the walk" after the German war is over and that the Tories are preparing for an early election. E.B. himself thinks that the war in Germany will be over "in a few weeks" and that the Tories will aim at an election next February. This, in my view, would not be too bad and is not what I should mean by "an early election". E.B. is tending to think more and more in Party political terms and, I have a faint suspicion is not excluding the possibility that he might himself one day be P.M. There

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are plenty of the usual sneers at H.M. And no mention at all of C.R.A.

2.9.44. (Saturday)

Settle down to finish off papers for the Reconstruction Committee on :-

- (i) Restrictive Practices,
- (ii) Iron and Steel, and
- (iii) Cotton.

On (i) I warmly support W's. proposal for an announcement that H.M.G. will, by statute, set up a Tribunal, to investigate alleged harmful Restrictive Practices, but hotly attack his further suggestion that we should also set up a Departmental Committee to enquire what practices are restrictive etc. On (ii) I merely recommend an enquiry. On (iii), under the influence of E.B's. talk yesterday, I discuss over lunch with Palmer and Watkinson, a positive proposal for setting up a Spinning Board with considerable powers. These two go off to make a draft and I finish the paper later to-day. This rate of output, three papers a day, is formidable, but can hardly be maintained indefinitely. Meanwhile, the war in the West goes forward like the rushing of a mighty wind through a wide open door.

The Flying Bomb sites are being rapidly overrun. No rocket has yet fallen and, unless they hurry up, Hitler will miss the bus on this as well. And it looks as though France certainly, and Belgium probably, will be clear of organised German forces in a few days, if not in a few hours. And on the Adriatic the Eighth Army is pushing vigorously forward round the mountain chain of the Apennines into the valley of the Po. All this is very breath-taking and to-morrow it is the fifth anniversary of our entry into the war which begun, for the Poles, five years ago yesterday. This recalls very vivid memories to me which are recorded in my Diary of those days.

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3.9.44. (Sunday)

To dine and spend the night with Beaverbrook. He had rung up, and then written and said he wished to discuss something with me specially. But, in fact, he discussed nothing of importance. Also there Margesson, Mrs. Randolph Churchill and Henry Luce of "Time and Life", husband of Clare Luce. I didn't like him and I should think he is both insincere and stupid. But visits here are thought to do good to some of these Anglophobes. A good deal of general talk on present events, but surprisingly little of interest.

We hear that Hitler had the German Generals hung so slowly that it took eight minutes for them to die, that this scene was filmed and that the film was distributed to all German military units. These are such curious people that I cannot predict the effect of this. Meanwhile, Franco is very apprehensive of the activities of Spanish Reds who are now crossing his frontier from France, and is trying to get us to take steps to restrain them! Some talk of Poland and Russia. The Beaver is very pro-Russian and anti-London-Poles. It seems clear that the Russians did hope five weeks ago to be able to take Warsaw and that, though it was not co-ordinated, the rising inside Warsaw might reasonably have been expected to succeed. But it has failed, tragically and horribly, because the Russians suffered a genuine and unexpected reverse from three newly arrived German Armoured Divisions.

The Beaver vehemently maintains that we should have started a Second Front in 1942, and thinks that this issue might, at this time, have brought the Government down. A long tale of his tremendous meeting of 30,000 cheering people at Birmingham on this subject. He would have risked being pushed out of Europe again because, at that moment, the Russians were stretched to the utmost and in great danger. The Russians were so incensed with us and the Americans making difficulties about their annexation of the Baltic States that Molotov had to be invited to come at once to Washington and London and, when he asked

the Americans what would be discussed, they replied "the Second Front". We only agreed to the issue of a rather deceiving communique, in which we said that we accepted the necessity "in principle" for a Second Front before the end of that year.

In order to fox the Germans in the last few months, particularly since the Fly Bombs began, we used every means to persuade them that we intended to make a second landing straight across the Channel to the Pas de Calais coast. We maintained a bogus Kent headquarters and let them know the names of the Commanders and the Troops who were going to invade. There was elaborate signalling and the deliberate loss of documents and the spreading, by means familiar to me, of "whispers". The Germans took all this very seriously and pinned down some ten or twelve Divisions on this coast-line.

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4.9.44.

E.B. and I meet tobacco manufacturers and workers to appeal to them to increase output in the next few weeks, for the troops in France and to avoid a shortage at home. The workers respond very well, the employers very badly. The latter struck me as a most miserable lot, well in the Dulverton pattern. The Unions having agreed, one of the employers tried to state a sort of pseudo-Union case, saying how hard they had worked for how long, and how extra hours wouldn't give extra output. There seemed to be very little sensing of the war on the employers side.

Lunch with Drogheda and some Americans.

E.B. this afternoon tells me that some mischief-makers have been trying to put into the P.M.'s. head the idea that the Board of Trade is wholly staffed by long-haired Professors, who take a sadistic delight in controlling everybody so that, as I think it was the egregious B.B. put it to him, "You can't (and here followed a very crude expression) even get a permit signed by one of them." E.B. is always very suspicious of the gang who hang around the P.M., though I am not sure that their influence is always as great as might be supposed.

However, this evening at the War Cab., after the Chiefs-of-Staff now put the finish of the European war not later than the end of December, so that all man-power estimates have now to be revised, and after it has been decided to abolish the black-out as from September 17th, the end of double summer time, I urge that I should have authority to stop the manufacture of black-out material forthwith, and this is agreed. I send messages to this effect early next morning. The P.M. then asks me whether I am planning, in view of the complete change which has come over the face of the war, an early increase in supplies for the civilians. I say that all plans and programmes are ready and that the only need is a decision to divert materials and labour. Someone suggests there

should be a Ministerial Committee on all this but O.L., to my satisfaction, says that he thinks it can best be arranged by consultation between the Ministers concerned. I back this up and suggest that it will chiefly be consultations between myself and O.L. and E.B. This is accepted. The P.M. shows no sign of having been unduly got at during the week-end.

5.9.44.

Discuss with E.B. methods of speeding up civilian production, and later in the morning with J.A. possible names for my iron and steel enquiry. He seems well disposed towards this proposal.

Then a long jaw at Machinery of Government Committee on proposal to abolish the office of Secretary of the D.O.T., and to have instead merely a D.O.T. as part of the B. of T., and simply a second Parliamentary Secretary to the B. of T. who would also, as now, be a Parliamentary Under-Secretary at the F.O. but would be directly responsible to the President for external trade questions. The bridge between the F.O. and the Board of Trade would, under these proposals, be lowered, from the junior Ministerial to the high official level. The Comptroller General of the D.O.T. would, it is proposed, report to the Permanent Secretary of the Board of Trade and also be himself a Deputy Under-Secretary at the F.O. On the whole I support this plan, but the general feeling is against making any change, since it would be thought not to be in line with the necessity to push exports. So things end up much as they were before we began.

Talk to Woolton after this meeting and he invites me to prepare the Heads of a Bill and circulate them for next Monday's meeting on Restrictive Practices. This I agree to do.

At the War Cab. to-night it is decided, as agreed between me and E.B. this morning, that in the man-power figures we should keep numbers in Group III fluid, i.e. not

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fix either the munition makers or the civilian producers, but try, as we go forward, to switch as much as we can from the former to the latter.

6.9.44.

I seem to be seeing E.B. most days now. To-day it is about the Poles. H.M. is also present. The danger seems to be that the Polish Socialists will resign from the Government because not enough help has been sent to Warsaw, in order to show that they have no more confidence in Mikolajczyk and will put in his place Sosnkowski. E.B. wonders whether we Labour Ministers might not send a letter to the Polish Socialists telling them how suicidal this would be. H.M. wisely suggests that we should put nothing on paper and it is agreed that I, who Stanczyk has told E.B. am regarded as the Poles best friend, should see Kwapinski and Arcziszewski and dissuade them from such folly. E.B's view is that the Russians fully intended to take Warsaw five weeks ago but that the Germans, making a desperate effort to prevent them, and bringing up three fresh Panzer Divisions, inflicted on them a severe and unexpected check. Meanwhile, the Poles inside Warsaw had risen and, on the probabilities, it seemed at the time that they were justified in doing so, since the Russian forces were so near and advancing so fast. But the thing went wrong, as it easily might have done in Paris, though the Maquis there were got out of their difficulties by rapid advance of the Americans and, though neither Poles nor Russians were morally to blame for the failure of this joint manoeuvre, as usual a most frightful public controversy has sprung up. The Poles have been accusing the Russians of having deliberately let them down and this has made Stalin very bearish, so that he, very wrongfully, made difficulties about British and American planes landing on Soviet airfields after dropping supplies on Warsaw, though pointing out, quite sensibly, that there was no assurance that supplies so dropped would not fall into German hands instead of Polish. But we all agree that to

put S. in place of M. would be a catastrophe for the Poles in London and for the Polish cause generally.

For my talk with the Poles later this evening, see separate note, copies of which I sent to E.B. and H.M. It seems that our action at any rate delayed their resignation.

Lunch with the Brazilian Ambassador, who is very full of the desire of his country to trade with us after the war and not too much with the Americans.

See C.R.A. this afternoon, just back from Italy. He was very pleased with what he saw at the front. He dined with the P.M. in Naples and they had a frank and friendly discussion about the future. The P.M. quite understands that, when the next election comes, the Labour Party will fight independently. He also thought, C.R.A. says, that although this is a very old Parliament and badly needs renewal, we ought not to have an election for about six months after the end of the European war, as there would be so much to be done in those first months. C.R.A. thinks that it should be possible to make the break without any personal crisis or bitterness, but that it would do no good if it could be said that we "ran out" before we had really finished our job.

See H.M. for half an hour to check up on the election arrangements. He says that with this new register, it would take at least two months from the time when it was decided to dissolve Parliament, and when the register would be frozen, after which it would have to be printed and distributed, until the polling day. Many people would be voting away from their homes, both as evacuees and as "directed" workers. This would be in addition to the Service vote which, if the men were in this country, could be either by proxy or through absent voters' list, but, if outside this country must be by proxy, following on the filling up of the necessary form. And this is still being done very slowly in many units.

See Cripps who says that he will have to discharge

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500,000 workers by the end of the year and that the Ministry of Labour is being very unhelpful. He and E.B. don't get on well. I find next day that the latter regards Cripps' estimate as quite fantastic and puts it nearer 100,000 a month beginning in November.

7.9.44.

These are very heavy days! Two hours this morning with a large deputation from the R.D.A., Drapers Chamber of Trade etc., they are all up in arms against the recommendations made to me to reduce their margins, especially on some non-utility goods. I suspect that the fuss is all being made by the big shops. I think that most of them have been doing very well during the war, their expenses having fallen much faster than their sales. We have given them too long a run on the previous margins. But it isn't very easy, at this particular moment, to tighten up on them and we separate inconclusively, I having suggested to them certain minor concessions and they having gone away to have a look at them.

Take the chair at a Government Luncheon to the U.S. Cotton Textile Mission. Sit between Phil Reed, charming as ever, and Bancroft, the leader of the Mission, a tall, good looking, rather dumb person from Maryland. It is in the press to-day that the black-out is coming off on September 17th, and I make some reference, in my speech, to London's wounds and to her crown of light. They have been in Lancashire and are now to go round London.

Sketchy meeting of Ministers to-night at No. 11. C.R.A. in the chair, and rather desultory discussion about switch-over, and how the Board of Trade would make its arrangements for large increases in civilian production. I had sent out to-day my paper, but it had not reached Ministers before this meeting. E.B. rather difficult.

6.

especially towards Cripps. He wants no publicity but is sure that, if people will only leave him alone, he can reverse successfully the process of labour mobilization. (Next day he tells me that he thinks he will have no difficulty at all in meeting my civilian demands).

J.W., H.G. and I to dine with Korda and N. Davenport. Very entertaining for an hour or so, but it lasts too long as that wretched Bracken, trailing H. Luce with him, come in just as I was trying to go.

8.9.44.

A great rush to dictate and sign and scramble round before leaving this afternoon for my constituency.

9.9.44.

Sleep in and in the afternoon spend three hours receiving constituents. I have never done this before in Shildon in this way and it gives, I think, a good deal of satisfaction. Later in the evening give a frank talk, without the Press, to a selected group of Shildonians. This place has always been very Old Age Pension minded, but I can now tell them that our Social Security Plan is now quite ready and contains a definite improvement in O.A.P's., though I can't give details yet. I am much impressed by Maurice Mason, who has come along very well and is now not only Vice-Chairman of the Council this year, and Chairman of the Housing and Town Planning Committee, but is also taking a very active part in promoting an individual membership campaign in Shildon. He is also personally very friendly to me. Of the younger people here he is by far the best, active, intelligent, loyal and popular.

10.9.44.

Sleep in again, Mrs. Myers quite understanding that

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this is the best routine for me at week-ends!

By car, driven by the Ministry of Information, with Davis and Proud to Bede College, Durham, where I lunch and then talk to a very good audience, drawn from all over the North-East - Newcastle being the ~~wholly~~ *only* important absentee, and acting very unco-operatively with the rest at present - Mayors, Town Clerks, Industrialists, Trade Union Leaders and a number of Regional Representatives of Government Departments. These latter include Ridley in the chair, my own man Sadler-Forster, Hanham of the Ministry of Labour, and a wretched little theorist called Walker of the M.T. & C.P., who has all sorts of cock-eyed reasons for wanting to discourage employment at Aycliffe after the war. I talk to them frankly of the Government's general Employment Policy and of the particular efforts I am making in the North-East. I urge them not to be jealous of each other up here, but to stand together and be collectively jealous of the non-Development Areas. The standard factories are now going ahead well and altogether I have provided, or arranged for the immediate building of, 1,000,000 square feet of new factory space in the North-East. The largest single item in this is 300,000 square feet at West Chirton, initially for reconditioning of Service clothing etc., but later to be a ready-made new Trading Estate for Tynemouth and neighbouring areas. And this is going ahead pretty well.

Talk to Joe Foster after tea about the three pending Selection Conferences, in Houghton-le-Spring, Durham and Barnard Castle. The first two will certainly have miners' nominees. In the third the miners aren't the predominant element but he, to my surprise, thinks that Jack Bell may very likely get both the miners' nomination and the final selection.

Walk along the river and through the woods. A very pleasant walk with Sam Watson; several of the Regional Controllers; Leeson of Reyrolles, a very intelligent chap; my two stalwarts from Bishop Auckland, and

Searls who seems quite settled in as Regional Officer of the Ministry of Information, a nice, gentle creature. We land up at the County Hotel where Searls has arranged a very pleasant little Dinner Party.

Back for the night with W.N.D., and

11.9.44.

Catch 8.50 from Darlington.

The train is nearly half an hour late and I have to get quickly to the Reconstruction Committee where we spend two hours discussing Restrictive Practices. The meeting starts badly but ends well, it being agreed that we shall appoint a Tribunal, and announce our intention early, and that the Solicitor-General, aided by "some officials" shall shampoo my quickly constructed paper on Tentative Heads of a Bill, composed at short notice by Miss Kilroy and Sir S. Low. I afterwards arrange with the S.G. and Norman Brook that "some officials" shall be Miss K., Sir S. Low, and Jewkes. Quite enough!

I am very conscious of the heavy problems of the switch-over and am anxious to prod up all those responsible for handling them.

*Kwasinski
Anziszewski*

Dalton 1 31 (42)

I saw K. and A. to-night. They were both much distressed about Warsaw, and said that they feared all would be over by tomorrow, owing to lack of food and arms for the defenders. All the Socialist members of the Polish Government in London, they said, had given in their resignations last night, to take effect in the event of their Prime Minister being unable to obtain to-day definite assistance for Warsaw. (They spoke at some length of the forms which this assistance might take including the bombing of bridges, roads and air-fields occupied by the Germans, and of the building in Warsaw used by the Gestapo as a torture chamber). They felt that only by resigning, if help was not now forthcoming, could they justify themselves to their own people in Poland. But they assured me that, although the Government would then have to be re-constructed, there was no possibility that either Sosnkowski or any other soldier would be Prime Minister. They were sure that the President would invite either a member of the Peasant Party or a Socialist to form the next Government. I gathered that they hoped it would be a Socialist and that they also hoped to exclude from the new Government, Kot, Kukiel and Banaczyk. (The first and third of these belong to the Peasant Party and the second is a General; they blame these for many intrigues and in particular for the mis-handling of the Katayn case which led to the rupture of Soviet-Polish diplomatic relations). They said a new Government might, they hoped, be better viewed by the Russians and that, in spite of all that the Russians had done and were doing to their people in Poland (of which they gave me many details) it would be not less keen than the present Polish Government for a Soviet-Polish settlement.

I had told them, at the outset of our conversation, that in the view of myself and Labour colleagues in the Government it would be a great mistake to upset M. and to put Sosnkowski in his place. Indeed, this last appointment would, I told them, be catastrophic for Polish interests in this country. Having heard their statement, and expressed deep sympathy with those in Warsaw, I strongly urged upon them not to break up the present Government just now. The war was moving very fast both in the West and in the East, and the next few days might bring further great changes. The Russian attack against Warsaw seemed now again to be gathering weight. I, therefore, earnestly pressed them not to insist upon their resignations.

Both K. and A. said that they would give most careful consideration to what I had said, but did not definitely commit themselves before leaving me.

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D I A R Y.

12.9.44.

Opening session of Dominion Labour Conference. The Canadians have sent a good team whom I must try to find time to see, including Coldwell, who is quite impressive; Scott, a Professor and Chairman of the National Executive; David Lewis and two solid looking M.P.'s. The Australians have sent two, T.G. Davis, Secretary of the W.A. Labour Party and J. F. Welsh of S.A., a member of the House of Representatives. Both remember my visits very well, especially Davis who recalls our evening at the Celtic Club and our trip to the Wineries on the Middle Swan. N.Z. sends Mochan, their new Secretary and a bit of a gas-bag. The South Africans are expected in a day or two. Opening speeches of no great moment are made, and I take two Australians for a drink round the corner. I shall see more of them all next week.

Policy Committee in the afternoon. Easy and short. First consideration of heads of an election programme, but it is all pretty obvious at this stage and cannot be carried further at present.

13.9.44.

Labour Party N.E. in the morning. We decide to hold our postponed Conference on December 11th/15th, and there is no great trouble, such as I suspected there might be, over our not yet having published our declaration on the next election. C.R.A. has produced, at short notice, prodded by me two days ago when there were various leaks in the press about our intentions, a most excellent draft statement. No one raises serious objection except Shimwell and it is agreed that, after a consultation with E.B. and H.M., and our ^{12/9/44} Regional Sub-Committee, it should be published. It strikes a very good note all through. (Two days later C.R.A. tells me that H.M. thinks it quite a good draft but that it should not be published till the P.M. comes back, and that E.B. has exploded from the sick bed and says that it is not at all the sort of thing he wants, and that he has been kept in the dark

and not consulted about it at all. Insofar as this leads to further delay I am quite content.) The next N.E. will not be held before the end of October.

D.J. to see me when I tell him to get out a letter to Sadler-Forster, and other Regional Controllers in Development Areas, authorising them to "approve in principle" projects for new building and extensions put up to them. This must be cleared to-night.

Citrine and Woodcock to see me. The former is inclined to orate to excess, but I always find him very sensible and good to deal with. O.L., on the other hand, told me the other day that Citrine frequently shouts at him and that he once saw him rise from his seat and shake his fist at the P.M. I have never had such expostulations.

With Hodgson visit the Patent Office, which has been badly bombed, and go round speaking to the staff. A number of these are collected in the Comptroller's room, where I sit in my Uncle's old chair opposite to a very good photograph of him which, I am told, always hangs on that wall and was not specially brought in for my benefit to-day. I say some words of encouragement and thanks to the principal officials. It must be a deadly dull job in this Office and they must need some pluck to keep going.

Warter says that he must have more staff. He is inclined to be a little discouraged by lack of staff and long delays. I tell him my impressions of the N.E. and the lack, up there, of the inter-Departmental feuds, of which we have too many here.

Sir Owen O'Malley then calls, at his own request, to invoke my help in dealing with the Poles. A.E. has just flown off to Quebec and has told O'M. to get the dismissal of Sosnkowski as quickly as possible, saying that, if the Poles won't do it for themselves, the British Government will have to

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ask the President to act. But it would be much better if this were a purely Polish decision. Meanwhile, the Polish Socialists are trying to mix up a reconstruction of the Government with the dismissal of S. O'M. asks me whether I can bring pressure to bear on them. I promise to do so and let him know, and in particular on Kwapinski and Arciszewski.

It is now 7.30. With some difficulty we collect K. who comes accompanied by Luba at 9.30. I put the case to them and also tell them what O'M. had told me earlier, that Russian agreement has now been got to our aircraft, after droppings on Warsaw, landing on Russian airfields; also that the Russian Army advance in this sector is now going better and that the Russian Air Force has been attacking the Germans over Warsaw. I also told them that the British Government will stand behind Mikolajczyk, of whom our own P.M. has a very high opinion. But K. is very determined to get rid of Kot and deploys many arguments for this. I press them emphatically to get rid of S. first and reconstruct after, and he says he will tell his colleagues.

It is 10.30 but I get O'M. along and tell him the result of this conversation. K. has promised to let me know to-morrow what the Socialists decide (They decide, next day, to demand the dismissal of Sosnkowski, but to require simultaneously a reconstruction of the Government. I so inform O'M. I must draw the line somewhere at handling Polish feuds as well!)

14.9.44.

R. (I.E.) Committee, i.e. Ministerial Committee on Exports, holds a very good meeting - W., J.A., O.L., and I, with H.J., and Tomlinson, in place of Bevin who is sick. It is politically very desirable that my responsibilities in this now overwhelmingly important field should be effectively shared. Spirits are high. It is reported that E.B. is in bed but having a number of injections, which, it is hoped will

bring him back to work on Monday. W. says that he has been having injections for influenza, and wonders whether any of us have. O.L. says that he prefers injections of alcohol. I say "Back to Bacchus". He says "Now I've got you. Some day I shall quote you in a political speech." W. says he once knew a man who when he felt ill drank a bottle of claret; if that didn't put him right he drank a bottle of burgundy; if that didn't put him right he drank a bottle of port; if after that he still felt pretty bad, he drank a bottle of brandy; and then if he still felt ill he sent for a Doctor Thus Ministers wage the war and the Great Switch-Over. But I am inclined to think ~~it may not be so~~ bad as, when I contemplate it in solitude, I am inclined to fear.

*that this
last.*

Lintott and Gray to urge me to agree to the Advisory Committee on Footwear, on which I have had doubts, and we have been held up, owing to the absurd attitude taken by Newton and Bott who refuse to let the Trade Unions in, even dear old Chester, on any joint confabulations. It now seems that a compromise is possible, whereby there is an Advisory Committee, on which the Union is "adequately represented" to discuss transitional and post-war policy generally, with a second committee on which only the manufacturers sit, to meet more often and discuss technical questions only. I agree to see Chester on this proposal, which is more or less in line with a very sensible letter which he himself sent me last week.

Sir Harry Shackleton, the Wool Controller, is brought in by Barlow. I always think he has a slightly guilty look. E.B. told him some months ago that, if everybody else was as unpatriotic as he was, we should have lost the war. He seems to have resented this. But he has, no doubt, done a very good job for wool and, since we now have immense stocks, bought from the Dominions, equal to two years peace-time consumption in the whole world, there should be no difficulty in boosting wool production here at home and for export to the maximum, provided we can get labour back quick. I have also now agreed with J.A. that there shall be a wool subsidy, to prevent any rise in the price of woollen

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clothing, even though wages have risen.

A long meeting this afternoon of the Reconstruction Committee at which they take my paper on Cotton. E.B., with whom I had concerted my proposals, being sick, Tomlinson comes in his place, but neither he nor any other of my colleagues give strong support to my proposed Spinning Board with large powers. Nor do any of my colleagues agree with one another, but, at the end of a long and not uninteresting discussion, I get enough to take to Lancashire next week. What I shall take is better on the tactics than on the merits. Some day some Government will have to take this wretched industry by the scruff of the neck and compulsorily reconstruct it into planned efficiency. But not this Government at this stage of the war. None the less, I am on record here, as on various other issues - coal re-organisation, fuel rationing, restrictive practices, location of industry - as having advocated positive and bold policies, which my colleagues in this rag-bag Cabinet wouldn't swallow. But this is for history and for the future. For the moment we can thank our stars we have an efficient Cotton Control and that it will last for another $1\frac{1}{2}$ - 2 years. By that time there will be a new Parliament and a new Government and who knows how things will look.

Luba telephones, on behalf of Kwapinski, to tell me that the Polish Socialists are still pressing for reconstruction simultaneously with the dismissal of S. I so inform O'M.

Kim Mackay comes, at his own request, to propose the affiliation of Commonwealth to the Labour Party, and to ask whether I thought such a suggestion would be accepted. I said that there would be some opposition, since we are rather against affiliating odds and ends, and it might be felt that it would be more difficult to refuse the Communists if we had already accepted Commonwealth. I said a simpler plan, to which no effective objection could be taken, would be to dissolve Commonwealth and tell all its members to join the Labour Party. (This, I said, was what I had proposed

to Maisky once about the British Communist, and he had said it was "an interesting and novel idea" and he would report it to Moscow, (Though nothing more had happened about it.) K.M. said that this would indeed be more logical, but that he was not sure whether all their members, many of whom, he said, were very useful and intelligent middle-class people and their regional organisers, of whom there was seventeen or eighteen, would follow such a lead. But he was very humble and non-aggressive and obviously felt that he had nothing much to offer. They would not, he said, want to have any separate programme of their own. They would never run a candidate against a Labour candidate (Acland had at once withdrawn from Waterloo when we adopted a Labour candidate, though there had been none in the field when he went there), they had been taking an interest in 180 constituencies, where either there was no Labour candidate or where they felt that they had a better chance of winning than we had. He said that any talk of "Left unity" was meaningless unless it meant the rallying of smaller forces around the great Labour Party. He thought that they could help very much towards getting us a Left victory at the next election. He thought we should get 300 to 350 seats anyhow and that, with their help, we should do much more. (I didn't say so but, unless we can time the election well, this seems to me very optimistic.) He said he was in touch with one or two members of our N.E., and George Gibson, who was very friendly to him, had promised to put him in touch with one or two of the Trade Union ~~sections~~ of the N.E. I said he should be careful not to court a rebuff and therefore not put up the proposal for affiliation formally too soon. Many things were much more easily settled when an election was really imminent than when it was still some distance away. It is a pity that this man has made two or three serious mistakes - in breaking the truce at Llandaff, in his private affairs and in getting tied up with Bernales - for he has considerable qualities. I should like to get whatever there is in ~~the~~ Commonwealth yoked with us.

Saw O.L. this morning with Palmer and Sinclair.

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We contemplate a joint statement which he should make when Parliament re-opens, explaining our arrangements and inviting a Debate on the switch-over from war to peace, including our regional arrangements, with which he seems very pleased. Quite a co-operator.

Palmer, D.J., and Adams to see me about the threat by the Iron and Steel Control to close Distington. I decide to write a strong letter to Duncan about this, and also to stir up C.R.A. and E.B. This is a first-class issue, testing all our Development Area policies. I feel to-night almost that I might resign if it went wrong.

DIARY.

15.9.44.

L.P. Committee. M. of S. very frightened of having too much wool! We now hold, having bought the Australian, N.Z., and S.A. wool clips, the equivalent of two years world consumption. They think we should now proceed to plan "an orderly liquidation" of this embarrassing wealth! Peat, who comes in Duncan's absence, can't answer any questions and has to go out of the room and telephone for an official to come to the Committee. After an interval Hutchinson appears. The feeling of several Ministers, including myself, is that we are really in a very good position, and that both reclothing our own civilians and pushing exports of woollens will be much facilitated. The thing is to be looked at again by an inter-Departmental official committee, on which I shall be represented.

Tennyson would be willing to be Chairman, at my request, of the new Production Committee of the Furniture Industry. We must find one or two good Independents to join him. He thinks an accountant and an economist ("Not too Left Wing") would be useful.

To W.L. this evening.

15.9.44.

17.9.44.

At W.L. Wonderful Autumn sunshine. I think a good deal about iron and steel, both in general and in relation to the Development Areas, and the threat to close Distington. I remember what Curtin said to me and wonder whether I should ever get so good a case for acting on his advice as this one, both on general Labour Party grounds and on constituency grounds. It is always easier to feel adventurous down here than when I have to take for granted the never-ending and very varied rush of duties at the E. of T. in London. ~~In that latter case one is in danger of assuming one's own permanence.~~

(value)

DIARY.

18.9.44.

Back to London and then on in the afternoon to Manchester, with MacMahon and G.P. We three dine that evening with Streat and Broatsch at the Midland. S. arranges all these things very well! I work, just before leaving London and in the train, on a statement of Government policy which I should make to the Cotton Board. I let Streat see a first draft of this to-night and accept a few minor amendments from him. He takes it pretty well.

19.9.44.

To balance things, I ask Platt to come and have a cup of coffee with me at 9 a.m. in my private room at the Midland. I show him the statement and tell him that if he ferrets around at the M. of S. he might be able to see the paper which I put in to my colleagues, including the proposal for a Spinning Board. I was sorry that I didn't get enough backing for this, but I think we can do something to prod up the industry along the lines of the statement I am to make to-day. He also takes this very well.

See textile machinery manufacturers. Sington is much too cautious. The others, including Holt who sells winding machinery, Colonel Smith of Hattersley's, and Gaudin who makes Northrop automatic looms, are much bolder and I had a bit of fun in setting them and Sington against each other. Clearly here there is great scope, both to re-equip home industry and to get a quick and valuable increase in exports.

Next to Lighting Exhibition organised by the Cotton Board. I open this and have a look round. It is interesting and very ingenious, but they have now turned on much too much light instead of too little, and made a frightful glare.

Lunch with some thirty people including Cotton

Board and other principal persons in the industry. Grundy, my new Regional Controller, taken over from the Ministry of Labour, is there and I find is very well spoken of. I am asked to speak to them in a free and easy fashion and off the record. I try to meet this request and end up by telling them that, viewed from London, the leaders of the Cotton Industry always look to me like a silly lot of b-----, but that when one sees them sitting round the table face to face one forms a rather better view of them. They seem to like this and one, on leaving, is heard to say to another "Now we'd better get on to the silly b----- meeting."

Thither I follow them and meet, in a crowded room at the Cotton Board, the full membership of Streat's Post-War Committee. I circulate and slowly read aloud, to them, a text of my official statement and then embroider it a bit. I am asked a great number of questions but there is no straight-out opposition, though the merchants are a little restive at my praise of B.O.C.

Thence to a Press Conference where I refuse to answer a lot of questions following on my statement. If I had given in to these creatures there would have been no chance of the statement itself being printed at all, but only bits and pieces of my replies.

Dine with the Lord Mayor and the Lady Mayoress, his daughter. Alderman Cox, a nice old boy, who in his young days was an I.L.P. stalwart. He was very friendly to me personally and there was no formality or speech making.

20.9.44.

Back from Manchester to London.

Dine with Duncan, who makes himself very agreeable,

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though it appears he has been a bit peeved by my putting in a paper proposing an enquiry into iron and steel without consulting him and also sending copies of my letter about Distington to C.R.A., E.B., and O.L. He thinks we should discuss these things together first, and that if we did, we could settle them all. He thinks an enquiry into iron and steel would be most regrettable and would be very bad for the morale of the industry. He thinks they have done wonderfully well since the beginning of the I.D.A.C. regime. He also assures me that there would be no question of any decision being taken to close down any works, especially in Development Areas, without my being fully consulted, and that unless there were very strong reasons to the contrary we should make full use of new and modern plants in preference to old ones. He is having the Distington case specially looked into and proposes that a report should be made jointly to him and me by our officials. He would like a regular high level liaison between him and me on all this. I ask him to transfer one or two high-powered people to me for the switch-over. He says he will think what he can do. (I said that both on my enquiry paper and on Distington I had to act quickly while he was out of reach). He speaks ill of Devereux and says that he's made an awful mess of his job in South Wales; also of Miles Thomas, who, he says, fell down badly on tank production.

21.9.44.

Talk to Dom. Labour Party Conference on Post-war Economic Reconstruction. Not very exciting.

Lunch at Drapers, where the guests include Saydell, the new Parson at St. Michael's, Cornhill, Ifor Thomas and Saunders of Bancrofts and the Patent Office. I am afterwards appointed a Governor of ~~S~~. Mary's College.

Visits from Burgin, who expresses gratitude for my talking to him off the record and offers to send me voluminous papers on his travels in both the Americas, and Christianson,

editor of the "Daily Express", following the Beaver's suggestion. I told the latter what I am trying to do for the civilians and also talk a bit about Russia and the importance of our relations with them in the future.

Cocktail Party in the B. of T. to Drogheda and the Films Council, including my new members and all the Board of Trade Knights, plus the Private Office. I think the Party was quite successful, particularly the conflagration of Palache and Korda. The latter said to the former "Why do you make a report on things you don't understand? You don't know anything about producing films. You would not have made a report on composing music, if you knew nothing about it, or made suggestions about what sort of catgut should be used for a violin string." Palache is left without much reply to this. The two P's. Palache and Plant have entertained Drogheda to lunch and put into his head the idea that it would be a great mistake for me to submit their report to the new Films Council. I am inclined to take the opposite view.

With J.W., and H.G., to dine with Miss Kilroy and Maynell. In every way a very pleasant evening. M. has given me his volumes of poems. I don't think there are any other poets at the Board of Trade.

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22.9.44.

L.P. Committee. The Admiralty want to build one and a half million square feet of storage. The other two Service Departments say that they too will have far more stores after the war than at any time before or during it. This demand for storage - whether for new building or for diversion from other uses - is becoming a bad joke. We need building labour and material to repair millions of ruined houses, most of all in London, on the eve of winter. The Admiralty request is refused and O.L. is asked to make a report on the present use of storage and the types of stores, so that we can consider whether some more should not risk perishing in the open. Then a fuss about my proposal to publish some export figures. Everyone wants to change my plan, to insert more years, or to take out all particulars about markets. The final conclusion is very unsatisfactory and will have to be reviewed.

See Devereux of High Duty Alloys. Rather shifty. I want him to play up at Workington. He once talked of wanting to buy up the steel plant there, but is less explicit to-day. I urge him to go down and talk to Adams and Highton of United Steel and let me have a plan.

I receive Cripps' four gifts - Forbes, Buchanan, G. Smith and Freeman. Much fencing, particularly by the first of these. What will be their powers? Finally agreed that they shall see my officials and talk out a plan.

To W.L.

23.9.44. (Saturday)

Lots of sun.

24.9.44. (Sunday)

Lots of rain. Back to London to-night.

DIARY.

25.9.44.

Meeting at 11 o'clock with O.L.'s. National Production Advisory Council, who fill a large conference room at the War Cabinet Offices. I have never been to one of these before. It is a dead, slow, sort of show. O.L. begins by reading, quite without emphasis and, therefore, without provoking hostile comment, a long statement, in very general terms, on Reconversion. From 12 noon I take the Chair, he having gone to the War Cab., and answer some questions. At 12.45 we break up. I suppose they are pleased to have been "consulted".

Overton to see me before meeting Forbes and Co. I ask him to let me know later what happens, but to make every effort to bring them to the point and not to boggle over inessentials.

George Wansbrough with some of his bright ideas for development in the N.E. He still talks as though he would like to have the new factory at Bishop Auckland and he's interested in a number of other projects and places. And I ask him also to have a look at the Dabbleduck site at Shildon.

Weir and Peter to see me so that I can tell them of my negotiations with Forbes & Co. They both think it would be excellent to have more business men, with more authority, in the Board of Trade. Peter, I think, would quite like to join in with Forbes & Co. (It is clear from Duncan's visit two days later that Weir ran after him and told him what was in the wind.)

Before going out to dine at the G.W.R. with our own Labour Ministers and Dominion delegates, I wait to see Overton after his talk with Forbes & Co. He finally comes in looking baffled and weary after three hours of inconclusiveness. He says they want to know who can press the bell for them and whom they can press the bell for; also about their titles and staffs; and that they want to break the Board of Trade in two and make an "Administrative" and an "Executive"

Branch. I doubt whether he has really been very fertile in suggestions for resolving this deadlock. It is a great bore that I must do so much myself and take so much time over it.

E.B. makes a very good extemporary speech at the Dominion Labour Party Dinner, followed by T.J. and Scott of Canada. This last is slightly academic. I sit next David Lewis, who is very keen and gives me interesting accounts of relative progress of C.C.F. in different provinces. Coldwell thinks that they will win the next Federal election but one, becoming next time the strongest single Party. He thinks the Conservatives will be practically wiped out next time and that the Liberals will remain the strongest Party.

26.9.44.

I sit up to 1 this morning with G.P. concocting answers to no less than 37 P.Q's. which greet me on the first day of the new session. Few are really troublesome, but they cover a wide field. They go off pretty well, the greatest commotion being about babies teats, which causes much more concern than Lend-Lease.

Lunch with Levy and H. Watt on the former's initiative. H.W. and I discuss next election. He thinks we ought to go on having a Coalition Government and that it might be difficult to reform it if we break it for the period of the election. I said the Troops should be back to vote in large numbers, or the thing would be indecent and undemocratic; also that it didn't make sense to have an election without a conflict of Parties, and that it wouldn't be practical anyhow. If the result of the election was that either of us had a clear working majority, then it should be right that that Party should form a Government; if we were very close together there would be a case for a new Coalition. He said it would be political domination for either Party to run the Government alone in the post-war

dam

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years. I must talk to him again.

See Cripps after lunch and say that he really must get Forbes & Co. to say "Yes" and to come and work it out with me. He says he will give them a good talking to. He is inclined, I think, to share my impatience with them.

My next visitors this afternoon are :-

(= Sharet)

Locker and Shertok, appreciative of my efforts for Palestine, whom I advised to get a variety of organisations to put in resolutions for the Labour Party Conference supporting our declaration. S. says now he has reason to believe the Russians are not hostile to a Jewish Palestine, but rather indifferent. Both American Parties are keen. The immediate question is whether there should be any restriction of Jewish emigration. He fears that this Government may propose some new form of partition. I say I don't think this is at all likely.

Next Colonel de Chastelaine, who is going out to Rumania namely as "a Trade Representative". He used to work for me at M.E.W. and has had some exciting experiences. Maniu, he says, is now a very old man, but he likes many of the younger Rumanians, both of the Peasant and Communist Parties. There are very few Socialists. The peasants are a fine type and have fought very well, though on the wrong side, against the Russians. They are, he says, "clean fighters" and not cruel like the Germans, Hungarians and Bulgarians.

JACK LEANING

Next Jack Leaning, whom I had not seen for more than ten years, since he helped me at L.S.E. with Unbalanced Budgets. He has been trailing around in China and California and is now part of the British Information Services in the U.S.A.

Next Forbes, again alone. He says that the assurances I personally gave him have made a great difference to them all and they would all like to come provided I will

agree that they shall form an Industrial Reconversion Department to report direct to me, and have necessary staff. I am inclined to agree to all this, but tell them that they must bring a lot of their staff from M.A.P. itself. I hope I have now got the damned thing settled but no doubt I shall find obstruction here to-morrow.

27.9.44.

And so sure I do. Overton and Palmer find all sorts of difficulties. The former doesn't like Forbes reporting direct to me. Couldn't he report direct to me through him? This sounds meaningless to me and simply designed to drag out debate. I say of course he will be informed of all that's going on and be able to intervene in time to stop anything important. Palmer wonders whether Buchanan will really be willing to serve under Forbes and suggests that he might take steps to find out. I discourage this too. Overton thinks it very important that they shouldn't stray outside engineering, and perhaps this might be put in their title. And much more of the same sort. I am frankly very unsympathetic to all this snag-hunting. I have arranged for Beale, Weir and Peter to meet Forbes, Buchanan and G. Smith to-morrow to make each others acquaintance and discuss the relation between this new three and the business members.

This afternoon Duncan comes at his own request and offers me Weir, full time, on condition that I make him Director General, i.e. on a level with Overton and above Forbes & Co in a bifurcated hierarchy, such as they have in the Supply Departments. Weir could then be the high level liaison with Graham Cunningham; if I agreed to this, and he gives me many reasons for doing so, Weir should bring with him some junior staff. I say, quite frankly, that I'm not sure whether Forbes & Co. would be willing to serve under Weir but that I will explore this. Overton will dislike this even more than having Forbes. This is

D I A R Y.

terribly like the game, played with marbles, called "Driving the pigs to market". Meanwhile time presses and I really can't dilly-dally much longer.

See George Chester and clear with him the new Advisory Committee to the Footwear Controller. The employers have begun by objecting to having any Trade Unionist on the Committee, but we have now got over this and the Committee will contain three Trade Unionists, plus Gould, but will have a panel attached to it on which only employers will serve to deal with purely technical questions.

Break it to Sir E. Crowe that he is to retire from being my Regional Controller in London, now that I am unifying the Regional Organisation. He accepts this without any trouble, having a number of other irons, including Directorships, in the fire.

Warter to see me on a number of points and incidentally says that he has heard all about Forbes & Co., whom he knows personally and who asked him down to see them as soon as this was broached. He thinks they will, and should, come.

28.9.44.

Am irritated to find that, for the first time in my life, I appear to be rheumatic in the left leg! Get some infra-red from the admirable Sister, Miss Dallas-Conti, who looks after First Aid for M.A.P.

P.M.'s. war statement. He is on a very easy wicket, recounting all the victorious advances since August 3rd, when we separate, but there is now a slight recession of over-confidence and he thinks it necessary to say that though some high authorities think the war in Europe will be over this year, he thinks we should be prepared for "several months in 1945".

Take Chair for Coldwell at E.P.A. meeting. He is

impressive and fluent and speaks without notes. Rather a poor attendance, partly because many people don't know what C.C.F. stands for and so don't come.

See Sir W. Palmer and Sanders on iron and steel. This is tending to be handled without sufficient reference to me. I tell them to dig their toes in against any proposal to slow down any plant in a Development Area.

Coldwell and David Lewis, with H.G., to dine at Acropolis. They are very interesting on Canadian difficulties, especially the mixed racial make-up, and peculiar economic situation in the Prairy Provinces. Then, towards the end I invited them to talk about us. They say that they are going back much encouraged in some ways, but disappointed in others. They think we are very divided; that our propoganda lacks fire; that our views are lousy; that many of our officials, especially Gillies, are impossible, though they find Morgan Phillipps competent. They are a little too apt, I think, to have views as to how we ought to put our own case over here. But it is a good thing that they have contacted us.

D I A R Y.

29.9.44.

War Cab. Will Home Guards and Civil Defence Workers be allowed to retain their overcoats? The P.M., of course, thinks they should, but everything is very short and the matter is referred to a group of Ministers, including myself, to consider. (The withdrawal of labour from the clothing industry for the Armed Forces and munitions has now gone so far, together with the Ministry of Supply clamour for more Service orders - they say they let their stocks of battledress run down much too low! - and clothing for demobilized men, that alarm is being spread in some quarters about the possibility, not of increasing, but of having difficulty in being able to honour the existing clothing ration. I write a few days later a strong letter to E.B. on this subject. The Ministry of Labour machine, though very effective on the whole, is very slow to turn in a changed direction.) The P.M. doesn't like the proposed statement, though there is precious little in it, of O.L. about re-allocation of labour and capacity released from war work. He would like to put it off till after the American Presidential election; this is only a few weeks away.

Sir A. Forbes once more! Very full of himself and his status.

Reconstruction Committee takes paper drawn up by officials and with a covering note by W. on Economic Controls in Stage II. On the whole a very good paper, and a very good discussion, no one dissenting from the view that the general framework of controls must be retained for some time to come and that only minor relaxation can be contemplated. E.B. says that he thinks the paper goes too far in the direction of de-control, and this is quite a useful thing to have said, though I don't think it is true.

Leave for Manchester. My leg is still pretty painful but I don't want to miss my engagements, as I have several times put off Reg Wallis' requests, and the Lancashire Regional Council is an important body.

8.

30.9.44.

Hobbling around at the Grant Hotel. Address Regional Council sitting and, I hope, put some sensible thoughts into their heads about the next election and a strong case against rushing it, though we are all quite clear that, when it comes, we shall fight as an Independent Party and aim at a majority.

Go with Lord Mayor and Lady Mayoress and some half a dozen others to the Opera House to see a show called "Russian Round About", afterwards have to sit up for a long time, listening to not-too-funny stories at the Hotel with various local luminaries and press men.

My leg is rather painful.

1.10.44.

Stay in bed and have to cancel meetings at Bury and Wigan, much to R.W's. disappointment, but it is quite impossible for me to move around. Dear old Len Cox, the Lord Mayor, comes to see me and arranges for Professor Tylecote, Professor of Medicine at the University, a Liberal Councillor and the husband of Dr. Mabel Tylecote, a Labour Councillor, to come and have a look at it. He says it is rheumatism, but that if I stay in bed to-day I can travel to London to-morrow.

DIARY.

2.10.44.

And so I do and, returning to the Board of Trade, collect via the Ministry of Health Private Office the name of Dr. Douthwaite, a large, youngish and, I should think, pretty competent person, said to know all about rheumatism etc., on whom I call at 49, Harley Street.

Am delighted to find it is not rheumatism at all but a sprained tendon in the left leg and it now seems quite clear, - and Archie Row got on to this at once when I was in Manchester - that the cause of the trouble was not so much climbing up, as running down Upper Schoklerigg above Buttermere some weeks ago.

Catto to see me. I ask him about a purchaser for A.B.P.C. shares. He says the difficulty is that they are asking a £1. and the market price is only 18/-. I arrange for Warter to see him. I also raise with him the question of finance of industry, and emphasize that the Treasury, Board of Trade and Industry must be in on this and not merely leave it all to financiers. He says he quite agrees with this and is already working out some proposals which he will be sending to me and the Chancellor.

Elsa Wilnot was to have dined with me to-night, but as I don't want to go out and as she has another engagement, she looks in only for a drink and a talk. We discuss J.W.'s Parliamentary proceedings and his success in connection with the T. and C.P. Bill.

she is dining with R. L. M. M. M.

3.10.44.

4.10.44.

5.10.44.

In bed, with antiphlogistine round my knee. But I manage to do a good deal of business, including the final stage of the M.A.P. Peacocks. I offer Forbes, with whom I have two more long interviews, in bed, the new post of

Executive Member of my Industrial and Export Council specially charged with the engineering and allied industries and reporting and responsible direct to me. He finally sleeps on this and then next morning, greatly to my relief, declines. The man is both a bibliomaniac and a fidget. He wants to come in here as an opposite number to A.O. He has wasted hours of everybody's time and dilly-dallied for nearly three weeks since Cripps first offered him to me. There is a rumour that he has already resigned five times at M.A.P. but that the fifth time nobody took any notice. Sir A. Gordon Smith, who would, in any case, only have been a part-time consultant, takes the same line and Sir John Buchanan who, I thought, we had hooked, after a talk with Overton and Palmer (which seems to have had a discouraging effect upon him) comes and tells me that he would prefer to go on with M.A.P. but makes suggestions for my getting hold of Bruce-Gardner and Russell, the latter a P.A.S. with great knowledge of engineering. I write and ask Cripps for these two, but I think he is not so keen to part with them as with these others! I am sure, having reflected on the thing at Manchester, that the thing to do is to recreate, though only as a facade, the old Industrial and Export Council, changing, no doubt, its personnel, and to create a group of "Executive Members" of the Council who would be full time business men, each taking charge of an industry or group of industries. Beale could go on being Chairman and Weir Vice-Chairman, and they should all have direct access to Ministers, though working in, one would hope, harmoniously with permanent officials. Weir has sent me a memorandum to this effect in the course of which he discourages the use of such "controlful" titles as Comptroller General in regard to civilian production. He is away for a few days, but, when he gets back, I shall tell him that I want him back full time and broadly am in agreement with his scheme.

6.10.44.

Go and see Douthwaite, who thinks "the acute stage"

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has passed and that now massage should do the rest. He thinks I have been eating too much starch and gives me a long list of Dietary Dont's.

7.10.44.

Miss Rule, the masseuse recommended, pays me her first visit.

Labour Executive declaration on the next General Election published this morning. C.R.A.'s original draft has not been much changed. It is a good document on which we can make a good stand against any critics.

DIARY.

8.10.44.

Message followed by a drowsy day.

9.10.44.

Hobble with a stick to Reconstruction Committee in the House of Lords. How damned long these passages seem!

Iron and Steel. I advocate, as in my paper, an independent enquiry into post-war iron and steel. I am careful to say that the war-time control has been a good show, but add that during the war prices haven't mattered much and the Government has sunk more than £45,000,000 in new plant, 41,000,000 being Government owned. Duncan, in reply, is very huffy. He complains that I put the paper in without consulting him - though, if I had consulted him, he certainly would not have agreed - and says that he and not I am the Minister responsible for this industry. He is working out a plan for post-war and will put it before us later on. There is no need for any outside enquiry. He is supported by O.L., who says that to suggest an enquiry into a matter being handled by a Minister is equivalent to a vote of censure on the latter. I say that, in that case, the Steering Committee - that sober band of officials - passed votes of censure on several Ministers, for they suggested enquiries into several industries, and my proposal was merely in support of theirs. I get general support, though not very effective or clear, from the three Labour members of the War Cabinet, but Crookshanks says he thinks it is quite wrong to interfere with Duncan. So everything is getting very much on Party lines. W., beaming at Duncan, asks him whether he doesn't think that iron and steel is so important that it is in the interest of the Government as a whole to look into it. Finally it is left that Duncan, "in consultation with" me, shall put up proposals to the Committee by the end of the year if possible, or, if not, soon after. This, perhaps, is not a bad outcome.

10.10.44.

Answer 17 Questions in the House, which I enter with a stick. A number of these Questions are rather tiresome, relating to exports etc., on which there is so little that one can say while the American election - how slowly November 7th approaches - and Lend-Lease are hanging over us. But many M.P's seem quite half-witted on export, suddenly forgetting, in their zeal, both the war and the home market, not to mention Lend-Lease.

Receive Mr. Maury Maverick, a Texan Bull, whose job it is to help and organise "Small Plants" in the U.S.A. He is delighted to find me sitting in the offices of the I.C.I. He says no other Minister in our Government has such a good office, and no Professor in the U.S.A. has so prominent a position in their Government as I in this. But, he says, it is thought in the U.S. that the "Board of Trade" is some kind of Cartel and its President some sort of big business criminal. He thinks we should take steps to remove this impression.

11.10.44.

Lord MacGowan to see me about Russia, and swapping scientific information. This is all very good, but he wants to add arrangements whereby Du Ponts participate and also have a territorial limitation of markets with the Russians. I say that this raises issues of high policy, on which I must consult my colleagues. He is to write me a letter about this.

Mainwaring brings a group from the Rhondda to discuss the future of the Valley. They are very pleased about the Treorchy factory. Now that people see this going up they feel there is a real chance of more.

Warter gives a Party for Regional Controllers and

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others, following a Conference which he has been holding with them. I go and sit in a chair and talk to them in turn. I think we have now got rather a good lot.

12.10.44.

Tomkins to see me on the T.U. side of our new Furniture Committee. He says that it may surprise me to hear that there is great jealousy among the various Trade Union aspirants.

Then a long string of conferences on toys, clothing etc. The recent turn in the war, with dwindling prospects of an early finish in Europe, have set back all our ideas on switching and either giving more to the civilians or pushing exports.

D.I. Committee this afternoon. Distington. My pressure is at least succeeding in arousing greater keenness for pursuing alternative local employments. It is now proposed that United Steel should set up an ingot mould foundry in part of the plant and arrange for the production of mining machinery in another part. Meanwhile, E.B. will ask Leathers to make use of any labour rendered available in the interval between stopping present alloy steel production and the starting up of this new works on local work of transport importance. I am to pursue with Devereux his future arrangements for steel drop forgings at H.D.A. It is also suggested that we should get an approximate picture of the future distribution of the iron and steel industry, when production is reduced to peace-time levels.

E.B. is very good in the Chair at these meetings. He and I have a brief word afterwards on staff problems here and he makes one or two suggestions for possible reinforcements, which, I am afraid, are too good to be true. But I arrange to meet him next Monday and have a talk.

Fix up Spencer Freeman as a Business Member, and

fix for him to go down as my "personal representative" to the North-East to contact Industrialists and see what can be done to help them. He is a very live little man, but I am not quite sure how much practical sense he has. Anyhow I will use him all I can, so long as I can.

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13.10.44.

See R. H. Owen who is proposed to be our Trade Commissioner in India. He was at M.E.W. and had the reputation of being a tough guy. He was mainly responsible for our Ship Warrants Scheme. But I never thought, in those days, that he would be in the running for such a good post as this. None-the-less, I think he will do it as well as anyone else and I agree to his appointment.

To W.L. by car and spend a not very happy week-end, making myself hobble about, in some discomfort, in the Autumn sunshine. This leg of mine is a great bore!

But the war is remarkable. This week-end Athens, Belgrade and Riga all fall, and the Hungarians seek an Armistice. Poor Warsaw will be the last capital to be freed!

15.10.44. (Sunday)

Read miscellaneously - Pater's "Demys L'Auxerrois"; Zimmern's "Greek Commonwealth"; Swinburne's "Poems and Ballads" (how well the music still sounds!), and Molly's "Arthur Henderson".

DIARY.

16.10.44.

R.I. Committee discusses a draft paper of W's. on Economic Controls. The conclusion, with which all who study the question agree, whatever their political bias, is that these must continue with practically no relaxation for quite a long time. Some Ministers think this so discouraging that it ought not to be published! Others, including myself, would like it put on record as the view of H.M.G. W. is to draw up a fresh document.

Return with E.B. to his office and have a frank and very useful talk about persons. He says he smells an intrigue in which O.L. and B.B. are most prominent, with A.D. supporting. He says that other Labour Ministers are inclined to be too passive in face of these intrigues. He is for facing them boldly. He thinks that now I shall get an effective enquiry into Iron and Steel, as a result of his intervention at a discussion the other day. (This is a very characteristic way of putting it!) He is disposed to be helpful over reinforcements of staff, though he starts with some odd ideas. I press steadily for Bruce-Gardner, with whom I know he is on very good terms. He thinks that I ought to give him the title of Chief Executive for the Switch-Over, rather than a title limited to some particular branch of industry. He suggests that I should think this over and let him know to-morrow what I feel about it.

Dine with Kalkstein to meet Major C. D. Morrison of Sarah. Quite a sensible chap.

17.10.44.

To-day, though it is my P.Q. day, I come far down the list, thanks to the interest taken in the W.O., and have none to answer orally. This P.Q. business is becoming a farce. First Members are putting down far too many Questions and, second, far too many Supplementaries are asked and allowed. The result is that only the first few Ministers on

any given day are reached. The Speaker is very weak on Supplementaries. But, in the last resort, Members have only themselves to blame if they kill each others Questions by all-round excess.

Then follows a Debate on Welsh Affairs. The first during the six~~th~~ century, the Welsh have been at Westminster! I speak at the end and my remarks are well received. I lean heavily on the box so as not to put too much strain on my left leg, but succeed in producing, I am told, quite a knock-about effect. I nail my colours to the mast on Tinline to the general satisfaction of all Welsh M.P's. except Lewis Jones. I also announce that, in addition to the seven R.O.F's. in Wales, there is more than 1,000,000 square feet of new factory space built or actually building since the war, and large numbers of other projects approved for building, as soon as we can get the labour and material.

At War Cab. we consider a paper by O.L., in effect, postponing the cuts in munitions production :

- (a) in order not to offend the Americans,
- (b) because we don't quite see how long the war is going on.

This is disappointing but cannot be resisted.

Dine at the Reform Club at Piercy's invitation, with C.R.A., Jenkins and Devereux. This is planned as a night out for the latter who produces a lot of charts and schemes. He is not a very easy chap to handle and I don't much like his manner, but he is very keen and has some useful ideas, though disposed to think that everybody is to blame if they aren't all instantly welcomed, approved and adopted.

18.10.44.

A full day!

DIARY.

9.30 Miss Rule.

10.30 Banks and the Canadian Textile Mission, who are clamouring for more supplies, and can make a very good case.

11. 0 Lebus, and Richards later, on the position of the new Furniture Committee, on the possibility of making metal bedsteads in quantity, and other U. Furniture problems.

12. 0 Garro-Jones. He tells me that he has formed a small group of Labour M.P.'s., including Ivor Thomas, John Dugdale, F. Douglas, and Bellenger - against whom I warn him, but he says that he thinks B. realises he would lose more by blabbing than not. They meet and discuss many things, including the future of the leadership. They consider that, if we leave the Government in the course of next session, the question of the leadership should at once be re-opened and he thinks there would, in that case, be a majority for H.M. I say I am not at all sure about this. He says that E.B. is losing ground with the Parliamentary Party, partly because he treats them with such complete disdain - he is widely reported to have said:-

(i) that they were just "a lot of playboys", and

(ii) that they were worse than any Branch Meeting he had ever addressed in the T.& G.W.U. -

and partly because he is, in any case, going in for such egomania, e.g. in talking about founding a new daily paper after the war. Garro thinks this is simply jealousy of the Beaver. We discuss how an election might come and I insist on a point which he had not apparently thought much about, that there would be no appreciable interval between the break-up of the Government and the election. Thus the question of the leadership would have to be settled quickly.

He says that he thinks O.L. is very disappointed at not having got on quicker in politics. He had coveted the Treasury and it was the P.M.'s. first inclination to appoint him when K.W. died. But it was thought in certain

high quarters that he was not safe in his public statements, and, in particular, in Parliament. And, therefore, J.A. was pressed upon the P.M. in preference. O.L., G. thinks, would not be at all interested in coming back to the B. of T. If he cannot see more prospects arising quite high, he may well prefer to leave politics and go back to business.

The only person G. ever heard coveting the B. of T. was Portal. And it would, in any case, be quite impossible to have a Peer in that job.

Lunch with Denville, along with Warter and various engineering people, including some who have a plan to make aluminium kitchenettes in quantity at Rogerstone. I am much attracted by this and we will do what we can to help them.

3.15 Ness Edwards and an old boy called Crankshaw representing Welsh Metal Industries. He has eight places in Birmingham and one at Caerphilly. He will go on in this last after the war.

3.55 Sir P. Liesching to discuss the latest doings at Washington in the Stage II negotiations - Keynes is trying to get the U.S. to agree to free our exports entirely as from December 1st. This sounds too wildly good to be true! - and to prepare the way for :

4. 0 Business Men's Mission to U.S.A., including Baillieu, Sir P. Bennett, Arthur Guinness (whose face recalls to me an old shindy at M.E.W.) and that silly little Dodds. I hope they won't put all their feet in it. They are all very jealous of each other and so the Delegation has no acknowledged leader.

5.15 Selborne, Law and D. Foot, on a telegram to be sent to Washington about Post-war Control, through Ship Warrants and Navicerts, designed to prevent the escape of War Criminals or their loot. Our officials have been

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frightened by this, but, refusing to be disloyal to my old Department, I agree to the M.E.W. telegram going with a few minor amendments which Foot cocksers up with Hodgson.

6.15 Bruce-Gardner. I had pressed Cripps last night, after the Cabinet, for his release, and this morning Garro had told me he had heard that it was happening. We have a general talk and I am well satisfied that he will be, not only useful here, but most tactful. An utterly different case to Sir A. Forbes, who wanted everything written down about his relationship with everybody, including the Permanent Secretary and to have an exact list of all the people for whom he could ring a bell. I told Bruce-Gardner that I want him primarily for the engineering and allied industries, but that I am quite prepared to give him some more general title. He says he would like to be called, quite simply, Chief Executive. I say that I have no objection to this, but that perhaps others will. Anyhow he will come and start next Monday. This is a great step forward and the end of a most tedious series of negotiations. But, of course, he must be reinforced by good men at lower levels.

7.45 Go to one of Sir A.M.L's. Anglo-American parties. McGowan is there and asks what is happening about his negotiations with the Russians. I say that I am consulting my colleagues on the two difficult points (i.e. sharing information with du Ponts and entering into "territorial arrangements" with the Russians about markets).

19.10.44.

O. Pollak and two other Austrian Socialists to discuss what will happen in Austria if, say within the next fortnight, the Red Army crosses their frontier. I say they must manage better than the poor Poles in Warsaw. There must be a rising in Vienna, if the Austrians are to gain any credit for helping to free themselves, but it should be closely synchronized with the Russian movements. They are, of course, very scared of the Russians and afraid that a

Communist Puppet Government will be installed. They hear that included in the Russian Delegation to Tito's H.Q. were two Austrian Communists dressed up as Colonels in the Russian Army who had had no military experience and commanded no following in Austria. They were afraid that there was a whole Communist contingent with the Red Army ready to descend upon Vienna, and I dare say this is true. I could not say much to them but we must, as already arranged, have a joint Anglo-Russian occupation. But it will be difficult to keep Communists out of posts of influence in free Vienna, even if this was a desirable thing to do. And is it? These London-Austrians really seem to have very little knowledge, though they pretend to much of what is going on inside Austria.

Forres to see me. I tell him of B.G.'s appointment, which he takes quite well and ask him to stay on, though not seeking to define the percentage of time he will give to the Board of Trade.

Lunch with Admiral Osborne and Sir Noel Macklin of the Fairmile Company. The latter is very crippled but quite intelligent and has ideas which might well be acted on if industrialists would only work together, for single centres in important foreign capitals where all-British goods, catalogues etc., should be displayed together. He will send me a note on this.

4. 0 Beale to see me. He too takes B.G.'s appointment very well. I ask him to stay on as Chairman of the Business Members for a time and tell him that B.G. had told me that he didn't want to put anybody out of the Chair nor even, perhaps, to be himself a Business Member, but that he would like to attend the meetings and take part in the talk. Beale seems very satisfied over the whole thing.

6. 0 Not so Sir C. Weir!! He has been in France for the past three weeks and his absence at this particular time aptly illustrates the familiar proverb "qui va là chasse perd sa place". After a little talk on the situation in France, he saying, I am sure quite truly, that we in this country don't know what shortages are judged by French

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standards, I go on to expound my arrangements for things here. I do all this at some length, hoping thereby to make him feel I am taking him much into my confidence. I end by asking him to come back here as a full-time Executive Member of the I. and E. Council. He is most indignant and says that he certainly would not serve under B.G. and that he will have at once to resign from the Board of Trade and announce this in the Press. He knows, he says, of A.D.'s proposal to me, namely that he should have this job. His position will be quite impossible if it is known that he has been passed over (I hear from another quarter that he has been going about saying that he has got the job already; so his indiscretion will now be disconcerting him). I have chosen, he says, to take my own line; to ignore A.D.'s advice and to go outside the "Board of Trade" for a Chief Executive. Industry will say that "he has been passed over". (This is all great nonsense, but his resignation would be something of a bore and I must try to prevent it.) I endeavour in vain to mollify him and away he goes. Next day I receive a letter of resignation in which he even threatens not to fulfil an engagement at Stoke next week, and urging that the announcement of his resignation from the Board of Trade "should not be delayed". He is finally persuaded to go to Stoke and I write him a letter urging that he should continue, for the present, to do what he is now doing for the Board of Trade, until we have a further talk in a few days time.

Grant McKenzie to dine. He enjoys being at Washington at the Embassy in some post connected with Information. He says it is being gossiped out there that the Beaver and I are very cliquy and that this is a very odd and sinister combination! It is very amusing how quickly rumours run.

20.10.44.

Make my fourth speech in the House on Disposal of

Government Factories! This arises on a supplementary vote of credit and some queries by Ellis Smith. It is extraordinary how, though I have said it all before, some people treat it as being very new and important. But, on the whole, I have a better reception this time than on previous occasions.

To lunch with Retinger, with whom I find Gubbins looking very fit and pleased with himself and just back from the U.S.A. R. is still very crippled and now wants me to meet Kot. He says my intervention with the Polish Socialists last month was very effective. I had told them to concentrate on first getting rid of Sosnkowski and, after much palava, they had agreed. I had thus saved the political life of Kot, whom the Socialists had wished to put out in a reconstruction. He thinks that, therefore, Kot will be grateful to me and will listen to anything I shall say to him - and that I should give him hell! Kot has, he says, great influence both with Mikolajczyk and with the peasants in Poland. He is likely to be made Ambassador in Paris or Washington. He says that, when Poland is free, the big influence will be Zulawski who is much more influential than any of the London Socialist Poles. Z., he says, is an ardent supporter of friendship with Russia. Meanwhile I hear that Lvov is still the stumbling block in the Polish-Russian negotiations. But it seems that the "National Committee of Liberation" is not regarded at all seriously by the Russians and made a very poor impression on our own P.M.

21.10.44.

Molly Hamilton to lunch at Josefs. She likes the Films Council and wants me to meet George Archibald, whom I used to know in his Scots I.L.P. days, but who has since blossomed into a film magnate and is going to work for Rank after the war. His wife says that he ought to be a Labour Candidate. I think he might do both and Rank would thus re-assure himself with the Left, as well as the Right, through having put Margesson and Winterton on his Boards.

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22.10.44. (Sunday)

Dins and spend the night with Beaverbrook. The only other visitors are the American Air General Anderson and Harold Balfour, who goes off after dinner. This is my first trip abroad since this wretched leg trouble. So it is evident that both the B's. think there is a real crisis over the T. & C.P. Bill, owing to the Tory pressure for increased compensation for various classes of Landlords. Balfour says that if he were not a member of the Government he would certainly vote against it. Later in the evening the Beaver, having spoken on the 'phone to the P.M. who is just back from Moscow, reports that he is in very good spirits but determined to stand fast against the Tory revolt! We go to bed rather early, after the usual not-very-good film, but

23.10.44.

Next morning I drive up with the Beaver and ask him what he thinks of Bruce-Gardner, whose appointment as "Chief Executive for Industrial Reconversion" is in the Press this morning. He says he is a first-class man and I have made a very good selection, though perhaps Graham Cunningham from the M. of S. might have been even better. He also praises Spencer-Freeman. (B.G. tells me later that the Beaver wrote him a letter of congratulation in his own hand.) I also speak of Iron and Steel and the Beaver suggests that I should talk to Sir George Usher, who he thinks would give me some very useful evidence against Duncan and the Federation. He might also suggest other useful witnesses to me. The Beaver had suggested him to Portal, but the latter had refused him. The Beaver thinks P. has made a mess of the prefabricated house and that the P.M. will soon take all housing away from him. He also says, though at this point I doubt his sincerity, that he thinks the Labour Ministers of the Government are all doing very well and that there is no doubt that the Labour Party, if it won the next election would be able to form a first-class Government! He says

that Anderson made a complete mess of it when he met the 1922 Committee over compensation to Landlords under T. & C.P. J.A., he says, is "only a Civil Servant with a swollen head", and Herbert Williams spoke to him very roughly and rudely at the meeting, and asked him who he thought he was and how he had managed to get to where he was. J.A. had made the great mistake of thumping the table at these people and they wouldn't stand it. J.A., he said, had also committed a most frightful blunder in making a speech on Bretton Woods and on our future Commercial Policy and making no reference to Imperial Preference. This gave very grave offence throughout the Tory Party. I sought to draw the Beaver on the Tory Leadership. He ridiculed the idea that J.A., rather than A.E., might succeed the P.M. A.E., he thought, would have overwhelming support in the Party. Failing him, or, as he put it "If the P.M. and he crashed in the same plane" the three next possibilities were Oliver Stanley, Hudson and Butler. Of these three he thought that Butler would have the best chance, though he himself would prefer Hudson. Butler had no real grasp of Tory principles as the Beaver understood them; in particular he was not really keen on the Empire. Stanley was clever, but not a strong character. Hudson would be the best, but he was afraid he would not carry the day.

We spoke also of Rank. I said I dared say that he would like a Peerage in due course, but that he had never mentioned this to me. The Beaver said "Of course not. He'll hope to get that from the Tory Party." I said I didn't think he ought to get it yet awhile. The Beaver said "I quite agree with you. We ought to wait and see how his plans develop. I'll make a note for our Head Office." He then wrote down on a bit of paper "Rank must not have a Peerage," and put this in his pocket book. This may, of course, all have been play acting. It is noticeable how, in conversation with me, he always talks as though he were deeply embedded in the Tory Party machine, whereas, in fact, he is deeply mistrusted by many of them

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and occupies a very detached position, exercising influence only through the P.M. on the one hand and his own press on the other. I notice from the Visitors Book that W.J. Brown had been to lunch on the Sunday. The Beaver and I both agreed that he was very intelligent but that he had no political future, particularly since he had incurred the enmity of the Trade Unions, and particularly of Bevin, by his break-away activities in the past. Of E.B. the Beaver said "He is undoubtedly much the most distinguished of the P.M.'s colleagues in the War Cabinet", but, he added, all his relations with H.M. were now so bad that whenever H.M. spoke in the Cabinet, E.B. could be seen and heard sneering. I asked him about E.B.'s alleged desire to found a daily newspaper. He said he had no doubt that it was true and that plenty of money would be forthcoming, chiefly from the I.C.I. and other big employers organisations. This paper would stand for the Corporate State, run by, and for the benefit of, Big Business and the Trade Unions. Also, no doubt, E.B. wanted to get his own back on "Little Southwood" and Citrine. The latter he said, was the only man he knew who thought he could walk up, without notice, to No. 10 Downing Street, ring the bell and demand to see the Prime Minister straight away, and if told the P.M. was otherwise engaged, he would be most indignant and affronted.

Ministerial Sub-Committee on Housing, with much talk about standardising household equipment etc. It all seems terribly slow in view of the fact that neither the Ministry of Works nor the Housing Section of the Ministry of Health can have had anything else to do for years than plan all this. The components for the production of which the B. of T. is responsible all seem to show a good margin of capacity.

Lunch with Francis Meynell at the Sainsbury Club, in the Vintners' Hall (he had asked me twice before but I had cried off). To-day the Belgian Ambassador is in the Chair and I find myself next to the Duke of Alba, who tells me that Drogheda, staying with him last week-end, was suddenly taken ill and has had to have an operation. This

is bad news for the Films Council. Curiously enough Sir Frederick Whyte, D's predecessor, is also at the lunch. And so is Harold Balfour. Much the best of all the wine served was, I thought, some rather light Claret, Château Cheval Blanc 1921.

Bruce-Gardner moves in to-day and comes in to see me. We agree that he should spend a few days "playing himself in" and meeting people, and that I will have a Conference with him and other principal officials on Friday. I am confident that he will be a great acquisition both for window dressing and for real work. He is being inundated by letters of congratulation from his business friends. He gives me a copy of the Report on Trade Associations by an F.B.I. Committee, of which he is Chairman. It is coming out this week and the coincidence of this with his appointment may raise comment. But, it is, at first glance, quite a moderate and reasonable document.

24.10.44.

My Questions are not all reached within the hour. M.P's. are still cutting each others throats by putting down too many Questions and asking too many Supplementaries. On any given day many Ministers can sit back and smile at this excess of curiosity.

The P.M. is back from Moscow looking very fit and very happy, much more so than on the morrow of some of his previous jaunts.

Spencer-Freeman reports to me on his trip to the North-East. He has done some very useful work, contacting people and finding out their troubles, but he seems to have put out the noses of some of the M.P's. at a luncheon when he said to the Industrialists "Why should you go to the M.P's. about these questions? Here is Mr. Sadler-Forster, the Board of Trade's Regional Controller, why not go direct to him?". Headlam, Lawson and Magnay all seem to have been much

THE TWENTY-FIFTH
MEETING OF
THE SAINTSBURY CLUB

held at
THE VINTNERS' HALL, LONDON
on October 23rd, 1944

H. E. Baron de Cartier de Marchienne
in the Chair

*

The Austerity Fare
will be the best available on
the day of the Meeting

*

The Wines from the Club Cellar will be served in the
following order:

SHERRY: Choice Old Amontillado

CLARET: Château Canon La Gaffelière 1954

Château Rausan Ségla 1929

Château Cheval Blanc 1921

MADEIRA: Sercial da Donna Isabel Esmaralda da
Camara (pre-1850)

COGNAC: Grande Fine Champagne Prunier 1875

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offended by this:

25.10.44.

A large lunch given by the Anglo-Belgian Union to celebrate the liberation of Brussels and nearly all of Belgium. Rather a moving occasion. Old Cartier makes a short speech in English, in the course of which he nearly breaks down. Cranborne, in Eden's absence, makes a brief speech and so does K. Huggeson, our new Ambassador in Brussels. Sir L. Olyphant, with whom I speak going out, is very indignant because, having been offered by Leith-Ross a post, as he put it, "at the head of U.N.R.R.A.", the F.O. had objected, on the ground that it would embarrass K. Huggeson. Sir L. O. is, therefore, "en disponibilité" and hints that if there is anything that I would like him to do he would be very pleased. I say that I will bear this in mind, and if a suitable Chairmanship of some Committee or Commission presented itself, one might do worse. Pompous and slightly ridiculous though he appears to many.

Sir G. Usher to see me this afternoon. He speaks against the Steel Cartel and says that many of our plants are quite out of date. There should, he thinks, be a plan whereby industrialists are compelled to replace all their plants in seven years, putting by one-seventh of the value each year into a fund they cannot touch. The Americans, he says, are very "obsolescence minded", but we are not and are paying the penalty. I asked him to let me have a note about the Iron and Steel Control, alias Federation, and their doings with suggestions as to what we should do next.

Dine with Ivor Thomas to meet an interesting Keighley business man named Skaife, who is a great admirer of Russian methods and thinks the British machine tool industry should be nationalized. I would like to hear of him again.

26.10.44.

The Russians have revealed to British firms negotiating with them the fact that we are only offering them credits of £30,000,000 (revolving for five years) and that they have declared this to be too small to be worth discussing and have suspended all negotiations with British firms. I foresaw that something of this sort would happen. It is their way of bringing pressure to bear on the Government. I shall now certainly have P.Q's. from Ellis Smith and others. Kucherov, of their Trade Mission, has been using, with the Treasury officials and others, the following arguments :-

- (i) If our total external indebtedness is going to be as much as we say, what difference can it make to add a bit more for credits to Russia?
- (ii) If our alliance is for twenty years, with eighteen still to run, surely our credits should run for the same period, and not merely for five years?
- (iii) If we don't give them longer credits the Americans will and they will give them all the trade.

This morning representatives of the Automatic Telephone Company, who have a large Russian contracted negotiation come to see me. They say that they would provide credit, from their own resources, for 20% of the purchase price for eight or nine years. Finding that they know about the thirty millions for five years I don't deny it, but suggest that they should go and talk to Nixon as to how far Export Credit Guarantees could help.

Kingsley Martin to see me, at his own request. Very friendly and takes an interest in all I say about the conditions of the next election, and what I and others are

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trying to do in the meantime. If he had sat down in my office and written his next leader, I am sure it would have been perfect.

Then Weizmann, who is going out to Palestine very soon. He is very much afraid that Partition is again being discussed and that the P.M. may waver over to it. I say that we should be against it and suggest that he should see H.M. Weizmann is going to try really to put a stop to Jewish terrorism in Palestine. I have always liked this man and I think we have always understood each other. He is still very appreciative of the L.P. Declaration on Palestine and I say that this is now well backed up by the declarations of both Democrats and Republicans in the U.S.A. in favour of unlimited Jewish immigration and rights of Jewish land acquisition in Palestine.

D.J. to see me on progress of Panel "A" talks on legislation on Location of Industry. I am anxious to get a paper out for my colleagues next week and he promises me, by to-morrow, the comments of various other Departments whom he is trying to secure.

E.B. thinks that the appointment of Bruce-Gardner has been a very good stroke and has, for the time being at any rate, silenced many, including another in the Camarilla, who were inclined to criticise the Board of Trade for doing too little to help industry and exports.

27.10.44.

Hold my first Friday morning conference with C.W., the principal officials and B.G. Quite exploratory, but I asked that by next Friday we should have reports on :-

- (i) Increased Staffing,
- (ii) Increased Accommodation,
- (iii) Greater speed in dealing with applications for "facilities",

- (iv) B.G.'s. twelve points for Regional
 Controllers, covering the
 industrialists main difficulties,
 and making it clear what Department
 is responsible for which, thus
 removing some responsibilities hither-
 to improperly planted on the B. of T.

Lunch with Mrs. P. and Comert. The latter is now returning to Paris where he will run "France" as a daily while continuing it under the same title as a "Journal of Information" in this country as a weekly. He says the new French Ministers are all very inexperienced and hardly any speak English, and they are inclined to be shy and backward. He thinks it most important that representative Englishmen should go to France in numbers soon. De Gaulle, against whom he no longer fights, is thought of more and more as being outside the Government rather like a Monarch. F.F.I., he says, are "very military" and very contemptuous of the old Army which broke down in 1940. There will certainly, he says, be a great movement to the Left in France, but the Communists will not acquire great strength. They are widely distrusted and suspected of always "playing dirty tricks". I don't know how this man, after four years away, will fit again into the French picture.

Policy Committee to discuss procedure for the Party Conference. Yet another attempt is made, chiefly by H. Clay but backed up by Phil and H.J.L., to dodge our Post-war Settlement Document. It is suggested that we might break it up into three resolutions, dealing with International Political and International Economic Organisation, with a third piece on "the rest", including the treatment of Germany. I say that we cannot run away like this though the Debate might, perhaps, be divided by the Committee into three sections, but it will be impossible to avoid a straight vote on the declaration as a whole, including the controversial bits, and we must stand up to this. H.J.L. said that "much has happened" since we drafted this, but I remark that all that has happened has been in favour of our document, in particular the proceedings at

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the T.U.C. and the fact that the Russians have included reparations - though in kind and not in money and spread over a short term of years only - in their Peace Treaties both with Rumania and Finland. I think the best course will be for C.R.A. to move a resolution covering the whole ground and beginning by welcoming our statement, and for me to wind up and reply to the critics. Probably also I ought to draft the resolution.

Committee, with Woolton in the Chair, on Economic Controls. I am interested to notice how there is practical unanimity among all on this Committee that most controls must go on for sometime. The question is who shall say this and when. The general inclination is to think that O.L., who is absent to-day, should say it in reply to a Question at the tail end of the session and then we should renew the topic on the King's speech.

D.J. to discuss Location of Industry legislation. But this is not, as I had expected a tête-à-tête. A.O. and W.P. also turn up. In fact there is not much more to discuss, particularly as we now have the comments of the other Departments, including the Treasury, who seem prepared to go quite a long way. I dictate later in the evening my own draft mapping, without difficult, most of the points.

H.G. to dine and we have a discursive talk. Durbin has got Edmonton. A first-class windfall; he should be all right now. So, as I told him the other day, after a long black season of disappointment often in politics the sun breaks out most unexpectedly and quite suddenly. I added that it often goes in again in the same way! H.G. thinks very well of Norman Brook.

28.10.44.

Irene N.B. to lunch. Francis is back from the U.S. and frightfully eager, quite naturally, to be in Greece, but Leeper has specially warned the F.O. against allowing

this dangerous and subversive young man into the country though, in fact, all the three points F. had proposed have now been accepted :

- (i) That the King should not go back unless and until a plebiscite has been declared in his favour,
- (ii) That E.A.M. should be recognised and brought into the Government,
- (iii) That the Security Battalions, being pro-German, should be disarmed.

Francis is now going out to Cairo, hoping soon to get on to Greece, but Leeper may hear of his arrival and stop his going further!.

D I A R Y.

29.10.44. (Sunday)

To-day we hold one of our "Secret Meetings" of the N.E. and the Labour War Cabinet Ministers at Howards Hotel. As usual most are quite sensible. Our Declaration that we shall fight the next election as an independent Party has had soothing effects everywhere. E.B. coming in, as usual, very late, says that he can hardly believe his ears. He thought Ministers were all supposed to be chained to the Coalition "and captives of the Tories", but here to-day everyone is saying we must not hurry the election or the break-up of the Government and everyone, except Shinwell, says that we ought to get the Social Insurance Bill through before the Parliament ends. And this, indeed, is the general mood. I say I also want to get a Location of Industry Bill through. Unless we get S.I. through, the Tories will use it as bait for the electors; if we do get it through we can say that, but for us, nothing nearly so good would have been put forward; and in any case it is right to get it through, regardless of Party politics.

30.10.44.

Ordinary N.E. meeting in the morning. Very quickly over.

Lunch with Mrs. P., C.R.A. and Jowitt, to meet Van Kleffens and a Dutchman, recently come out, one of the leaders of their resistance movement. How brave these men have been, while we have had so little to endure! Van K. says that a young German Officer, after the occupation of Holland, said one day at the Hague in a mixed party including both Germans and Dutch, "Oh dear! I must go, I am late for an appointment." When asked "What appointment?", he replied "I shall be late for my Welsh lesson" and then seemed suddenly to realise that he had been indiscreet. "Your Welsh lesson?" someone asked, and he replied, rather sheepishly, "I have got a post on the staff of the Gauleiter for Wales."

Van K. also said that he was astonished to read that we had only caught and executed some fifteen German spies in this country since the beginning of the war. Jowitt said that some of these German spies were almost unbelievably incompetent and he could only suppose that they were used as a blind, in the hope that we should think that there were no really good German spies and so be put off our guard. The first three German spies he had had to prosecute as Solicitor-General consisted of two men and a woman who had landed on the Scots coast from an open boat. They had waded ashore and the men's trousers and the woman's skirt were dripping wet. They walked into the railway station at Buckie and asked, speaking broken English with strong German accents, "what was the name of this station?" When they were told they asked when the next train left. The porter told them in an hour and a half. They then asked where that train went to. He said to Aberdeen and suggested that they should sit and wait in the Waiting Room. They did so and he went off and rang up the police. When the police arrived they asked the three visitors to open their bags. They did so without demur. The bags contained three wireless sets, a little food, and nothing much else. They offered no resistance when arrested.

To Westminster Hospital this evening, when I am given gas and have a minor operation on my finger. It is all very nicely and competently done, though I disliked it a good deal, particularly in prospect. I asked whether I kicked or shouted much when under gas and they said "No." But I heard myself saying, as I came to, in a tone of great indignation "Just like a bloody Cabinet Committee!" I am to go back and have the wretched thing dressed each day. But I give them good marks.

31.10.44.

Get C.W. to go down and take the P.Q's. but these aren't reached.

Sir Charles B.G. reports that he has now got the Business Members in line, except Weir, who, he is afraid, will

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remain disgruntled, but who is prepared to go on for the moment with his industries.

Lunch with Beale and one of his colleagues from Birmingham, named, I think, Jolly. Long and technical explanation of why Beale and Sir Charles Wright disagree about the sites for the new timplate works in S. Wales. Wright wants to put up a new hot strip mill at Port Talbot where the Guest, Keen, Baldwin Works are now, but Beale doesn't want this unless he can be assured of sufficient imports from overseas of semi-finished steel. I asked both Beale and J. whether they agreed with my line in refusing to sign the Redundancy Certificate until I knew for certain where the view works were going. Rather to my surprise, they both emphatically said I was quite right. Sanders has also heard from Sir Edgar Jones, who works for the Timplate Manufacturers, - I am not sure whether as Accountant, or Sales Manager or what - though most definitely off the record, that he had not been surprised that "someone at the Board of Trade had smelt a rat" when the Redundancy Scheme had been presented. It was, in his view, a shameless attempt to extract money from the Government.

Following a rather painful first dressing at the Hospital, I go on to a D.I. Committee. Here I have a greater success than I had hoped with my paper on the terms of my Location Bill. I have good backing from E.B. in the Chair, and from T.J., and on most points from W.S.M. and Cripps. J.A. is also, on the whole, quite benevolent. The opposition, such as it is, comes from O.L. and A.D., who sit side by side just opposite to me, looking like a pair of very sinister capitalists, whispering to one another and suspecting socialism everywhere, both likely to cause more trouble at a later stage.

I am delighted to get agreement for :

- (i) Power for the Board of Trade to build factories anywhere, either in the D.A's or outside, in order to secure diversification,

- (ii) Power for the Treasury to grant financial help inside the D.A's., in the form of grants in aid of interest on capital, or even investment in equities of promising concerns.

They don't like, and I give way on this, my proposal that the Board of Trade should find money from its votes to add to grants from other public departments in respect of, e.g. road or dock or housing improvements in D.A's. As to the definition of the latter, the general view is that they should be defined in a schedule to the Bill, and not, as I was slightly inclined to prefer, by Orders made from time to time. But my colleagues think that there should be a review of the areas after say, three years, and that subsequent changes, whether by addition or subtraction, shall be made by Order. We have quite a tussle on "restricted areas", W.S.M. being eager to put Greater London in the Bill. But the general feeling is against what they call "discouraging development", and it is finally decided to fall back on the single, and slightly ambiguous, sentence in the White Paper on this subject. E.B. advises that before we get the Parliamentary Draughtsman on the job, I should put the paper, revised in the light of this afternoon's discussion, to the War Cab.

Dine with Frank Platt and tell him, what he says he hadn't heard before - he's no scout; Streat would have nosed this out in twenty-four hours! - namely that I had put up, in vain, to my colleagues a proposal for a statutory Spinning Board to buy all raw cotton and sell all yarn at standard prices and make recommendations on compulsory amalgamations in the Spinning Section. He is pleased at this, but says, as so often before, that he is chucking the Cotton Control and going back to business, with the L.C.C. He thinks the Tories will win the next election, and get in a hell of a mess and then the Labour Party will come back with a majority. "And when that happens", he says, "I shall be your man!" And so, very likely, he might be.

I feel damned tired to-night.

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1.11.44.

Sir Gerald Bruce offers, for a suitable salary, to take charge of all our Trading Estates, old and new, in South Wales. Being Lord-Lieutenant, he can't, he explains, do much work as a Solicitor.

Lunch with Retinger to talk to Kot. The plan had been that I should meet R. at the Bon Viveur at 1.15, and he should brief me, and that Kot should be invited at 1.30 but, as sometimes, these Polish tactics overreach themselves. I arrive at 1.15 and wait for ten minutes, when Retinger and Kot arrive together! K. talks at immense length, mostly anti-Russian, and says the Poles are much hurt at the way in which our P.M. is forcing upon them decisions which he took jointly with Stalin, but without consulting them. He demands that they shall agree at once to the Curzon Line and the loss of Lvov and, when Mikolajczyk raises any difficulty, our P.M. gets very indignant and says "See what great gains we are offering you in the West in place of all those swamps in eastern Poland!" K. believes that the Russians won't keep any pledge they give now and that they are determined to destroy the independence of Poland. I tell him that people here are getting very impatient and that if the Poles in London don't accept and sign now they will lose much goodwill both in this country and the U.S.A. K. has made great play with a number of Polish requirements - that their deportees shall be allowed to return from Russia, that they shall be allowed to bring away from the ceded territories their "cultural monuments", that they shall be definitely assured that, if they give up territory in the East, they shall have what is now spoken of in the West, and that some financial provision shall be made for settling Poles from the East in the new territories from which the Germans must be removed. I say that all these are most reasonable propositions, but that the way to handle them, at this late stage, after so much fruitless and indecisive discussion is for M. to say to our

P.M. and to the American President that the Poles in London accept the Russian territorial proposals in the East, but that, in so accepting, they take for granted that their requirements, as indicated above, will be met, and M. should urge that a clear promise should be got from Stalin, and that the British and American Governments should do everything possible to see that he keeps it, on all these points. R. said he thought I had suggested a formula which might do the trick. I told K. that I was astonished how the Germans had been kept out of our conversation to-day. The first reference to them had been when K. had said that German propaganda was active among the Poles in opposition to the Russian suggestions. It was necessary that the Poles, like the Russians and ourselves, should recognise that the Germans had been, were now and, unless we held together, would again become the common enemy of all of us and a formidable threat to all our lives. I also reminded him, not very obscurely, that if he was still a Minister in the Polish Government in London this was largely due to me, since I had pressed upon my Polish Socialist friends to content themselves with getting rid of Sosnkowski and not to insist on clearing out Kot too!

Ivor Thomas will go to Cambridge to speak in my place to-morrow, I not feeling very fit to travel or orate.

Sir George Nelson to see me. He stays for two hours and we talk of many things. How I prefer him to most other industrialists!

2.11.44.

I again feel damned tired! This is a great bore.

A day without much incident till the evening, when I sit for two and a half hours in the P.M.'s. room at the House at a War Cab. Having agreed first to a paper on Building Labour, and then to E.B.'s. paper on Re-allocation of Civilian

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Labour, and the continuance, though with modifications of Labour Controls, we pass to Woolton's paper on the continuance of other Economic Controls. This leads to a first-class squabble. First C.R.A. and H.M. object to some sentences as committing them to desire a return to laissez-faire, and then Beaverbrook and Bracken make a lot of noise the other way and object to the paper as committing them too much to controls. The latter, in his best rude style, tells W. that the paper is so badly written that he cannot make sense of it, and then complains that there was no Conservative on the Committee that prepared it. A list of the Committee is then read out. It included: Woolton, E.B. and myself, J.A., O.L., A.D. and A.E., along with Cripps. Beaverbrook proposes that the matter should be referred back to another Committee on which "some of us" should sit. After a frightful and most boring wrangle, the P.M. says that he thinks we had better not publish this paper, or anything like it at all, but that, E.B. and A.D. should concert a short statement, which could be put out along with E.B.'s. speech on Labour Controls.

After the Cabinet, I said to the P.M. going out that I didn't wish to prolong the discussion, but that there were some controls which I felt it was most indispensable to keep on, especially price control. He said "Yes, of course, I quite agree, but are you sure there aren't a lot of controls which you are keeping on now and which could quite well be taken off?" I said I thought not, but that I had set up a Standing Committee, with Waterhouse in the Chair - I thought this might help the P.M. - to keep a constant watch and report to me whenever they thought we could do any de-control. He said "You have corrupted Waterhouse. That speech he made at Birmingham has upset a lot of people." But it was all quite amicable. I asked him whether he knew Bruce-Gardner. He said "No".

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3.11.44.

Weekly Friday meeting, with usual Prods on Staff, Accommodation etc.

4.11.44.

To W.L. by car with Bob Fraser. He is a good companion and very useful in the garden! I am still very much unable to walk!

6.11.44.

From W.L. Various Conferences including an effort by me to prod them up on their relations with the Ministry of Labour. I hope that B.G. will deal with all these things now direct with Ince.

7.11.44.

War Cab. to consider P.M.'s draft statement on Controls. This comes out pretty well. It will give no encouragement to the extreme decontrollers. When he can be got to look at a problem without "ideological considerations", in the language of his statement, colouring his view, he always sees the larger points.

8.11.44.

Lunch with Canadian Chamber of Commerce and dine with the Anglo-Egyptian Chamber of Commerce and make speeches at each, resting my weight, with slight discomfort, on a chair. To both I say that it is a delusion to suppose that there is, at this stage of the war, any large quantity of labour, material or industrial capacity which can be turned over from war to peace production, whether for the home market or for export. Sit beside Bennett at lunch and in

the evening between (Lord) Greenwood and (Lord) Davidson. Lord G. says that Dorman and Long's want to spend £10,000,000. in building a first-class new steel plant south of the Tees. This is very good news and I ask for further particulars.

9.11.44.

Lord Mayor's Luncheon, where they now serve regularly Australian wine! Sit next to Catto who makes no bones about his disagreement with M. Norman's policy on many points. We speak again of his projects for new financial institutions and I say that I am in favour of his going ahead with these. This would not include other additional financial arrangements being made later.

I have been put on a Cabinet Committee on Civil Aviation, with the Beaver in the Chair, to guide Swinton in his negotiations in Chicago. I don't know much about the detail, and it looks as though not much can be done at present to set up an effective international organisation, since the Americans don't want one and the Russians won't come to the Conference - on the pretext that Switzerland, Spain and Portugal, with whom they have no diplomatic relations, are also there - nor, at the moment, to get much of a move on with our own civil aviation.

See J.A. about the hold-up in the Moscow trade talks. I tell him how the Russians in London have been spilling the beans right and left. He thinks that it may be part of a general policy of, at least, temporary non-co-operation with us which they are pursuing, and thinks that O.L. should collect a meeting of Ministers to discuss it.

I also speak to him about staff and the unwillingness of some of my colleagues to part with anyone worth-while or to give up any space.

Dine with G.J., whom I had not seen for quite a long

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while not, indeed, since before he went to Dumbarton Oaks. He is in a rather discouraged mood, and reverts to an old idea of leaving the Civil Service and going into politics. I discourage this, as before. He says that they spend all their time slaving away and then Ministers either do nothing about it or do it all wrong. (H.G., to whom I report this, says that all Civil Servants in all Departments, and not only in the F.O., must often feel like this!)

Buttering up the Russians G.J. says is no good. The only result is that they despise you. He liked Stettinius who, he says, doesn't pretend to study detail, but sticks to the large issues and has had an immense personal success in the State Department, where he has smacked all the old boys on the back and made them all call each other by their christian names - for the first time in their careers. He is said to have "introduced quite a new atmosphere". He prefers his christian names syncopated. He calls himself Ed and, the day after they met for the first time, began to call G.J. "Glad." and in order that everybody should get to know one another better he arranged a party of British, Russian and American Delegates to New York where they were entertained and enjoyed themselves for two or three days. The Russians, under this treatment, melted very much, but were paraded before the Russian Consul General in New York, who gave them a pep talk and warned them against being taken in by bourgeois propaganda, or any belief that the U.S. or the U.K. were democracies, or that anything was really better there than in Russia. G.J. thinks that, if the Russians were not held in this tight vice, they would be all over the place, completely anarchical and unpredictable. He finds them most intelligent, though still intensely suspicious, at the least provocation; it is most difficult to discuss any shop with them not covered by their exact instructions. They say "it isn't in the Soviet Memorandum".

10.11.44.

Visit Horder, to whom I had written a few days ago

saying that I was normally so fit that I had no regular Doctor but that lately I had been a bit tired after 4½ years as a Minister of the Crown in this war, with most of it spent at the B. of T. Having gone through all the obvious tests, and asked me various questions from which it appears that my condition is not very different from that of a large number of other people, namely that I am "a bit stale", and nothing worse, he says that he will send me some beneficial pills! The rest of our conversation is gossip. He tells me how Beaverbrook pushed him aside both from being the present P.M.'s Medical Adviser - which he had been before the latter became P.M. - and also stopped him from becoming President of the Royal College of Physicians, which he would normally have been in succession to Dawson of Penn. The Beaver successfully ran Charlie Wilson, now Lord Moran, for both these honours. For the latter the Beaver did most vigorous canvassing, entertaining the electors at dinner and sending emissaries to call upon them and even sailing, as Horder thought, very close to libel in the "Evening Standard". Here, in the Londoner's Diary, it was stated one night that the favourite for the post was Sir Charles Wilson. Then followed a great eulogy, ending up, "He has absolutely no money sense". Then, it was added, "The runner up is Lord Horder. He has for years enjoyed a large and lucrative practice". And nothing more! In the end Horder was defeated by seven votes. He must be a lot older than he looks and he told me that he was medical adviser to Bonar Law, before Ramsay MacDonald.

2 h
Weekly Friday meeting and the usual Prods.

Go to see C.R.A. and tell him of my concern, already expressed in a letter, at the omission from the first draft of the King's speech for next Session of any reference to either Location of Industry or Restrictive Practices. I say that I could not publicly defend the omission of these two items. He says he has made a covering note on the draft, in which my views are recorded. I say that I take a very strong view about this.

B.G. to dine with me at Josef's. We gossip about many personalities. He is "playing himself in" quite slowly

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and deliberately.

11.11.44.

With Bob Fraser by car to Sherington which I have never seen before, for the week-end. Quite a pleasant little house, but not at all my kind of country. North Bucks has a wet wind and a heavy soil and, hereabouts, no natural beauty. It isn't far from Woburn, which recalls the memories of many visits.

D I A R Y.

13.11.44.

Back by car from Sherington and, after lunch, to a Reconstruction Committee on Resettlement Grants. The number of Ministerial meetings and the quantity of paper circulated seems always to be increasing as the war wears on.

Since to-morrow there is to be a joint meeting of the International Policy Sub-Committees of our National Executive to determine and publish the resolution for the Annual Conference on the International Post-war Settlement, and since I have heard nothing of anyone else drafting anything or of my being expected to draft anything myself, I ring up Transport House at 4.30 to enquire. But neither Gillies nor Morgan Phillips are in their offices! So, in case no one else has done anything, I dictate to-night, near midnight, having just finished all my other jobs, a rough draft of a resolution and have it sent round early next morning to be duplicated and distributed. It is just as well I did.

14.11.44.

At this afternoon's joint meeting I find that no one else has done anything and that my draft holds the field. Moreover, as we go through it, my colleagues swallow it almost whole, with only a few small amendments. Harold Clay, tiresome and persistent on this question, isn't at the meeting. Phil Baker arrives, as usual, very late, and we have settled practically everything, his only suggestions being that we should refer, in relation to Palestine, to the old Mandate, a suggestion which I resisted, and that we should break the resolution up into three parts, the first General; the second on International Political and the third on International Economic Organisation. This had been a suggestion made at our last N.E. by those who didn't really like our original declaration and hoped that on the first part, on German

responsibility etc., there might be opposition - and they would have been quite glad to see the Executive beaten on this. But, in practice, it is quite impossible to draft this way and there is no support to-day for this idea. Little Laski, on the other hand, is most agreeable and co-operative and is very friendly to me, having received my reply to his enquiry as to whether I was engaged in a "manoeuvre" to limit his Chairmanship of the Party to the few months between next month's Conference and Whitsuntide. I had been able, in a suitable reply, both to deny this and to declare my general view that every Chairman should hold office for at least twelve months and, if the dates of conferences fell awkwardly, always for a longer rather than a shorter period. So he is all for my resolution to-day!

Lord President's Committee to consider the paper by me on Cotton Textiles for Canada. O.L. makes trouble about this being brought before the Committee at all. He thinks it should go through some long elaborate alternative machinery, ending up in Washington in some Combined Board. He says that his people asked mine to withdraw the paper and that it should go through this other channel. (I find out later that this is quite untrue, and will write and tell him so). To-day I merely say that there has clearly been some break-down of communications and I agree that the whole thing should be looked at inter-Departmentally.

Dine with G. Wansbrough and talk about new industrial buildings, the Iron and Steel industry etc. He advises me to see Miles of Brasserts, who has had a lot to do with the Iron and Steel Control.

15.11.44.

Another meeting on Commercial Policy in J.A.'s.

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room. Our officials have been performing prodigies of ingenuity and have now produced a plan, whereby foodstuffs shall be treated differently from manufactured goods, and quantitative regulation of imports permitted more freely for the former than the latter. Also a second paper in which "non-discrimination" is interpreted to cover continuity of purchases from existing suppliers to the exclusion of exceptional offers at very low prices by others. All very helpful to British agriculture and Empire trading, but I don't know how it will all be taken by Mr. Hawkins who has now arrived at the American Embassy and is eager to discuss all these matters with our people. There is general agreement that a further "exploratory, non-committal and unofficial" conversation may take place on the basis of these papers.

Lunch with the Spanish Ambassador, the Argentine also being present, together with (Lord) Greenwood once more, Sir E. Peacock and Sir Kenneth Clark. Lord G. thrusts into my hand a further paper about Dorman & Long's extension and Sir E.P. canvasses me to allow the export of some turbines to some company in Spain, while Sir K. Clark, whom I take off in my car afterwards, to discuss the Design Council which he has agreed to join, is very optimistic of the prospects of coloured printing if only Rab and I will both take it up. He thinks we could export quite a lot of it.

Bi-monthly meeting with representatives of the General Council. But to-day quite a different lot come from last time. It is a different committee. B.G., Palmer and D.J. come in after a first preliminary talk. It all goes quite easily.

Dine with Librach to meet Kawalkowski, who is now Polish Consul General at Lille and was, during the German occupation, leader of the Polish Clandestine Resistance Movement in France. He is, as most Poles are, very anti-Russian and full of fears that they will dominate and overrun the continent. They and the Germans, he says, are the

5/ only two peoples in the World capable of sustained and ruthless brutality. The modern method is to exterminate in any country thought to be subjugated all the leading personalities, in every section of society, so that there remains only a dull leaderless mass, on whom can be imprinted the will of the conqueror. So, he thinks, the Russians, if they over-ran Poland, could assimilate the mass of Polish peasants and industrial workers within a short time. "They would cease to be Poles and would become Russians." And if we British did not resist these Russian designs in a third World War, not very long hence, they would arrive in this Island as the advance guard of the invading Russian Army. The Russians, moreover, would set up a Communist Germany and are already preparing to establish a Communist France. All this flowed out, after a most moving account of how the Poles had resisted in France. Of the mass of the French he had a very poor opinion. The German rule was not harsh, except to the leaders and those who were dragged away to Concentration Camps. Between these and the outer world no message passed and, therefore, most Frenchmen lived, he said, reasonably well and contentedly. The Germans did not exploit, to the utmost, the food or the wealth of France and were not furiously hated. One proof of this was that, even now, German parachutists descend for Secret Service work in various parts of France. This shows that the population, in many parts, is not hostile to them. Many of the French had absorbed the idea that Europe should be one. And they were weary of fighting wars against the Germans, who so much out-numbered them. They would like a long peace with the Germans, particularly since they did not trust the Anglo-Saxons. German and also, he said, Russian propaganda in France now was to the effect that this second Anglo-Saxon occupation was far more harsh than the German's had been. All this a bit distorted I thought.

16.11.44.

My finger is said to be healing up wonderfully well and I now go only at intervals of a few days.

Dr. Peter Hasell.

DIARY.

15/2
Sir Patrick Hennessy to see me, at my request, to discuss Iron and Steel. He says that the motor manufacturers have been fruitlessly negotiating with Duncan for months and trying to get steel more cheaply. The present fixed prices of steel are based upon an average, including many high cost producers. This may be necessary for the war but it will be disastrous if it continued into the Peace. Something drastic, he is convinced, must be done to the Iron and Steel industry if we are to survive. He quotes a number of figures and will send me copies of these and a memorandum on the general position. He would be in favour of a "neutral review" of the Iron and Steel industry by some expert. How should it be re-organised so that it could compete with the U.S.A.? Clearly many old plants should be scrapped and good new ones put up and there should be a resumption of competition. I asked who might make the "neutral review", he suggests Edgar Lewis, born British but now naturalized American, President and Chairman of Jones & Loughlin of Pittsburg. I liked this man better than Sir G. Usher.

Lunch with John Lewis, Labour Candidate for Bolton, whom I first met in Manchester. He is Managing Director of the Rubber Improvement Company, and is very full of himself and his battles, successful, he says, with the Ministry of Supply against discrimination by the Rubber Control against his firm. He is able, but not very likeable.

Spend an hour with the Rayon Federation who, at any rate, are aiming at a very large expansion of their export trade, on which I compliment them. It is a pity they have not someone more lively than poor old Sir P. Ashley to lead them.

Reconstruction Committee on Finance for Industry.
We agree to welcome Catto's projects.

Thence to War Cab. A number of us wait for an hour and a quarter while Ethiopia is being discussed inside. Then, having gone in for Civil Aviation, after several other items *see* discuss at great length, e.g. whether we should try to

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es

dissuade the Australian Government from making a statement to-morrow on Japanese atrocities, we come to the draft of the King's speech. I then urge the inclusion of references to legislation on Distribution of Industry and Restrictive Practices. At an early stage in the discussion I let the second go and concentrate on the first, for, on the second, we have only just had printed and circulated a long paper by the Solicitor-General which must clearly be considered in the Reconstruction Committee. On Distribution of Industry I put in a paper last week embodying amendments suggested during discussion of D. of I. Committee but, since this, Beaverbrook and Bracken have put in a paper disputing some of my proposals, especially the building of factories by the Government outside the Development Areas. There is clearly no time at 8.10 p.m. to go into this in detail and it is clear that hardly any of the 27 persons now sitting round the Cabinet table, exclusive of the officials, has the faintest idea either of what we have all said in our White Paper on Employment last June or of what is being proposed now, either by me or by the others. The P.M. is apprehensive of promising too much since no one can foresee the length of the war or of the session. E.B., as I should have expected, is the most helpful of my colleagues and weighs in ~~not~~ quite effectively in favour of some mention of D.I., as does Will Whiteley when I say that perhaps the Whips will be able to tell us something of the feeling in the House. Finally, after much to-ing and fro-ing, it is agreed to insert, not a pledge to legislate but a reference to the "Distribution of Industry" in Development Areas. These last three words are pressed for by the Beaver, and I don't resist them, though they will read oddly in the text of the King's speech. (The only practical result of restricting power to build within the D.A.'s. will be that the latter will have to be much longer list, but there is no really serious objection to this, provided administration is sensible.) This is a half success, with which, for the moment, I must content myself. If they had refused to make any mention of either of these topics in the King's speech I should have been inclined to resign. I had so told C.R.A. last week, now we must seek to get reasonable agreement soon on the principles of legislation. O.L. said to-night that he had dissented, though in a minority,

D I A R Y.

from the proposals now embodied in my paper agreed at the D.I. Committee.

17.11.44.

I have to tell the Canadians this morning that nothing is settled about their cotton.

Then Sir Edward Tindale Atkinson visibly in pain from lumbago. I offer him the succession to Thorpe and he will, I think, after reflection, accept. But he is rather a sick man, apart from lumbago, and could only do a part-time job but this is I think all this need be now. He knows, and likes, Low very well, and I ask the latter to come in and join us in the talk.

Then Lever, at his own request, to come and tell me all about the merger of Richard Thomas and Baldwins - including Guest, Keen, Baldwins - in the tinplate trade. I am glad that this has happened, since it simplifies arrangements and, as Karl Marx pointed out long ago, though many have since forgotten it, monopoly is a stage towards the Socialist goal. Lever is much more nearly definite to-day on the location of new plants than anyone has ever been before. A new hot strip mill at Port Talbot and two or three new cold reduction plants, one of which must be in West Wales.

Weekly Friday meeting and usual Prods. Staff and Accommodation are very slow to come along. It is agreed that I shall put in yet another warning and demand to my colleagues for cotton labour and a wider demand for more labour generally.

D I A R Y.

18.11.44.

To W.L. by 8.55 a.m. train and stay down an extra day till

21.11.44. (Tuesday)

when I come back after a week-end in which I have actually walked for half an hour at a stretch! How gradually we regain quite simple physical lost ground.

News from Washington is quite encouraging about the new Lend-Lease Declaration. Keynes seems to have done very well. (Thereafter there are violent fluctuations, we plunge into a period of deep gloom, in which the Americans seem to be going back on everything they promised us, and trying to deny us any export freedom until after the defeat of Germany. Oscar Cox who is, I think, No. 3 in F.E.A. has had the cheek to say that he sees no reason why any reference should be made to this matter in the British Parliament. In this country the line between Ministers and officials is clearly drawn; in the U.S.A. it is a smudge, and you never know what authority the chap has to whom you are talking. Finally, just before the release on November 30th, the clouds clear away and a very good version comes over.) During this same period, though the Americans in the end do quite well for us on Lend-Lease, there is a lot of row about Argentine meat and Civil Aviation, especially the latter.

Export Committee with W. in the Chair. O.L. wants us to indulge in talk of long distance export targets with various industries. I agree to have a try, though thinking not much will come from it.

Crinks to see me on usual pompous errand to complain that he has not been consulted on something or other. This man is a damned fool! I have now told him several times that having become a laughing stock in the House of Commons he ought

H. Johnston

to try to damp this down by going and sitting about and talking to people there. The truth is, people say, that everyone regards his appointment as a frightful ramp, not least the remnants of the Liberal Party.

Dine with Leslie Nicholls, home on a short spell of leave from Italy, where he has been catching cold and feeling rather miserable in the Roman rain. I arrange for him to see Shepherd or Windle about a candidature with special reference to the possibilities at Maldon, where he is locally well-known.

I send to-night a letter to the P.M., with a copy to C.R.A., on the Development Areas and my great concern at the delays over this." (Copy attached) This is a fairly strong letter and would be a possible foundation for another even stronger if necessary. My paper to the War Cab. on this was circulated eleven days ago.

To-day also J.W. accepts an invitation from the P.M. to join his Government as Joint Parliamentary Secretary to the Ministry of Supply. When asked to go across to No. 10, he was terrified that he might be asked to be Parliamentary Secretary to the Ministry of Pensions. Even this he had not thought he would really be able to decline in face of scowls from the P.M. The interview was short and he accepted without question. The P.M. said "the Minister of Supply will be very glad to have you with him". I think that a short list of Labour names may have been shown to Duncan, who would, not unnaturally, have chosen J.W. from such a list. This is all very welcome, and long overdue, though it will make a gap here for me.

22.11.44.

N.E. at 10. Ellen Wilkinson being ill, Laski takes

D I A R Y.

the Chair, and likes it. We clear our International Post-war Settlement resolution without difficulty, Clay alone saying that he wishes to record his disagreement. So we have worn them all down in the end! I have to leave for a Civil Aviation meeting at 11., from which we go on to the Cabinet at 11.30 and sit there till 1. The C.A. Committee meets again at 2.45 - 3.30, whence we go to the Cab. from 3.30 - 6.45. Swinton is having a difficult time with Berle and the Americans are pressing us very hard on all this.

After the Cab. I have to go to a meeting with C.R.A., E.B. and H.M. at No. 11, when H.M. talks of his idea of putting in a paper on the Government's attitude to industry. E.B. and I are discouraging and C.R.A. says little. This incident, I can see, helps my relations with E.B., and the reverse with H.M., however, that can't be helped for the moment and E.B. is much more use than H.M. on all the things I care most about.

Dine with Sir A. M. Livingstone and sit next C.I.G.S. who describes what a difficult time he had persuading Stalin in the first Moscow Conference why the Second Front was impossible. Simon is also present to-night. Characteristically getting the name of a professed friend wrong he says how much we shall all miss "our good friend and host, Sir Alexander Mackenzie". When I mentioned to him that I had been reading Spender's "C.B." last week-end, he says that, if I had read to the last pages, I should have found a reference to a young Liberal M.P., who was chosen to move the Amendment to the Address. This was himself.

are all indebted to

23.11.44.

Exp/awk Credits ~~extra~~ for Russia. Talk with J.A., O.L., and Law. ~~J.A., O.L., Law~~ and Sir F. Nixon agree that we should, in a Ministerial phalanx, meet the Russians and expound to them the British situation. An official suggested that heavy plant not taken by the Russians might go to China or Italy instead. On this I explode. The others seem quite surprised, when I said that Russia had done rather

We

more than Italy to help us win the war.

Privy Council at B.P. C.R.A., Templewood (ex Sam *Hoare*) ~~Here~~ myself, and O. Peake. King's speech impediment is still very bad. There was a long and painful period of at least twenty seconds during which he was struggling to emit the one word "approved".

Then to Westminster Hospital, where I am duly discharged by the excellent Dr. Hansell, and am now to keep my dry bandage on for a week and then begin very gingerly to wash my finger. They have done a very good job and I pay the Hospital twice what they suggest, even so not much for all their care and labour.

Lunch at Drapers, and talk to Prytz on Anglo-Swedish trade. ^{and} Street, Grundy, Platt's deputy to discuss re-opening of cotton mills. At first they said there was nowhere it could be done except at Oldham, which is choked with Radar. To-day they admitted that something could also be done at B olton and Wigan.

E.B. tells me on the telephone of a talk he has had with O.L., designed to break down the latter's opposition to my Location proposals. If I would agree that power to build shall be limited to the D.A's. and that notification of intended new buildings and extensions shall be shorter and simpler, O.L. will agree, E.B. thinks, to settle on this basis. In that case he doesn't think that "M. and B." will carry much weight. I see O.L. to-night and settle on this basis. I hope he will stay put.

24.11.44.

Production
Institute the Tennyson Furniture Committee. Tomkins had a fine article in to-day's "Herald" praising me loudly by name and declaring that much pre-war furniture was only "match-wood and glue".

Lunch with Mrs. P. and C.R.A. to meet Agnides, who

DIARY.

tells me a long and interesting story of his tour round Europe with A.H. in 1933.

Will Henderson to dine and later, he, I and G.P. catch the night train to Glasgow, accompanied also by Sir P. Warter. I have not travelled in a sleeper for quite a long while!

25.11.44.

26.11.44.

A very interesting two days in Scotland. Programme attached. At Prestwick Airport we meet Group Captain McIntyre, a great enthusiast for civil aviation, who has fallen out with the R.A.F. He believes that we can make it pay without a subsidy and paints a bright picture of large numbers of Americans flying across the Atlantic and making their first landing at Prestwick, after which they would spend nearly all their dollars in Scotland, making business contacts in Glasgow and elsewhere and spending holidays in the Highlands. Scots exports visible and invisible to the U.S.A. would thus climb skyward, like the planes that carried them. The American visitors would then spend a few penurious days in England, including London, before returning to Prestwick to fly home. Not quite nonsense!

The unveiling ceremony of the Arthur Henderson bust at Kelvingrove was attended by some three or four hundred people ~~at~~ the Art Gallery. I made a carefully prepared speech which lasted three-quarters of an hour (notes kept separately). I gave them A's. description of A.H's. visit to Germany. After Rome he was to spend three days in Berlin. Then he was due in Prague. On the evening of the third day the Germans said that he must stay another day in order to see Hitler. He refused, - this was the first time this had been suggested, - saying that his time-table was fixed and he was due next day to see "my friend, President Benés". This made them very furious. And, having failed to move him on his time-table, they pressed that, after Prague, he should break his journey to Paris at Munich to see Hitler there. He only replied "I will consider it." But

before leaving Berlin, he agreed. At Prague Benés also pressed him to stay a day longer than intended. Again he refused. "I have an appointment" he said "to see Hitler at Munich and I must keep it". But Benés persuaded him to stay over night, promising to send him by car next day in time to be in Munich by 6 p.m., the time fixed for the interview. B. put two cars at his disposal, but one broke down and the whole party was delayed for several hours in snow and bad weather. The German Press said that it was "a plot of Herr Benés" to prevent A.H. and Hitler meeting. He arrived at Munich at 7 and went to his Hotel. There a furious message came from Hitler that he had been waiting an hour. A. said to A.H. that he must go at once to see him. A.H. said that he must dine first and was preparing to do so when another emissary came from Hitler, white in the face, to deliver a message that, unless A.H. came at once, Hitler would leave Munich. So he went. There were also present Von Neurath, then Foreign Minister and a German Interpreter. A. accompanied A.H. A.H. at once walked into Hitler and said "you are doing yourself and Germany great harm by your treatment of the Jews and by your suppression of the Press and of political parties and trade unions." H. was very angry at this and said "we are not here this afternoon to discuss my internal affairs, or I might ask what you have to say about the British oppression in India and Egypt". A.H. quite unruffled, replied "Germany is in a special position. Germany needs every friend she can get. She had some friends in England until recently but she is rapidly losing them all as the result of your treatment of the Jews, Socialists and Trade Unionists. I am advising you in your own interest and that of Germany." A. whispered to A.H. that the interpreter was not translating him correctly, so A.H. suddenly stopped the interpreter and pointing his finger at Neurath said "You translate what I am saying to Herr Hitler. I intend that whatever I say shall be accurately translated. This man is making a mess of it." And N. did translate the rest. A.H. then said "You are also making a great mistake in your campaign for re-armament. It might be possible to arrange for a small token German force, if you would come into a general agreement with all other

DIARY.

In 2.3/4/42

nations, including ours^{LVW} and the French. But you will have to submit to controls and inspection like everyone else." Hitler replied "I will agree to any controls which the others agree to", and then he went on to bargain about the size of the token force. A.H. said that "if nothing else was ~~that~~ he would be prepared to make suggestions for a further concession on the token force". Toward the end of the interview Hitler swooned off into one of his orations. A.H., who was feeling very ill and tired and short of food said, when they got outside, "Well, he talked a lot". He was not at all hopeful of having made any impression.

He was, however, greeted - no doubt it was all elaborately arranged - by a large crowd in the street who cheered him and raised cries for peace and disarmament. This was reported by the French Press, so that, when he arrived in Paris, he was greeted with a complete lack of courtesy by the French Government. No one came to meet him at the Railway Station. There was no car, though a large car was waiting for Paul-Boncour, Junior, whose father was then the Foreign Minister, in which the young man drove to the Quai D'orsay, not offering A.H. or A. a ride. They had to get a taxi and were invited at an inconveniently early hour to see P.B. Senior. They were offered no hospitality of any kind. P.B. said "We know very well where you have been, with whom you have been talking and what you have said. We know also that there were great demonstrations in your honour in the streets of Berlin, but we know further that these were not spontaneous". His whole attitude was rude to an extreme degree and A.H., nettled and again tired and hungry, said "I have visited Rome, Berlin and Prague on this journey, but in none of these, nor in any other capital I have visited in the whole course of my official life, have I ever been received with such lack of courtesy and consideration as on my arrival in Paris to-day". This interview was not a success.

A. says that he has left a number of papers covering this period in a box at Geneva, which he hopes is still safe.

On this visit to Scotland I saw a number of Industrial Estates, and also Standard Factories. I was particularly pleased with Motherwell and Coatbridge, but what a filthy down at heel slum town! I also visited Rosyth and had tea with Elgin, rather a dull dog.

[Xerox copy
1966]

Dalton I 31 (84 A)
(see DIARY for 21.11.44.)

21st November, 1944.

C
O
P
Y.

Dear Prime Minister,

I feel very much concerned about the future of the pre-war Distressed Areas - especially industrial Scotland; Northumberland, Durham, and Cumberland; and South Wales.

They have full employment now, but, as we swing back from war to peace, and as the men return from the Forces, there will, I fear, be heavy and continuous unemployment here, unless we supplement national measures for full employment with local measures to stimulate and diversify industry in these areas.

I hope that you will give me your support in pressing on with a Bill for a better balanced distribution of industry, even though, following last week's Cabinet decision, such a Bill is not actually promised in the King's Speech. I am very much troubled by the thought that this next session may pass, and possibly this Parliament come to an end, without any legislation on this subject.

I have been plugging away at this, with my colleagues, since May 1943, when I first put in a paper to the Reconstruction Committee. In the next twelve months there was prolonged discussion, both among Ministers, and officials, ending with our White Paper on Employment Policy in May 1944, in which the need for positive action in these areas is recognised. Since then there have been further discussions between officials on the form of the necessary legislation, followed by consideration by Ministers on the Minister of Labour's Committee on the Distribution of Industry. In my paper W.P.(44) 640 of November 10th I tried to focus the conclusions of this Committee.

Our first aim is development - new factories, better communications, etc. - in these difficult areas, rather than restriction elsewhere, though this too is contemplated in the White Paper, as in the Barlow Report, and some of my colleagues attach importance to stopping the sprawl of London and to strategic considerations in favour of dispersion of important industrial targets.

/I

The Right Honourable,
Winston Churchill, C.H., F.R.S., M.P.,
10, Downing Street,
WHITEHALL, S.W. 1.

I have long taken a keen interest in this question of Development Areas and have often spoken on it both in Parliament and elsewhere. I know these Areas and their people well. Through no fault of their own, they had a very raw deal between the wars. They are some of the pick of our industrial workers and of our fighting men, and I should feel, if we cannot get effective legislation next session, that we should be letting these fine people down, who will have contributed so much to victory.

John Sillit

HD

(see DIARY for 25.11.44.)

PRESIDENT'S VISIT TO SCOTLAND

NOVEMBER

Dalton I 31 (85)

Friday, 24th,

Leave St. Pancras 9.30 p.m.

Saturday, 25th.

- 8.58 a.m. Arrive Kilmarnock
9. 0 a.m. Leave by car for Prestwick Airport - and have breakfast there.
10. 0 a.m. Mr. Maclean will arrive at Prestwick
11. 0 a.m. Leave for Hillington Industrial Estate (on direct route to Glasgow)
- 11.45 a.m. Arrive Hillington
- 12.15 p.m. Leave Hillington. This will not give the President time to meet the officials. He will merely get an impression of the size and type of the Estate. The officials will have an opportunity of meeting the President during the visit to the Lanarkshire Estates on the following day.
- 12.45 p.m. Luncheon City Chambers
3. 0 p.m. Unveiling ceremony Kelvingrove (Lasting approximately one hour).
- 6.30 p.m. Informal reception before dining at 7. 0 p.m. About 20 guests, industrialists, T.U.C. officials, Regional Controllers of other Ministries, President of Chamber of Commerce etc.
- 9.15 p.m. Lord Provost will call for President to enable short visit to be made to Fabian Function.

Sunday, 26th.

- 9.30 a.m. Leave Central Hotel for visit to Lanarkshire Industrial Estates and site for Standard Factory to be erected at Coatbridge.
- 12.30 p.m. Lunch - small and informal - N.B. Hotel Edinburgh as guest of Sir William Y. Darling ex Provost of Edinburgh and Chairman Scottish Council on Industry.

PRESIDENT'S VISIT TO SCOTLAND

- 2 -

NOVEMBER

Sunday, 26th.

2.45 p.m.

Drive in neighbourhood of Rosyth.

Tea with Lord Elgin

7. 0 p.m.

Dinner Glasgow - No party is being arranged.

9.30 p.m.

Train leaves Central Station

D I A R Y.

27.11.44.

Having travelled for the second time in three nights by sleeper I land up at 12.30 p.m. at Cabinet on C.A. ~~which~~ which is resumed at 7 p.m. to-night. In the interval a Reconstruction Committee on Restrictive Practices, my proposals as shampoed by the Solicitor-General, who has done the job very well. O.L., as usual, raises difficulties. I urge that this is really a most moderate proposal, merely for enquiry and publicity. The discussion is adjourned till next week. The S.G. says afterwards that he is sure a Tory would support a Bill on these lines and regards it as most reasonable and moderate.

Meeting of Ministers in P.M.'s. map room to-night to discuss Housing. We assemble at 10.30 p.m. and continue till

28.11.44.

1.15 a.m. Not much on fitments which are, in part, my responsibility.

9.45 a.m. Vast concourse of Ministers labelled *a 55 am (W)* for this morning on Home Policy Committee to decide what legislation shall be pushed next Session. It is agreed that no more than twelve "Reconstruction Bills" shall be put "above the line" and only on these will Parliamentary Counsel be engaged. I get my Location of Industry Bill above the line and with this rest content.

With J.W. to lunch at Arding & Hobbs, to meet the Board and the Buyers. I talk to them, informally and seated, after lunch. They seemed to like it. *Charles Davis, Wm*
Chairman, by whom John L. ... is a ... - ...
 Then at 3.30 the India Finance Committee, where there is further talk about the need to relieve India from making so large a direct contribution to the war and to send *2 Dec. 44*

her more consumer goods. Not easy just at present!

Eve of Session-Dinner to-night at No. 10, including the Speaker, and all Ministers who are Members of the House of Commons, together with Whips, the P.M.'s. Private Secretaries, and the Mover and Seconder of the Address (Major Sidney, V.C. and Tom Fraser). The ceremony is gone through whereby, after the last guest has arrived the P.M. calls out "close the doors" and then says "I am commissioned to read to you His Majesty's Gracious Speech". While he is reading this, everyone standing (except myself who, still having an ache in my leg if I stand very long and in some pain, rest myself on the back of a chair, unseen in a corner,) there is a loud and not very distant bang from a V 2. If the thing had fallen on top of us, it would have been practically impossible to form any Government from what would have been left in the House of Commons. At dinner, as the custom is, the P.M. sat between the Mover and Seconder of the Address. Later that evening C.R.A. briefly proposed the P.M.'s. health, describing him as "a great war Leader, a great Parliamentarian and a great friend", and remarking that in two days he would be 70 years old and thus have reached years of discretion, but that to-night he was still free to speak his own natural thoughts. The P.M. then rose and asked all Conservatives present to rise and drink the health of Labour and Liberal Ministers. He then proceeded to praise C.R.A., E.B., and H.M., with a laughing reference to A. Sinclair, who, he said, had "quite fallen in love with the Air Force". He then spoke very nicely about us collectively and said that undoubtedly, if a General Election came, His Majesty would have a very good alternative Government. Thereafter E.B. spoke and proposed the health of the Conservatives, which the rest of us rose and drank. E.B. said "it's very nice to hear all these kind things about the Labour Party - so different from what we used to hear". It began to be noticed and whispered that nobody had taken any notice of Ernest Brown. Nor did they, till the end. After the meal, I gave the P.M. the latest telegram from Keynes, Lama Series, suggesting that he

D I A R Y.

might work it into his speech to-morrow. I then sat with E.B., H.M., and W.S.M. at a table with him and he spoke very freely of the past and the future; Of how the Conservative Party in those days had made an organised effort to drive him from public life and how he had no one in the House of Commons to help him "except Brendan who was always there ready to vote or to do anything", - this dog-like devotion in the past has coloured all the present. Once, he related, on the India Bill he was all but howled down by the Conservative majority when David Kirkwood rose and came to his assistance. He said "I can't take as big a part in running the war now as I used to. Now we have got Eisenhower and all these high Generals looking after it. So I have more time to think about houses and post-war plans". He seemed to-night to be fixed in the idea that, as soon as the German war came to an end, it would be necessary to have a dissolution. I said I thought that if we were in mid-Session and Parliament was engaged on passing good Bills, like the National Insurance Bill and my own Distribution of Industry Bill, all Parties would be willing to go on. The P.M. said he did not think that this could be. With the defeat of Germany, it would be inescapably clear where we stood. The least period for this would be two years ^{or} until the defeat of Japan, whichever ended first. I am not clear whether he has in mind to try to re-open the whole question with us.

He said to me, "One thing people say about you is that you hold things up because you want to make a complete plan". It is clear that someone has been bleating to him about Tinplate. I did not take this particular point, but said that I was most anxious to push things on, not hold them up.

29.11.44.

See Banks, Turner and Dixon, the last two of whom are returning very sadly to Canada. Their quest over more

cotton textiles has been almost a total failure, not through my fault, but principally through the Ministry of Production. We have been told that, even if we gave them a bit more, the Americans would give them correspondingly less. D. said he didn't think the M. of P. had been candid over this and didn't quite believe the story. But there's no more to do and they know that I have done my best for them.

Debate on Address. Both Sidney and Fraser do extremely well in their different ways. I intend to ask the later to be my P.P.S. in succession to J.W., but I have deliberately delayed this till after his performance to-day.

Meet the Board of N.E. Trading Estates who are rather slow to admit that Team Valley is now big enough, but are very eager to extend their powers over the Trading Estates in the rest of the North-East and also over standard factories. I am not tremendously impressed by this group and there will have, I think, to be some changes on this Board.

With B.G. and H.G. dine with Hartley, Skouras's man, at Josefs and afterwards to see a private showing of their film "Wilson". I find this very impressive, though it makes most clear where Wilson made his mistakes, especially in preparing for the Peace Conference.

30.11.44.

10. a.m. D.I. Committee. This is quite a useful body since A.D. has to bring up all his proposals for switching. We are hoping to establish, under the aegis of United Steels, a new concern at Distington in part of the war-time Electric Furnace Plant, a new factory to make modern mining machinery. This would be the first of its kind in this country.

The P.M., 70 to-day, reads at last ^{in the House} after many delays and revisions, an agreed statement between us and the Americans on the future of Lend-Lease. This comes over pretty well.

DIARY.

(Indeed, next day the Government has almost too much publicity and the idea seems to be that we shall be devoting practically all our activities to export trade rather than the war.)

McGowan to see me about Russia and I tell him the decision of the Cabinet Committee, namely that it thanks him for the information he has given and has no comments!

Lunch with Chilean Ambassador, a nice little man, and am beset by bankers wishing to lend money on Chilean trade.

Then Birmingham Group of Tory M.P's. on jewellery trade. "Very pleased at statement this morning on "export freedom."

5. 0. C.A. Committee till 6.15 when we proceed to the Cab. This one-and-a-half hours is taken up with discussing alternative interpretations of what we think the Canadian proposals at Chicago are. No one really knows what the explanation is, for Swinton's telegram has been both short and obscure. A most fantastic discussion!

I miss Tom Fraser, whom I had got to come and wait for me at the Board of Trade. He had to leave to catch a train before I got back from the Cab. so I can't offer him the invitation I intended by word of mouth; therefore, since he has gone to Scotland till next Tuesday, I write it and send it up by Express Letter. I shall want a P.P.S. next week.

Dine, with twenty other Members of the Government and some three hundred other persons, chiefly electrical and Press, with Brabazon and the Electrical Development Association. He and Bragg now head of the Cavendish Library are the only speakers and that all to the good!

1.12.44.

My weekly meeting of wise men at 10.15 a.m. when we

6.

discuss next steps to follow up the L.L. Statement. I must meet Business Members before Wednesday, and set our Export Groups in motion.

With O.L., after meeting with E.B., to clear with Whips arrangements for next week's Debate. A Motion calling for re-organisation of the Board of Trade, expansion of exports and statement on change over from war to peace production is to be taken on Wednesday. O.L. and I must both speak; he first on Reconversion generally, I later on other things.

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2.12.44.

3.12.44.

At W.L.

4.12.44.

Back from W.L.

Meeting of Reconstruction Committee on Restrictive Practices. The S.G. has gone further into the points raised last time, but to-day, more clearly than ever before, there is organised obstruction even of our mild proposal for a tribunal. A.D., who complains of not having been summoned to some earlier meetings, says that it would be quite impossible to restart exports with these "Gestapo threats" hanging over all industrialists. Someone suggests that you might equally call the British High Court a Gestapo! O.L. says that we should make it clear that many Restrictive Practices are beneficial. He differs from A.D., however, in thinking that some price rings are anti-Social. R.A.B. says that it would be impossible for the Committee of Enquiry to do its work, unless it knew all the secrets of the Foreign Office. And, since it could not be told these, it would be no use. Others think it would be a mistake for its reports to be published. Llewelin, who also complains that he was not summoned to an earlier meeting, is opposed to the whole policy. This meeting is a bit of an eye-opener. I do not put Restrictive Practices on the same level of importance as Distribution of Industry, but it might be well at the right moment to emphasize to the P.M., or otherwise, the futility of these proceedings and of the impossibility, if this line is pursued, of carrying out the pledge in the W.P. Several obstructionists this afternoon, led by A.D., said that we must deal also with Trade Union restrictions.

Conference with Warter, Milder and Fletcher on the future of A.B.P.C. I agree, following advice of C.W. and others, to Warners acquiring just under half the Maxwell shares through a holding company, provided they get no more control on the Board and that they give definite assurances

of providing artists and production facilities in this country and of distributing the films they make here in the U.S.

War Cab., where it is generally agreed, on E.B.'s initiative, that a solemn warning must be given to the House this week on the B. of T. debate that the war is still No. 1 priority. It is agreed that O.L. shall say this and the draft be agreed with E.B. and me and submitted to the P.M.

5.12.44.

Having answered more than twenty P.Q.'s. I go to lunch with H.M., Mikolajczyk and Stanczyk. The invitation had been to lunch "with the Polish Prime Minister", and not noticing the date, we had both thought it was Arciszewski, but the invitation had gone out just before the change. H.M. finds M., whom he had not met before, very impressive. He is much the most sensible of the Polish leaders here, and really wants an agreement with Russia. But I am afraid the others have so mislaid their cards that it is now almost too late.

Afternoon meeting with Business Members to discuss steps consequent on the Lend-Lease Agreement.

Meeting at No. 10 of all No. 1 Ministers outside the War Cab. The P.M. invites us to put questions on anything we like and launches forth into long, discursive and well-phrased replies. We begin with Greece. He doesn't like E.A.M. at all and regards them as being under Communist influence. We have armed, fed and liberated Greece. As soon as possible they shall vote freely on their future Government - monarchy or republic etc., - meanwhile we have kept the King over here and our troops must take steps to keep order. If it is true that there were children in the procession of E.A.M., their parents are much to blame for having exposed them to the dangers of rioting and shooting in the streets.

DIARY.

In Belgium it is even clearer than in Greece that we cannot agree to civil war across the lines of communications of our Armies.

In Italy he had seen all the leaders. *Bonomi,* *Borghese,* "an old boy, quite presentable, though not so good as Badoglio". The politics there are "all froth". Our troops were loudly cheered by the same crowds who loudly cheered the Germans three weeks before. The Communists have some strength, but are biding their time. He met ^y Togliatti - a small man with bright eyes, rather like Renaud, a very animated manner and rather dissipated appearance. When we liberate Milan etc. we shall find a hungry people in ill-humour both with themselves and everyone else. ^{We} shall wish to leave Italy as soon as possible. *(including us.)*

Tito is a Soviet Agent. He only appeared on the scene when Russia was attacked. When things got too hot in the mountains he crossed to the Island of Vis (Lissa), where he stayed for four months with British troops, aircraft and ships guarding him. The P.M. met him in Naples. It was hot and the P.M. was in his shirt sleeves, but Tito was wearing a very tight Marshal's uniform made in Russia with heavy epaulettes and gold facings. He was obviously very uncomfortable. "I did not tell him that anyhow it was only Lend-Lease." Then suddenly, back at Vis, he left the cave where he was living, under our protection, and went off by air, without telling us anything about it, to Moscow. We did not know where he had gone. But, when the P.M. and A.E. arrived in Moscow, Molotov, rather sheepishly, told us that Tito had been there for some time, and hoped that we had no objection. The P.M. said certainly not, but there was no reason why he should not have mentioned it to us. Tito has become very uncivil and has threatened to fire on British Detachments who were trying to help clear the Germans out of Juggery. He wants to get hold of Istria, Trieste etc., and therefore does not want us to be any where near.

Poland,
Tito, said the P.M., is a very tragic picture. Fortunately the Russians are not now advancing here.

Mikolajczyk is a great man and should be head of a Polish Government in Poland. This could have been arranged when they were all in Moscow, but M. thought he had to refer the question back to the Poles in London and that he could get the agreement of his colleagues. But he failed. Now he has resigned, but he is "lying well" for the next step. The P.M. and A.E. saw three representatives of the Lublin Government. They made a very poor impression. A.E. said afterwards that they ~~do~~ resembled "a skunk, a snake and a rat"; they were a most obvious Russian Puppet Government. They said their set pieces. They could not bear to think of leaving Lvov etc. Stalin had said that they were a damned nuisance to him. They were always complaining and had no real power in Poland. The Poles shot up their representatives and took to the woods rather than join the Lublin Polish army. Poland, said the P.M., must move westwards. They were entitled to a home in Europe as good as they had before the war. What was the value of Lvov compared to Danzig and 250 miles on the Baltic? Rackiewicz was a troublesome fellow. More than three years ago we had been told that he couldn't live more than six months.

The battle in the west had been a disappointment. There must now be a pause during the winter. We should not over drive the troops, in order to keep them fighting too long in rain and mud and ruined German towns. The advance on the main Axis to Cologne had been small and disappointing. The American High Command had made a mistake in trying to attack along too long a front. They should have tried battering ram tactics at some selected point. (As Monty proposed)

In Italy we were holding 28 German Divisions, even though our Army had been much depleted by the Riviera landing.

The P.M. thought that victory in Europe was probable by June 1945. No idea of a negotiated peace should be entertained. Any suggestion of this would strengthen rather than weaken the German will to resist, since they would feel that they were wearing us down. Nor would it be wise to let

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the Germans know the sort of Peace Terms which the Russians wanted. These would be very rough and hard.

Later this evening, at 10.30 p.m., another meeting with the P.M. and other Ministers concerned with Housing. But this doesn't last long, as there is a special War Cabinet Meeting on Greece.

6.12.44.

House of Commons Debate on Amendment to Address calling for "Re-organisation of the Board of Trade", more exports and clearer plans for reconversion. O.L. speaks soon after 2 and I wind up soon after 6. A most uncomfortable day as regards food, since I have to sit practically continuously in the Chamber from 12 to 7, and afterwards go upstairs to correct the Hansard Report. I have two sausages at 11.30 a.m. and then only a cup of tea and no more food until 9 p.m. when I dine, rather belatedly, at a party given by Harold Mitchell to celebrate John Carvel's newly published book on the Alcoa Coal Company.

attack
The ~~talk~~ on the B. of T. does not develop very powerfully, though Summers, who moves the amendment, makes a lot of rather niggling criticisms and Sir G. Schuster - what an awful man, so pretentious and so clearly embittered and disappointed at not having attained high office! - emits one long wail, fortunately, while I am out having my cup of tea and sorting my notes. Several Labour speakers do quite well, particularly, George Benson, who says that if the British industry is in a bad way that is the fault of British industrialists. O.L. solemnly reads out a warning by the War Cabinet that there is still a war on and a long way to go before we can think of reconversion on any large scale. This helps me and serves to discount a good deal of criticism. One of the brightest speeches is made by Peter Thorneycroft, who is intelligent, attractive, progressive and an excellent speaker. He is much the best of the Tory Reform Group and should soon be given a post in the Government. I wish I

could have him here instead of that damned fool H.J., who once more makes a complete fool of himself, not being present in the House at the beginning of the Debate. His absence is challenged and I have to get up and say that "I have taken steps to procure his presence", having arranged with the Chief Whip a moment before to send for him. A little later he appears and stands sheepishly behind the Speaker's Chair, half out of sight. Then he sits at the far end of the Bench and is greeted with ironical cheers. Later he rises and gives an explanation of his absence, which is due to the fact that he was presiding over some Committee of Industrialists in the D.O.T!! This fool will never get it right with the House. Obviously he should have cancelled all other engagements in order to be here. In my final speech I give some further particulars about applications for prototypes and exit permits which give some satisfaction and pay tributes to Beale for paving the way for Keynes at Washington, and to Bruce-Gardner. I am astonished that I am asked no questions at all on the amending of the latest Lend-Lease Agreement as announced by the P.M. last week. It is always extraordinary how, in Parliamentary Debates, all the most obvious points are missed by the private Members.

(as Minister see today)

7.12.44.

Will Jackson with two officials from Ystradgynlais to tell me of very large plans for Smiths Clocks to settle down in this Valley. They speak now not only of having a standard factory at Ystradgynlais, but of making this the beginning of a new lay-out of clock production in the Swansea Valley, leading after a time to the employment of more than 20,000 workers. This would be a grand achievement in location. I promise to do my best to speed it up.

Lunch with N.U.M., Paddy Hannen, in the Chair. He speaks kindly of me, but not so of the D.O.T. and its political head. I repeat a good deal of what I said yesterday in the House.

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Leslie Nicholls to dine at Josefs, and also Chris Mayhew, now a Major, who is just back from France for a short leave connected with the further equipment of his Unit. These two have never met before, though I had tried to bring them together in North Africa. L.N. is going back to Italy in two days time and had a preliminary talk with Windle last week on the possibility of a Candidature. I haven't yet checked up with W. on this talk. I shall see C.M. again, à deux, before he goes back.

8.12.44.

(Windle thought he has a wonderful personality, but must learn a few neat moves about politics! He is sending him "Smirke's Civilians")

Warter and Jay to see me on Norwich about which Will Spens wrote to me five weeks ago and in which I have taken a special interest, so many of the factories having been blitzed during the war and there being a real danger that the whole place will decay industrially, through these firms going elsewhere. W. and J. have not yet got their machine working very well. I stimulate them to get me a better, clearer answer than the poor thin draft put up.

To-day in the House an excitable Debate, much more like old times, on an unofficial motion of censure on the Government for mishandling Greece etc. Feeling on this runs pretty high, and, as Cripps said to me to-night, it looks as though we have, as so often in our foreign policy, done the right thing in the wrong way. I listened to the tail end of Acland seconding the Amendment and then to the P.M.'s reply, he is in very good debating form but rather trails his coat and gives the impression of enjoying the whole thing rather too much. Many of our M.P.'s. are unduly sensitive to manner, as against substance, and most abstain in the final division, only 30, including Independents etc., voting for the Amendment, but the P.M.'s. general argument is irresistible. It would be wrong for us to hand over Greece to a clash of private armies. I myself feel baffled by lack of detailed knowledge of E.A.M. etc. Phil, of course, is very excited about it and said in the Party Meeting that, if he said some of the things he was saying there outside, he would lose his job in the Government.

The Government somehow gets no credit for having kept the King out of Greece. Eden, winding up, makes a much better impression on many than did the P.M. and shows more sympathy and understanding. He offers, if this is the Greek wish, that we, together with our Allies, if they will join us in this, shall ourselves take steps to guarantee a free vote by the Greek people at an early date.

Not at all a happy day, nor a good prelude to next week's Annual Party Conference. I hope we shall be able to keep this issue, if it is raised, quite separate from the general question of the International Post-war Settlement:

N.E. this afternoon preparing for the Conference. Speaking parts are allotted, amid much unconcealed discontent and jealousy. But there are not enough good speaking parts to go round and many of our colleagues are unfit to make good use of them. This year, however, there is a fairly equal sharing of the jobs and mine is to mop up at the end of the International Debate.

Tom Fraser dines with me and G.P. and seems quite settling in to J.W.'s old room, with kindly aid from Miss Wagstaff.

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9.12.44.

In London this week-end, preparing for next week's Annual Conference.

This morning attend a Group Committee on Post-war International Settlement, with George Oliver in the Chair. G. Strauss and his associates make a composite resolution expressing "strong opposition" to any scheme for "dismemberment or division of Germany" or for "mass transfers of population" or "pastoralization" of Germany. But, for the rest, their resolution is very mild. It no longer tries to say that the Germans are not responsible for the war, nor does it protest against reparations. Clearly this bunch hopes, by making their resolution mild, to get it through.

The rest are of minor interest.

In the afternoon a meeting of the N.E., in which ^{again} much jealousy is displayed about speaking parts. These are pretty well distributed, no one having more than one. Good Go. I am to wind up at the end of the International Debate which C.R.A. is to open.

10.12.44. (Sunday)

Long sitting, including Tea and Dinner, at Howard Hotel from 2 p.m. to 9.30 p.m. with visitors from foreign lands. About half the N.E. attend. For the first time we have with us representatives, no longer of refugees, but of living Socialist Parties in liberated countries - France, Belgium and Holland. From all of these come men who have lived under German occupation and have taken part in Resistance Movements; from France: Vincent Aurial and Daniel Mayer; from Belgium: Anseele; and from Holland: Donkers. Mayer is the new General Secretary of the French Party, young, very obviously Jewish, intelligent, self-possessed and rather like Laski but better looking. He is very insistent - much more so than any of our other visitors - on the need to form

very soon a Socialist International including Germans and to avoid anything which could be represented as a "Peace of revenge". Auriel, who plays a relatively minor part in this discussion, adds that a powerful German industry in the Ruhr must be for the economic advantage of Europe. I sense the possibility of an early clash between the new French Socialist Party, if this is to be its general line, and (a) other Socialist Parties in ex-occupied territories and (b) the general body of French opinion. But all this is only a faint beginning of a long discussion, which will go on for years and years.

Anseels and Donkers are both a bit shocked with the French. The Dutch, with much of their best land flooded with salt water and all the work of generations in draining land below sea level wantonly wrecked, will certainly press for adjoining German agricultural land to be annexed to Holland and cleared of German inhabitants so that these ruined Dutch farmers may have somewhere to grow food for themselves and their townsmen. Anseels, a vigorous man in early middle age, who has been active in the Resistance Movement and is the son of a well-known Belgian Trade Union Leader, also clashes with the French. In the course of a long and interesting speech he says that there is some movement among the Walloons to join France, leaving the Flemings to join with Holland. (I have always thought there was a great deal to be said for this, but it would be useless to try to encourage it unless there is a serious desire for it among both sections of the Belgians themselves.) The Dutch ~~have~~ said that it would take eighteen months to prepare for a General Election after the liberation of the whole of Holland. This seemed to the rest of us much too long. And the Belgians thought that they could do it in six or seven months, though ~~Mr. A~~ pointed out that there were large numbers of Belgians still in Germany as prisoners-of-war and civilian slave labourers, and that it would take sometime to get these back.

C.R.A., Laski, Phil and I have a shot at drafting

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an Emergency Resolution on Greece for the Conference. We are agreed that the N.E. should take the initiative in proposing such a resolution and should tell the Conference so first thing to-morrow. We also agree that it is essential to keep Greece separate from the general International question, or otherwise Delegates' minds will be distracted from the latter and Greece will hit all the headlines.

11.12.44. (Monday)

Conference opens and I deliberately neglect the Board of Trade for several days. We had a very easy passage. Discussion on Greece is postponed until Wednesday and it is promised that the N.E. will submit and circulate an Emergency Resolution. This is accepted without challenge.

Our Declaration on Labour and the General Election goes through practically unanimously. There is only negligible support either for the proposal that we should leave the Government before the end of the German war or for the suggestion that we should unite with other "progressive" elements in a United Front. Both these are overwhelmingly rejected, without card votes, on a show of hands. *No mention of election time, nor of a plebiscite nor of a coalition after the war.*

Laski in the Chair is a bit too flippant and ironical *about* in some of his observations and George Brown, aged only 30 and about the best of the younger T.U. Candidates, who, I hope, is going to get Belper in succession to G.D., tells me to warn Laski that, unless he's careful, he will find himself moved out of the Chair before the week is over. I pass this on.

A great scramble this evening, with a N.E. meeting immediately after the Conference to decide the line on Resolutions for to-morrow - this should have been done last night but all the time was taken up with the international visitors and I have to leave this early to attend a War Cab. where my Distribution of Industry Paper is down as second item, after Macedonia! I get agreement of the N.E. to the line I want to take on the various composite International

Resolutions and, in particular, to ask the Conference to reject the Strauss Resolution, on the ground that we must not pre-judge these frontier and kindred questions in favour of the Germans and against the claims of a number of our Allies. ~~John~~ Griffiths, characteristically timid, wants to arrange for the previous question to be moved on Strauss. But this finds no support.

Arrived at No. 10 at 6.30 and am kept there till 8.45 but my paper is not taken! Other questions, including the release of political agents from the Forces, are put in front of it. This makes me very angry and I decide to send another, rather stronger, letter to the P.M. on the subject, and also to hot up the Labour Ministers in the War Cab. If this sort of thing goes on much longer, I shall certainly resign. Someone is obviously playing games behind the scenes, but not, I am sure, Bridges, who gives every impression of trying to be helpful.

H.G. says that he is sure that, in addition to the Left Wing opposition to the Government policy in Greece, there will be more and more Isolationist feeling, equally hostile to the Government, asking why the hell our troops should have to fight in Greece. I think he's right.

12.12.44.

This morning we have our International Post-war Settlement Debate at the Conference. C.R.A. makes a speech which, as usual, reads much better than he makes it sound. Indeed there is nothing wrong with it, though nothing very new either in thought or phrase, but it is good sense and a balanced picture. The Debate is very quiet compared with previous years both here and at the T.U.C. and hardly any passion is stoked up even on Strauss' Resolution. When I reply I take only fifteen minutes, though the Chair allowed me twenty-five. Of six resolutions I asked them only to reject one, accept three others from the floor, asking for a fifth, - on the United States of Europe-to be withdrawn on the understanding that we will go into it, and finally urging

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support for the N.E. Resolution. I am conciliatory and rouse no storms. I ask them what they think about the flooded Dutch and Stalin's proposed re-adjustments in the East, including the negotiation of Konigsberg and part of East Prussia to the U.S.S.R. and the Czech wish to regain their strategic frontier which they have held so many hundred years. I ask them not to line up at this stage against the claims of Stalin, but to wait till we can see the complete picture when Germany is defeated. I also advise them not to give an impression of British hypocrisy in discussions of strategic frontiers, since we have, after all, the best strategic frontier in all Europe, namely the coast line round this Island. It had, I said, very great strategic value for us in 1940 when the German armies roaring across Europe found they couldn't swim the channel. I end by referring to the Anglo-Soviet Treaty as the anchor of post-war peace in Europe, and welcome the Franco-Soviet Treaty announced yesterday, and hope that soon we should get that Anglo-Franco-Soviet Pact, for which we strove before the war and which, had we only got it, would either have stopped the war or brought it to an early victorious conclusion, by giving Hitler a war on two fronts from the start.

peacefully
This speech is pretty well received, though everything is surprisingly quiet. The vote against the Strauss Resolution, on show of hands, is overwhelming and no card vote is claimed. Thus, possibly ends, for the moment at least, a long controversy. I have got my way on all essentials. The N.E. Resolution, passed this morning almost without dissent, includes a welcome to our longer document on the International Post-war Settlement. So now we have a solid, sensible, "realistic" foundation on which to build. We have avoided all the errors, into which some were so eager to push us, of declaring in advance against things which both will and should be done, and in resisting which we should certainly have clashed both with the Russians and with many of our smaller Allies in Europe.

Much coming and going behind the scenes over Greece and the Emergency Resolution. The N.U.R. have sent in, during the last few days, a resolution involving a censure of

the Government. Attempts are being made to get them to second the N.E. Emergency Resolution and both Burrows and Benstead would have been quite willing to do this, but their delegation, though behind the platform on every other issue, doesn't feel it can give way on this, since it has been definitely instructed by the N.U.R. Executive. On the other hand it fortunately appears that our Standing Orders provide that no amendment can be moved to an Emergency Resolution proposed by the Executive, nor can it be referred back. It must be straight yes or no. Therefore, since the N.U.R. won't second, they can't move their own Resolution and it would be silly to vote against the N.E. Resolution, since this does after all call for an Armistice and steps to be taken to form a new all-Party Government in Greece and hold soon a democratic election.

13.12.44.

Greece this morning. The N.E. Resolution is moved by Greenwood, who is giving an impression at this Conference of having no fire or force left in him, and is finally carried by 2,400,000 to 137,000. This last small vote is purely symbolic. E.B. makes a most powerful and persuasive speech in defence of the Government policy. He has very great power in this Conference. Laski says that last night, in C.R.A.'s room, he took part in a telephone conversation designed to persuade E.B. to come in to-day "it was a fantastic conversation" he said "it was like trying to persuade Tetrassini to sing".

First thing this morning, a letter from me to the P.M., which I signed last night, went round to No. 10. (Copy attached) and in the lunch interval I sign covering letters to the three Labour Members of the War Cab. and to T.J., sending them copies. In this letter to the P.M. I also bring in Restrictive Practices, so that, if there is to be a row, we will have this in as well.

At the War Cab. to-night my paper is at the top of the Agenda and is taken first. (I guess that this is largely due to my letter which he will have got before the Agenda was finally sent out), and finally to-night I get authority to proceed with

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write
 the drafting of a Bill, ~~for~~ the War Cab. would like to see
~~it~~ again when it's in draft. I can't object to this,
 unless it leads to further long delay. I start the
 discussion by announcing my agreement with O.L., who, having
 been met on his two points, - power to build only within
 D.A's., and shorter period of notification for new buildings
 and extensions - supports me very well. E.B. also weighs in
 effectively at a certain point. Beaverbrook makes most of
 the opposition - fortunately Bracken was away ill - but he
 is really, I think, only having what he regards as a bit of
 fun and is not pressing his points seriously. I said to him
 before we came in "shut up, you're squared". The P.M. on
 the whole, though he doesn't really focus the details at all,
 is generally sympathetic to the idea of my Bill, but he keeps
 on reminiscing about the Derating Act, whether it wouldn't

help to take all the rates off everywhere, *as he wanted to do.*
Don't know what he wants to do.

*on industrial
 hereditaments?*
 While the P.M. was out of the room for a moment
 and C.R.A. in the Chair, the Legislation Programme for 1944-5,
 as recommended, is agreed. This keeps Location of Industry
 in the first sixteen (!) Reconstruction Bills which are to
 have priority in drafting, while the Restrictive Practices
 Bill falls just outside this class.

These
 In the light of ~~changed~~ proceedings my threat of
 resignation is postponed.

14.12.44.

Stimulate Low, Sich and D.J., whom I summoned this
 morning - A.O. also coming in - to get on at once with making
 the draft for Parliamentary Council for the Distribution of
 Industry Bill. I tell them this must take precedence over
 everything else. I ask whether they can let me have a paper
 by 3 p.m. to-day, since they have, no doubt, been doing a lot
 of work on it already, but this they think a little difficult
 and we finally agree that Low and I shall have a draft to
 take away for the week-end by 10.45 a.m. on Saturday.

Lunch with Lady Anderson at 4, Lord North Street,

J.A., Keynes and Monick, Governor of the Bank of France being present. M. says that he thinks the French will have to have a capital levy and that it will be quite easy to administer. He has been in France under the German occupation and has not, it seems, been chased as a collaborator. He says that he had great hopes that Weygand would lead a force of "dissentients" against Petain, but he thinks the reason why W. failed to do this was because "no body knows who his parents were" and there were many rumours about his parentage. Some thought he was an illegitimate descendant of the Emperor of Brazil. Anyhow, he was not, by birth, a Frenchman and this had given him a great inferiority complex vis-à-vis Petain. He was terrified that, if he took a strong line, Petain would ask publicly "who are this man's parents?".

Keynes says that Helmore did very well at Washington. He thinks we have got much more out of the last talks than we realize and that it is wise publicly to affirm. We have really got all the export freedom we can use and we have not, as has been suggested, had our Lend-Lease supplies cut down, but are really getting even more than before. It is generally agreed that the Americans are most anarchic. They all say just what comes into their heads and say it to the Press as well. Stettinius is, in some ways, very simple, and means to be friendly to us, and often has been. But, Keynes said, he is inconceivably press conscious and thinks himself most photogenic. K. wanted to have a serious talk with him, they had five minutes together and then S. said "I've got the Editor of the New York Herald Tribune waiting outside, let's bring him in and see what he thinks". And, of course, from that moment no serious conversation was possible. When S. came to lunch with the Chancellor and Lady A. he arranged that a large number of photographers should come to the Chancellor's house at 2 o'clock, by which time lunch had not been finished, but S. insisted that he should then go upstairs and sit on a sofa beside Lady Anderson, so that the photograph could be taken. It is also quite common, when you meet him in Washington, for a Press photographer to be brought into the office before you are allowed to leave.

New Page.

On December 14th I gave instructions that a draft must at once be prepared for Parliamentary Counsel for the Distribution of Industries Bill. I must have this draft when I get back after next week end.

I got the first draft of the Bill on January 8th 1945.

This must take precedence of everything else.

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Rather inconclusive discussion on future of A.B.P.C. with Warter, Milder, Fletcher and H.G. The latter thinks they aren't really being very straight about the future financial control. I tell them to go away and settle it among themselves. Then we all go off to dine with Milder who, taken in large quantities, tends to become rather a bore and very repetitive.

15.12.44.

Spend a quiet day in the office catching up with some arrears..

Chris Mayhew and I dine at the Isola Bella which I had not been to for quite a long while. He is going back to France in a few days and tells me many interesting things of how the S.F. has developed out of S.O.E. and of the tremendous success of the operations of the latter on D. day. Sabotage of road and rail communications etc., all over France checked the build-up in the days and weeks so that we were able to obtain a definite superiority. ~~then with first~~

German

I should note that Catto, who came to see me a day or two ago on other matters, said that he entirely agreed with my attitude on timetable and redundancy. This will, perhaps, be useful to quote later!

16.12.44.

18.12.44.

At Diss. Good sleep and very good cooking as usual here.

J.W. and I walk as far as the "Magpie" and have a most interesting and wide ranging conversation in the bar, where the party includes not only a farmer and four or five farm workers, but a little man called Dix who took his B.Sc. as an evening student at L.S.E. in 1922-4 and reminds me of many things I had forgotten, which, he says, I said in my

lectures.

have
 J.W. likes very much being at the Ministry of Supply and says - bless him! - that he couldn't have got such a good start but for having been so long with me and watched me at it. Sir Graham Cunningham flounced into his room the second morning he was there, sat down without being asked, and said "Your predecessor Sandys interfered too much here. There are a lot of first-class business men doing their job quite well, provided they are not interfered with." And then he added, "I don't want to be sent for to attend a lot of Conferences. I want to be able to get on with my work." He then spoke ill of Peat, saying he was "obviously frustrated". Two days later J.W., having been told by A.D. to look after all questions relating to R.O.F's., summoned a Conference of leading officials to consider whether, in one particular case, a factory should not continue to be run by the M. of S. to make houses or housing fitments. He decided, after hearing a lot of argument, mostly favourable, to recommend this to A.D. He deliberately did not ask Cunningham to this Conference, though it was right up his street. Next day he met C. in the passage and the latter said "I hear you had a most interesting and important discussion on R.O.F's. yesterday. I think I ought to have been there". J.W. replied blandly "You told me you did not want to be summoned to a lot of Conferences, so I deliberately did not trouble you". C. said "I hope you will let me come next time".

J.W. also finds that he has to recast all the official drafts for answers to P.Q's. and he has a rehearsal on hypothetical supplementaries. He asked, on one, "What should I say if they ask to whom people should apply for surplus tubular scaffolding?" The officials all said "we would much rather not answer that question". "But," said J.W. "I am sure I shall be asked it, and I can't just say I don't want to reply". They persisted that it would be very awkward to have to give a reply. Then J.W. said "in that case, I shall say that applications ought to be made to Sir William ~~and~~ Douglas ^{himself} first of all." This horrified S.W.D., who then admitted that the best answer would be

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"to the War Office", though clearly they did not want to admit this. The supplementary was duly asked and this answer duly given. J.W. then found that he had already got a great reputation as a Question answerer. It sounds very simple, but it is the first week which establishes or disestablishes a new Minister, and he has clearly begun very well.

He told two almost incredible "New Statesman" stories. He went to lunch with them when Gandhi, still in prison, was thought to be in danger of death. Brailsford said, "If that man dies in captivity, I shall take no further interest in the outcome of the war" and, asked whether he seriously meant this, he stuck to it.

K.M. rang up J.W. the day his appointment was announced and said "Congratulations, if that's what you think I ought to say". J.W. said, "Yes, certainly." K.M. then asked "What's the game?" J.W. said he didn't understand and K.M. said "Don't you see the game? T H E Y are gunning for the Board of Trade. The first move is to divide you and H.D. and then destroy you both separately. So they've switched you over to a dying Ministry and left him isolated." J.W. said "I don't understand. I had nothing to do with policy at the Board of Trade." K.M. said "Oh nonsense, nobody believes that". J.W. said "But I was only H.D.'s. P.P.S." K.M. asked, in great surprise, "Weren't you the Junior Minister at the Board of Trade?" J.W. answered "No, of course not. The Parliamentary Secretary is Waterhouse and H.J. at the D.O.T." "Oh!" said K.M. obviously quite taken aback. "That does make it seem a bit different. I could have sworn that you were Parliamentary Secretary and I often said that you and H.D. made a very fine combination."

As J.W. said, this was all the more astounding in that it suggested how very little these people really knew about anything to do with politics. He said that K.M. had also said, after he had lunch with them one day, and he had told them of a lot of the good work being done at the

B. of T., "We mustn't have you to lunch here very often or we shall have nothing left to write about." This also indicated how they hated to know things were being done well because that was not the sort of thing they wanted to say. Acid and cantankerous criticism based on complete ignorance, modified only by malicious rumour-mongering, is their line.

C
O
P
Y.

[Xerox copy
-1966]

(see Diary for 13.12.44.)

Dalton I 81 (101)

Board of Trade,
Millbank,
LONDON, S.W. 1.

12th December, 1944.

Dear Prime Minister,

You will remember that I wrote to you on the 21st November, asking for your support in pressing on with a Bill for a better balanced distribution of Industry, and giving reasons why I regarded this as a matter of great importance to the people in the pre-war Distressed Areas. Since then, my Paper W.P. (44) 640 has several times been on the War Cabinet Agenda, but has each time been postponed. I circulated this Paper to my colleagues more than a month ago, on the 10th November, and it has not yet been considered in Cabinet. In the proposed Legislative Programme for this Session W.P. (44) 716 the Location of Industry Bill is included in the first sixteen Reconstruction Bills, to which, it is recommended, priority should be given. But I cannot get on, or seek the help of Parliamentary Counsel, until the War Cabinet has taken my Paper. The matter is really becoming very urgent, and this is also the view of the Secretary of State for Scotland, who is warmly in favour of my proposals.

I, therefore, press for authority from the War Cabinet to proceed at once with the drafting of my Bill. Both Conservative and Labour M.P.'s. from the areas concerned are eagerly awaiting it.

Another Board of Trade Bill in the Legislative Programme is the Restrictive Practices Bill, relating to combines, cartels, etc. This Bill at present falls just outside the priority class, but, if we could get a move on in the Reconstruction Committee, where the question has been repeatedly and exhaustively discussed since February last, a useful Bill could soon be drafted. The present proposal which has been much whittled down, in the hope of securing all-party agreement, is simply for a Standing Commission to investigate particular cases, and report. But even this would be much better than nothing. As you know, keen interest is taken in all parts of the House of Commons and in the Press in this question of cartels, and I am constantly being pressed to announce some Government decision.

The Rt. Hon. Winston Churchill, C.H., M.P.,

/If

If I am not to get either of these Bills this Session, I shall find it very difficult to justify the position. Therefore, once more, I invoke your aid.

Yours sincerely,

HUGH DALTON

D I A R Y.

18.12.44.

Harvie Watt to lunch. He is very pleased about J.W. and says that he and Arthur Woodburn have been his selections for sometime for the next promotions from the Labour Party to the ranks of Junior Ministers. Either, he thinks, could have taken on any one of a number of offices. He says that in his reports to the P.M. he has frequently praised J.W. and also myself, though he has told the P.M. H.J. is a pain in the neck, referring particularly to the incident of his absence at the beginning of the recent debate on Exports. He has urged the P.M. to shift him, but the P.M. doesn't want to make changes in the Government just now, because he does not know how much longer it will last. In addition, H.J. is only here as part of A.S.'s quota, though his appointment is commonly regarded as a complete ramp. He also mentions that H.J. is friendly with B.B. He knows my views about the latter. I say that I would be most delighted if I could have some lively young Tory instead of H.J. My first choice would be Peter Thorneycroft, much the best, I think, of the Tory Reform Group. I invite him to drop this thought into the stream. H.W. himself would like to be Tory Chief Whip. I say that I suppose after the next election the present occupant would have earned a peerage. H.W. says that one of the difficulties is that he is known not to be an admirer of A.E. He would much prefer J.A. to be Prime Minister. He regards A.E. as soft and vain and he has no knowledge whatever of domestic questions. He says, that if A.E. had been even for a short time at the Board of Trade or the Ministry of Supply or even Under-Secretary at the Ministry of Labour, he would have been exhibited as a complete failure. We speak of several constituencies and I mention Chris Mayhew who was at Oxford with a friend of H.W.'s. Ian Harvey, who has several times been an unsuccessful Tory candidate. H.W. thinks that the row in South Norfolk has blown up a little too soon from C.M.'s point of view and that it will all have quietened down before the election. Sandeman Allen will probably be given a peerage or otherwise disposed of.

Civil Aviation Committee. Swinton gives an account of the Chicago Conference and claims that he did very well.

Anyhow he got an Empire Air Council formed with all the Dominions and India in line. Then a sudden row between Swinton and A.S. over the future control of B.O.A.C. Swinton claims it, hinting that he will resign if he doesn't get it, and A.S. protests that this is being raised without any notice. Swinton says he spoke to A.S. about it on the telephone. A.S. said only two minutes at the end of a conversation lasting twenty minutes. The Beaver then invites us all to express our views and unanimously we say that, if Swinton's post is to mean anything, he should have B.O.A.C., though many details, regarding transfer from, and co-operation with, the Air Ministry should be worked out.

Have A.O., Low, D.J., and Sich to confer on next steps on Distribution of Industry Bill. I have had over the week-end draft instructions and these we now complete and it is settled that they should be sent forward to Parliamentary Counsel forthwith. Low says that Ram will do it himself. I must keep prodding on about this.

19.12.44.

Answer P.Q's. on new Council of Industrial Design, which excites very little interest and the misdemeanor of British Celanese which excites quite a clamour. Then take Lobby Conference on Design, again very dead.

Meet Lehman at lunch with O.L. and other Ministers. L. has no sense of humour and they say not much administrative sense. I doubt whether he will ever make much of U.N.R.R.A.

Talk to Tindal Atkinson and Busse, the latter being very delighted at becoming Vice-Chairman of the C.P.R.C.

Meeting of Housing Squad with Woolton in the Chair. Sir G. Cunningham appears with A.D. and I read a passage from the Minutes of a Meeting called, without our knowledge, at the

DIARY.

M. of S., at which Sir G. C. "decided" that "the Utility Furniture Programme should be set back" in view of new housing requirements. Obviously my colleagues were shocked. I said "I am just not taking that. This is a matter which can only be settled by Ministers and not by officials. It is not ^{even}admissible that it should have been discussed by officials in the absence of representatives of the responsible Department. The P.M. takes a very special interest in Utility Furniture and I sent him a minute on the subject only last week. I may have to send him a second minute showing that the programme has been interfered with by the action of Ministry of Supply officials without consulting me." A.D. sits quite silent and makes no attempt to defend G.C. The latter says, rather sheepishly, "If I made a mistake I apologise. I did not know that Utility Furniture was going to be raised at the meeting and immediately afterwards I sent a copy of the Minutes to the Board of Trade." This last was a sheer lie, but I don't pursue it. It was agreed that we and the Office of Works with the two Health Departments should make out a balanced programme, taking account both of the Utility Furniture and Housing requirements.

Willink said afterwards that he had been very much shocked at G.C.'s. behaviour and that I had administered to him a very proper rebuke. Murrie, the rather tame Scot on the Secretariat, said to G.P. on the telephone that it had been rather difficult to draft the Minutes about all this and that "it had been a rather undignified scene". E.B. had said "I can't see what the Ministry of Supply have got to do with it. They're not customers. I think that the Board of Trade and the Office of Works ought to settle it between them and then tell the Ministry of Supply what to do."

Meynell and Pooley to dine. A pleasant evening, full of gossip, ending up at the Savile Club, where I am always astonished at the queer characters hanging around. Story of the King inspecting a file of A.T.S. in Italy. Of each girl in turn he asked, with a slight stammer, "How long have you been in Italy?" They had all come out on

the same day and this date was monotonously repeated down the file, but it never occurred to the King to ask the next girl a different question.

The story of the Duke of Gloucester inspecting some group of people somewhere else. An important looking man was hanging about in the background and one of the attendants said "That's the Judge. I'm sure he would be delighted if you spoke to him". So the Duke, not quite knowing what to say, asked "Do you get much judging out here?" Hunting and fishing and judging - it's all one.

20.12.44.

ityl Reconstruction Committee. Long ^{lost} report on Electricity is at last produced. The Committee of officials have sat on it for nine months. They were only asked to consider the finance of the major proposal for turning this *particular* industry into a public enterprise. They have produced a long discursive essay on public corporations in general. Today there is gross obstruction by O.L. and still more by R.A.B. It is quite impossible to make any progress with anything, so long as this sort of thing is allowed.

Government lunch in honour of Sullivan, Minister of Supply from N.Z. A nice man, but not at all clever. He says he remembers that the last time he met us was outside Warners Hotel in Christchurch, his home town. We are to have a talk before he goes back, on U.K.-N.Z. trade.

A.O. and Lintott come to break to me the dreadful news that Sir A. Maxwell, the Tobacco Controller, wants to be a Parliamentary Candidate - in the Conservative interest. I am rather pleased at this and say that this helps to balance the Parties up. Both these two officials support the Treasury view, propounded by J.A., that no Temporary, any more than a Permanent, Civil Servant should be allowed to be adopted as a Candidate. I say I don't agree at all, nor does the P.M., nor the Deputy P.M., and that, provided they show reasonable

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discretion in public, I see no reason why a Temporary Civil Servant, particularly in these last stages before the next election, shouldn't be adopted though I agree that after he fights, whether he wins or loses, he should not return to ^{the} public service and that this should be understood before hand.

21.12.44.

Maginness, accompanied by Locock and Ramsden, talks about Anglo-Russian trade and I tell him a good deal.

Sir E. Hodgson on the accusation against Lucas of having an improper agreement with the Germans - we were put on to this by a police report of a statement made by a German refugee - and it is agreed that E.H. shall question the company about it.

Lunch at Drapers' and then on to Lebus's works. Very impressive. If we could get only a part of this capacity for Utility Furniture, we should race ahead.

War Cab. on Man-power, but a very inconclusive discussion on hypothetical figures. In view of rapid changes on the Western Front the P.M. says the "time has come to play a strong hand." We must quickly make a public declaration that we are reinforcing our Armies in France and Belgium by 250,000 fighting men, and this will stimulate our Allies and probably lead to the Americans undertaking to reinforce by a million and redress the balance, now inclined to be seriously tilted towards the Pacific. The P.M. asked whether there are not still large numbers of the Chairborne Brigade at the W.O. and elsewhere who could proceed to the Front.

In the evening see a Russian film at the Air Ministry - 1812 - Kutusov. Rather good, K. being the great hero, and very well done. Many battle pictures and a final scene, after the French had finally struggled against ~~Neiemen~~, in a farm house where the French Marshals are discussing which was the capital mistake that lost them the campaign. One

(across the Niemen)

said "The capital mistake was when we went South to Kaluga instead of East to Ryazan". Another said "No, it was because we didn't put a guard on the stores at Smolensk, to prevent them being pilaged by our retreating soldiers. If we had hung on to those stores we could have wintered in Smolensk." The third said "No, the great mistake was at Borodino when we attacked on the right flank instead of in the centre". In the midst of this Neapolian walked in. He said "Gentlemen, you are all wrong. The great mistake was when we attacked Russia." Curtain. Not a flicker of Communism in all this, but Russian national pride and military prowess. e/h

22.12.44.

Clean up before my departure for Christmas. See E.B. about cotton spinning, as usual he's damned good. He wants to open a special mill, with all the latest improvements in lighting etc., and with canteens and so forth. This would be used nominally for training, but really to show the industry what can be done. He is also in favour of opening a large number of mills even though the labour is not immediately available. There will be a large reflux from M.A.P. in the early months of next year and this must be arranged to be mainly in Lancashire. He will go up to Manchester and harangue them and then arrange for some of them to come to London and meet him and me jointly. Most constructive, audacious and helpful. He tells me that the P.M. wanted Beaverbrook to join the D. of I. Committee, but E.B. said "I won't have him, this is a functional committee. I had him once on a committee with me and he upset everything. I won't have that experience again." The P.M. had not reacted further.

Molly Hamilton to dine. Everyone, she thinks, is very much absorbed just now in their own jobs, and it is very difficult to get any busy people to take a wider view. In this she is right. I praise her last book and tell her I am making a present of it to several people. She is getting

*She said R, when she saw her in
the day, seemed totally absorbed in work.
a bit picky on staff.*

DIARY.

28.12.44.

Preside at Government Lunch to Colonel Guimaraes, a Brazilian described in the F.O. Confidential Report as "capable, energetic, plausible and unscrupulous". He looks like a film star and is said to have made a considerable fortune by various means. Nominally he is here in order to discuss railway electrification in Brazil and similar projects. I say, and it is true though not always remembered, that our industrial capacity, including our capacity to export, will be much greater at the end of this war than at the beginning.

Captain Julian Amery to see me. He stays a long time recounting his experience with S.O.E., chiefly in Albania. He thinks that E.A.M. has now become completely under Communist influence though it was not so at first. He thinks Stalin is deliberately stirring up trouble for us in Greece. He wonders whether the Labour Party could not have done a bit in Greece and elsewhere in Europe to rally the socialist as distinct from the communist elements. I said that, in Greece there had never been any to rally. He says that the alleged descents by armed bands of E.L.A.S. on villagers were forays by starving men from the cities. He thinks that Tito is "simply waiting to intervene" in Greece, via Macedonia, and that the Russians want, in one form or other, to control Salonika. I said that I thought the matter could only be settled by high level discussions between us and Stalin. He thinks he may be a Conservative Candidate, in harness with Randolph Churchill, at Preston, but he doesn't think he agrees with the Conservative Party on most things! He thinks he is going soon to the Far East with S.O.E.

Dine with Sir C. B.G. at the Cafe Royal. He is very delighted, having heard that he is to be a Baronet. I say that, naturally, I had been asked whether I supported this, the initiative coming from M.A.P. and had ^{said} certainly yes. I add that this need not be the end. He is exceedingly good at his present job. I certainly picked a winner in him.

29.12.44.

Write to Cripps on proposals put up by M.A.P. for light alloys. The intention is to sell, at deliberately low prices, valuable Government plant to private firms and also to furnish them with raw material at the lowest possible price in the hope that they will show enterprise and create a new industry. It is frankly admitted in the paper that most of the firms were in the price ring before the war and that they are likely to try again to limit output. But it is hoped that British Aluminium, now outside the ring, will remain outside and break it! I say to Cripps that I cannot agree to all this without having his considered view.

Windle to see me, and we have a good talk about Candidates. We seem to be laying down quite a large number of good ones.

Sam Beale gives a dinner at the Savoy to which all Business Members and a number of the officials are invited; also C.W. and myself. H.J. was also invited but telephoned to say that he couldn't get a taxi! "Doesn't he live at the Ritz?" S.B. asked me. S.B. was in great form and made a very witty speech. Had he not gone into business he might have done well as a comedian. Others of us also make speeches including myself, C.W., C.B.G., A.O. and Cecil Weir. Many jokes about Government Departments and their inmates.

30.12.44.

W.L. by early train. Very cold and sunny. I am conscious this week-end of really being able to walk again and cover a considerable distance without any discomfort.

Stay down here over New Year's day and hear Hitler broadcasting at five minutes past twelve.