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Fabian International Bureau

CONDITIONS OF BRITISH FOREIGN POLICY

T. E. M. McKITTERICK



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*The Bureau is part of the organisation of the Fabian Society.
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**CONDITIONS OF
BRITISH FOREIGN POLICY**

by

T. E. M. MCKITTERICK



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T. E. M. McKITTERICK is Vice-Chairman of the Fabian International Bureau and Labour Parliamentary candidate for Bromley. Author of Fabian pamphlets, "Russian Economic Policy" and "Wages Policy?"

AUTHOR'S NOTE

This pamphlet is largely based on a discussion with the Ashford (Kent) Fabian Society early in July, 1951. Full responsibility for its contents is, of course, mine and neither that Society nor any of its members are committed to what is said. As a matter of fact, many of them disagreed strongly with the line of argument. However, I am most grateful for their very helpful comments and criticisms.

The intention in publishing the pamphlet at the beginning of October was to have it available for members before the week-end school on the same subject at Beatrice Webb House on 19th—21st October. Owing to the General Election, this school has had to be cancelled. But, whatever the outcome of the Election, the subject will still be one for continuous discussion in the Labour movement.



NOTE.—This pamphlet, like all publications of the Fabian Society, represents not the collective view of the Society but only the view of the individual who prepared it. The responsibility of the Society is limited to approving the publications which it issues as worthy of consideration within the Labour Movement.

October, 1951.

CONDITIONS OF BRITISH FOREIGN POLICY

THE DOMINANT fact of our generation is the cold war. We are in it to a point from which we cannot now retreat. Yet to most socialists there seems to be something wrong about our position to-day, because as socialists we do not want to be at loggerheads with any other country. We have always believed that war and enmity between peoples are the consequences of capitalism, so that a country which rejects capitalism automatically rejects war. Yet Britain under a Labour Government finds herself to-day ranged on the side of the greatest capitalist country in the world in a seemingly endless conflict with the Soviet Union. Why?

This pamphlet is an attempt to answer the question. It is not concerned either with attacking or defending the foreign policy of the Government; when particular aspects of policy are mentioned, it will only be for purposes of illustration. I want to try to analyse the reasons why, in any given set of circumstances, the policy decided upon has been what it has. When events fail to conform to principle, as they have in our foreign relations, there may be several explanations. We may have forsaken our principles. We may have tried to stand by them without knowing how. We may have found it impossible to carry them out because we were not really free to do so. Or, the most disconcerting thought of all, the principles themselves may have been wrong, or at least wrongly defined.

What are the Principles?

All socialists would agree that the essentials of a socialist foreign policy are the preservation of peace, the advancement of liberty and socialism throughout the world, the end of exploitation of one country by another, and the use of the world's enormous resources to abolish poverty. Can we so easily agree on methods? For example, though we all want peace, the Labour movement has always been divided into its pacifist and non-pacifist wings, the former saying that the use of force was never right, the latter that in some circumstances it might be. Our respect for both groups has caused us some difficulty in practice. Collective security, which the Labour Party has supported for years, is not really compatible with pacifism; but we have never properly thought out the practical implications of allowing these two viewpoints within the movement.

Again, we speak of the advancement of liberty and socialism. But true liberty must include the liberty *not* to be a socialist, or for a country

not to adopt socialism. For instance, we are sometimes blamed for not having built up a socialist system in our zone of Germany. We could have done so, but what if the German people had not wanted it—and it is not certain that they did? In that case, instead of “advancing liberty and socialism,” we might actually have had to decide *between* them. The same sort of difficulty arises when we talk of ending the exploitation of one country by another. If we interpret that, as some socialists do, as meaning our more or less immediate withdrawal from our dependent territories, we must ask if that is really going to make things any better. For it will not if it means that they fall under the control of some other country, or under a native oppressor. So other, and equally good, socialists feel that we have a definite obligation not to withdraw until these territories are in a condition to govern themselves according to something like our standards of freedom and efficiency.

Finally, there is a very big difficulty which follows from the need to think in terms of our foreign policy as a whole. Socialists dislike power politics. But power politics mean simply that an individual issue must always be considered in the light of its relationship to the general balance of forces in the world; and if we believe that we have anything worth defending, we cannot ignore the balance of forces. Each issue that arises should no doubt be settled “on its merits.” But what are its merits? The foreign policy of Britain cannot be divided into a number of watertight compartments labelled Greece or Malaya or Korea or Bechuanaland. The particular merits of, say, Korea may appear in one way if they are thought of solely in Korean terms, rather differently if they are related to the whole of the Far East, and even more differently if related to American-Russian relations in Europe—and there *is* a relationship. Yet if that relationship is once admitted, the case of Korea becomes a matter affecting all the points of contact between the Great Powers, and if we are not very careful we are back on power politics again.

In short, principles are not always accurate guides to action. While the world is divided into competing parts—I shall discuss in the following sections what the competition is about—every step taken in any part of the world has to be decided in the light of its effects on the whole world situation.

BRITAIN AND WORLD POWER

One of the chief causes of the cold war is the enormous redistribution of power which has taken place in the last few years. Power does not consist only in military strength, actual or potential, nor is it only a matter of economics. To exercise power in the world, a country needs not only material strength, but also a less tangible sort of influence which is really political. Before the war we in Britain possessed both, though our influence was greater than our strength. The United States had immense potential strength but little influence, because she was still isolationist. France, though militarily and economically weak, had great influence in many parts of the world. But a country cannot be said to

exercise real power unless she possesses both material strength and political influence.

Up to 1939 world power was centred in Europe. After 1945 this was no longer so. The whole continent had been overrun, great physical destruction had been caused, and its political and economic structure shattered. Europe remained, nominally, the centre of a series of overseas empires, but it was doubtful if the metropolitan countries would in future be able to retain them. Meanwhile two new centres of influence had emerged. The United States had come out of the war stronger than she went in; her industrial output in 1946 was 50 per cent. greater than in 1940, and since she was the only major industrial country to escape serious damage she was likely to be, for several years at least, the world's largest supplier of manufactured goods. She was also, to a greater extent than before, an important supplier of primary products such as wheat and cotton, and controlled the sources of many others.* No country in Europe or elsewhere could afford to sever all connection with the United States without wondering where her alternative sources of supply were to be found. Politically, too, the United States had grown enormously in stature and influence, and it was clear from the start that she was not going to return to isolationism. She was in world politics to stay. *Question ab*

In spite of the destruction she had suffered, the Soviet Union was also vastly stronger than before—obviously in the military sense, but also economically because the stress of war and the occupation of part of her territory had compelled her to open up new sources of supply and new industrial areas. The elimination of Germany in Eastern Europe had left the Soviet Union to inherit her influence there. Politically, her part in winning the war had forced other countries to accept her as a leading member of the family of nations; and she drew still more strength from the stimulus given by the war to revolutionary movements in other countries, which looked to Moscow for inspiration and sometimes for leadership. The main difference between her position and that of the United States was that she was in no position to exert a great international economic influence; her own needs were such that for some years she could not expect to be a major exporting country. For Britain and the other countries of Europe there would always be advantages in friendship with both the Soviet Union and the United States, but they would be different advantages. With the United States they would be mainly economic, with the Soviet Union mainly political.

The Power Vacuum

The situation after 1945 was an extremely dangerous one. Power

* How big the shift in power has been can be illustrated from the following figures. As long ago as 1929, industrial production in the U.S.A. was close on 50% of the world total. American consumption of nine leading raw materials and foodstuffs was 39% of the total for the 15 chief commercial countries. Today, the U.S.A. consumes over 50% of the world's copper, lead, zinc, aluminium and rubber.

was polarised in Washington and Moscow, and much of the rest of the world was, if not a vacuum, at least an area of very low pressure. It was inevitable that each of the two power centres should try to fill the low-pressure area by spreading their influence outwards, until they met with a power of similar strength. This did not mean, of course, that they would necessarily try to extend their influence by force of arms; but they were bound to compete in their own ways for the dominant position in each of the areas under-provided with power. In the event, the weapons of the Soviet Union were political, with the politico-military fact of the Red Army held in the background. Those of the United States were partly political but mainly economic, with hardly any military element till the summer of 1950. That the political systems of the two countries were different gave additional force to their competition for influence, and affected the methods used; but even if their political systems had been identical the competition would still have taken place, because in the real world a power-vacuum is as unnatural as any other sort of vacuum.*

In the two areas of immediate importance in 1945, the problem of who was to fill the vacuum was temporarily solved by military occupation. In Europe influence was divided down the line at which the forces of west and east had met when Germany collapsed; there were only a few areas, notably Finland, Greece, Czechoslovakia and of course Berlin where there was any real doubt. In the Far East American forces had occupied Japan and most of her possessions. Elsewhere the position was far from clear. From the Middle East through south and south-east Asia to China, neither side had an unshakeable hold. Britain and France, and to a lesser extent the Netherlands, had supplied the power in these areas before the war, but all three had been considerably weakened. China was a special case, since the regime which had brought her to victory over Japan no longer rested on a basis of popular support; the question of its successor was all-important.

Why were these particular areas the scene of competition between the two leading Powers? The picture appears very different if looked at through Russian or American eyes. Each side attempted to gain local advantage here and there—the Russians in Persia and Greece in 1946, in Czechoslovakia and Berlin in 1948, in Korea in 1950; the Americans established bases in the Far East and in Europe, Britain fought to retain Malaya and France to keep Indo-China, and the western powers reacted

* A friend who read this pamphlet in draft has pointed out that before and immediately after the end of the war the chief disagreements arose between the U.S.S.R. and Britain, and not between the U.S.S.R. and the U.S.A.; at Teheran, Yalta and Potsdam the Americans tended to support the Russian view against ours. That is so. But that was no more than a temporary phase, due to the failure of both the Russians and the Americans to appreciate how greatly the position of Britain had changed; it was sufficiently clear by 1945 that the real conflict ahead was between Russia and America. Mr. Bevin's chief contribution to post-war history was that he realised the nature of the conflict before the Americans did. But he did not create the conflict.

strongly to the invasion of Korea. A Russian, looking outwards in any direction, saw the growth of American power and the ring of American bases, and could be forgiven for suspecting that America harboured aggressive designs against the Soviet Union; otherwise, why the bases? An American, seeing Russia's successive attempts to probe outwards from her compact land-mass, could legitimately feel afraid of Russian designs against the whole of the non-Soviet world. The Russians were not slow to point out that America would never tolerate a Russian military base in Mexico; why should they tolerate American bases near to their borders in Europe or Asia?

The point was not that America was trying to ring Russia round with bases for offensive purposes, but simply the geographical fact that the areas under-provided with power were the areas of the Old World which had fallen victims to European imperialism in the eighteenth and nineteenth centuries; because the imperialist countries were now less able to control them, a vacuum had been created. Many of these areas were ranged round the borders of Russia, and some had been acquired in order to restrain Tsarist expansionism. But in a sense that was accidental. The reason why west and east were competing for Persia and not for Mexico was that Mexico was within a recognised sphere of interest, while Persia was not.

The development of this conflict has destroyed finally the old Marxist idea that power is sought for economic reasons alone. Sometimes it is sought because people like having it. But when the world is divided between two groups of different political and social character, it is more often sought from fear. The economic reasons are still very important, in as much as a great deal of the vacuum supplies materials and food to the industrial countries and takes their goods in exchange; but if there were no other causes for competition, it would hardly be necessary to make an issue of control over these areas when the two countries chiefly concerned in the conflict are not serious competitors in the economic sense. If the old analysis were true, one would expect to find the two competing groups led by the U.S.A. and Britain, as the two main trading nations, and not by the U.S.A. and the U.S.S.R., between whom there is no competition for foreign trade. American policy seeks to deny certain areas to the Soviet Union because they contain valuable materials, but her reason for doing so is her fear that control of these materials would contribute to Soviet military and political power. The U.S.A. and Britain are also afraid that if these areas were controlled by the Soviet Union, their materials would be denied to the rest of the world—which may or may not be true. But this is not the same as competing for economic advantage, in the sense in which, say, Britain and Germany competed before 1914. Between the U.S.A. and the U.S.S.R. the economic side of the conflict follows the political instead of leading it.

The position of Britain.

Between these two great centres of power, where did Britain stand in 1945? Materially (that is, in both the military and the economic senses)

she had been reduced to third place in the scale of importance. Her influence was still widespread, but it was her inability to give full material support to her influence which had been primarily responsible for creating the power-vacuum in Asia. But the people of Britain were accustomed to a standard and a method of life which can normally only be enjoyed by exceptionally favoured countries.

When compared with most of the rest of the world, Britain is still an exceptionally favoured country. Even in the 1930s our standard of living was one of the highest in the world; the annual real income of a family on the dole in 1935 was about double that of a family of agricultural workers in India when the husband was in work. Over the previous century and a half the prosperity of Britain had been built up on the exploitation of the primary-producing countries. We imported our materials and our food cheap, and we sold our exports dear. Indirectly we paid something more for our overseas supplies and markets, in the form of a large Navy, of overseas bases for our army and air force, and all the administrative paraphernalia of colonial government, but we still found it worth while to carry this "white man's burden." We were the perfect example of an imperialist country, needing power for the protection of our foreign trade, but also rather enjoying the power itself.

The expansion of our overseas possessions ended after the first World War, and thereafter our policy was essentially pacific. As long as our interests were not directly touched, we were prepared to play a mainly passive role in world politics. It was our inertia which dealt the first serious blow to the League of Nations over the Japanese invasion of Manchuria in 1931—an instructive episode, because if it had happened thirty years earlier, when there was no League, we would certainly have been stirred to vigorous action to preserve the balance of power in the Far East. Later, it was again from inertia that we allowed Italy to attack Abyssinia and Germany to rearm. Inertia suited our reactionary governments very well; since to men of the type of Baldwin and Chamberlain the chief danger was not a rearmed Germany but the gathering social revolution throughout Europe with the Soviet Union leading, it was no bad thing if Fascism and Nazism bore the brunt of defending Europe against this threat. Our governments chose not to resist too far in each successive aggression, not because they particularly liked Fascist methods but because the alternative was worse; and they calculated that if Germany were to threaten our interests, she could probably be embroiled with the Soviet Union while we sat by and watched. Most people in the Labour movement knew how wrong this calculation was; but the movement was less than consistent in demanding resistance to Fascism while opposing the rearmament needed to make resistance effective.

Politically and militarily, the years between the wars showed a decline in our power and influence. Our economic strength also declined. We had lost our technical leadership. Countries which had previously relied on imports of goods from Britain were now making those goods themselves—often enough with British machinery. The United States, the Soviet Union and Japan, and several other smaller countries, were

expanding their industrial capacity rapidly (in America this expansion was only slowed down and not reversed by the slump), while we were standing almost still or going backwards. Just as the first World War weakened us militarily and politically, the slump weakened us economically. We managed to get out of it largely because raw material prices fell sharply in the middle 1930s, and the terms of trade moved in our favour. We held our own, but at the expense of the primary producing countries of the world. By doing so, we laid up a considerable amount of trouble for ourselves later.

After the second World War our position was weaker still. There had been a colossal shift of power away from Europe to both the west and the east, and we had lost our supremacy to the U.S.A. and the U.S.S.R. Our economic position had been undermined by physical destruction, by the loss of our foreign investments, and by the general shortage and higher prices of raw materials and food. Also, the war had given rise, in many of the less developed parts of the world, to a tremendous social and nationalist revolution which affected Britain more than any other country, simply because before the war she had been the world's greatest imperialist Power.

The economic position.

Of the larger countries in the world, Britain is the one most dependent on imports. To make a comparison, in 1938 "visible" imports into Britain were equivalent in value to 18 per cent. of the national income. In 1946 the figure was down to 13 per cent., but by 1949 had risen to 19 per cent. and was still going up. "Visible" imports into the U.S.A. in 1938 were equivalent to only 2.9 per cent. of the national income, and in 1949 the figure had risen only to 3 per cent. No similar figures are available for the U.S.S.R., but for a country with such huge resources they would certainly be very small. Britain thus has more reason than any other major country for being interested in her sources of supply. Our great dilemma is how to reconcile the need to preserve these sources with our dislike for old-style imperialist methods.

I have already mentioned that we were saved from collapse in the 1930s by the turning of the terms of trade in our favour or, in other words, by an increase in our exploitation of the primary producing countries. At the time comparatively few socialists realised what was happening: they were so absorbed with reducing unemployment in Merthyr and Jarrow that they did not notice that we were making other people pay for our salvation. We also (partly deliberately) allowed an overseas deficit on current account to develop, so that in 1938 we had to sell £70 million worth of gold and other assets to help to pay for our imports. In any ordinary pre-war year our exports of goods came nowhere near to covering the cost of our imports. To quote 1938 again, we then imported goods to the value of £858 millions, and exported goods worth only £471 millions or 55 per cent. of our imports; the difference of £387 millions was made up by "invisible income" from services and investments abroad and the deficit I have just mentioned.

During the war we lost control of some of the areas which supplied us with materials, at a time when our need for materials was enormously increased. World shortages developed and prices rose, so that some of the primary producing countries enjoyed an unprecedented prosperity; from having been creditors of countries such as India and Egypt, we became debtors. We sold a large part of our foreign investments, and we lost a lot of shipping, so that we were unable to cover our excess imports by "invisible" earnings. We had to aim at paying for as much as possible of our imports by exporting goods—85 per cent. in 1950, against 55 per cent. in 1938.

Unlike experience after the first World War, our demand for materials was not expected to fall after a short post-war boom. We were committed to a policy of full employment; like other manufacturing countries, we were expanding our industrial potential, and we needed not less but more materials to keep our industries going. At the same time, some of the primary producing countries were now consuming a higher proportion of their own products (partly because their own industries had expanded during the war, partly because some were producing less or because their populations had increased, partly because their standard of living was slowly rising), with the result that not only did most materials cost more in real terms than before the war, but some ceased to be available in adequate quantities. To indicate the extra cost of our imports after the war, if average values of imports and exports in 1938 are taken as 100, the corresponding figures for 1946 were: imports, 211; exports, 196. The difference became even more pronounced in 1947 (imports, 258; exports, 223). Thus, by comparison with 1938, the "terms of trade" moved against us by 8 per cent. by 1946, and by 16 per cent. by 1947.* The same sort of movement has, with a few fluctuations, continued ever since, and became much more pronounced after devaluation and the Korean war. By June, 1951, import prices were, on average, over 4½ times their pre-war level, and export prices only a little over three times. There may be some improvement in the next few years, but the ratio will probably never go back to its 1938 level.

Since 1945 we have thus had to face three special difficulties in our foreign trade. First, our need for materials is bigger than before the war. Secondly, prices of materials and other imports have increased heavily in terms of exports. Thirdly, owing to the loss of our foreign investments, we have to cover a much bigger proportion of the cost of our imports by the export of actual goods. Most of us are familiar enough with these facts, which have often been brought forward by the Government to account for our main economic difficulties.

Imports—the link with U.S.A.

Where were we to get our imports from? Most of them, and

* For fuller figures, see Board of Trade Journal 4, August, 1951, pp. 225-229. Owing to changes in the method of calculation, a direct comparison cannot be made for years after 1947.

especially the main raw materials, continued to come from the traditional areas in the Commonwealth, Asia and Africa, though these areas were not always able to supply us with the same proportion of the total as before the war. The other great source had to be the United States, which is a very important primary producing area as well as manufacturing country. In the inter-war years the U.S.A. had supplied us with from 13 to 16 per cent. of our total imports each year, including a high proportion of our raw cotton, tobacco, petroleum and food grains. American production had expanded during the war, while that of most other countries had contracted, so that it was only natural after the war that we should take a still larger proportion of our imports from the U.S.A.—provided we could pay for them. It is worth contrasting the pre-war importance of the U.S.A. in our foreign trade with the relative insignificance of the U.S.S.R., from where we got chiefly timber and coarse grains. In the years 1928, 1935 and 1938 we received from the U.S.A. respectively 16, 13 and 15 per cent. of our total imports, and from the U.S.S.R. only 1.7, 2.8 and 1.9 per cent.

There has been a lot of discussion about whether we could have increased our trade with Russia and Eastern Europe after the war. We probably could, to a certain extent. But it is idle to suppose that countries such as these, which were themselves facing a colossal problem of reconstruction, could have supplied us with anything like our full requirements, or even what would have been needed in addition to our imports from America had we refused the loan of 1945 and Marshall Aid. For one thing, many of the most important materials could not be supplied from the U.S.S.R. at all. What we did get, we should have had to pay for with actual exports, for Russia was in no position to grant us credit. We should therefore have had to send to Russia some of the exports which were going to America and elsewhere, so that we should have covered a still smaller volume of imports from dollar sources; and the result would inevitably have been still greater shortages and still greater hardships. Some opponents of the 1945 loan and the Marshall Plan argued that if the Government had put the issue squarely to the people, and told them that these hardships were the price we must pay for full independence, they would have rallied in support. That may be so, but after six years of war it would have been a very big thing to ask of the people of any country, and the Government felt it could not do it. I often wonder whether the critics have ever really imagined how people would have reacted, after the war and when they expected some relief, if it had become completely impossible to buy Virginia cigarettes.

The Government's decision to accept the 1945 loan, whether it was right or wrong in the circumstances, meant that our economic future was henceforth closely linked with the U.S.A.; and our acceptance of the Marshall Plan two years later followed naturally. Both the loan and the Marshall Plan helped the U.S.A. to keep up her foreign trade too (and I cannot for the life of me see why some people talk as if that was something to be ashamed of), and represented a sensible redistribution of goods from a country that had suffered little from the war to others

that had suffered much more. It is true that they committed us to certain courses. But our loss of independence did not follow from the loan or the plan, but from the weakness of our economic position. This weakness has been, I believe, the greatest single factor since the war in deciding the general lines of our foreign policy.

To summarise so far, I have tried to show that British foreign policy, even when guided by socialists, has had to face the facts of world power distribution and our weakened position. Power has been polarised in Russia and the U.S.A. Europe inevitably became an area of low pressure with consequent active competition—on the borders of Russia—to fill it, and fear of further expansion by the other has in part prompted further acts and accusations of aggression. As far as the economic factors are concerned, a less powerful Britain stands in a perilous position of dependence on imports—vitaly interested, with survival at stake, in preventing sources of supply from being lost to the communist world, and inevitably tied by postwar conditions to dollar-area supplies. Principles, we saw, were in any case not simple in application; but they become harder still when new power situations are emerging between giants and when national survival may have to take precedence.

BRITAIN AND THE SOCIAL REVOLUTION

I said earlier that the sort of power with which the two main contestants were trying to fill the vacuum could not be expressed simply in either military or economic terms. If the first fact about the vacuum is that it was ranged geographically round the Soviet Union, the second is that it was an area, or rather a series of areas, undergoing a profound social change which would probably have taken place within a few years even if there had been no war. Throughout southern Asia the purpose of the social revolution which emerged from the war was twofold—to get rid of the imperialist powers and their exploitation, and to establish a better social system. Since very frequently it was imperialism which was to blame for social conditions, the two aims usually tended to be identified.

This is the point at which the political differences between America and Russia enter into the competition. If in south or south-east Asia a nationalist movement is also a left-wing social movement, it will be doubly led to look to the Soviet Union for support. For although Communism in Europe is mainly an urban movement, it can still make a tremendous appeal to a poverty-stricken agricultural area like Malaya or India. It does not matter very much that the peasant does not know what Communism is, if his own conditions of life are so bad that almost anything else would be better. He believes that Communism offers him improved standards, and he believes it to be opposed to imperialism. Thus most of the national-social movements of Asia have come to contain at least a strong Communist element, and even those elements which are not Communist are usually favourably inclined to the Soviet Union.

In Europe the same is partly true. The social revolution which

developed over most of the continent during and immediately after the war prevailed only in those areas where it could rely on Soviet protection; elsewhere, in those countries where occupation was followed by a return to the traditional pattern, the revolutions petered out *as revolutions*, though some of their aims were secured without the Communists. However, in France and Italy strong Communist parties survived, basing their appeal on the continuing poverty of the people, with the result that in these countries as well as in Asia the most active elements in the social movement were also favourable to the Soviet Union.

The western reply to this political weapon in the hands of Russia is an economic one—assisting the areas most likely to fall under Communist control to raise their standards of life to a point where Communism will have no appeal. In Europe, this was the purpose of the Marshall Plan, and on the whole it succeeded. In Asia the main instruments are our own Colombo Plan and President Truman's Point Four programme, though the tragedy is that so pitifully little has been done to put them into effect. It is one of the great mysteries that the Soviet Union has not grasped that, in Europe at least, a strong effort on her part to assist rather than hinder reconstruction and the raising of living standards would have gained her enormous support, and might have resulted in Communist governments in several western European countries—but I will enlarge on this point later.

If, as is generally the case, the international alignment of a country is a reflection of its internal political system, it follows that a struggle for internal control is also a struggle for the future of the country as an element in the distribution of power in the world. As a result of the polarisation of influence, it has almost become true to say that every Communist success in any country is a success for the Soviet Union, every Communist defeat a success for the western grouping. As long as the Western countries do not suppress their Communist parties there is a pro-Russian element in their internal political structure; but there is no corresponding pro-western element in the Communist countries, since non-Communist parties are prohibited, as much for being pro-western as for being non-Communist. The western countries also lose because the term "non-Communist" is wide, and has too frequently led them to associate with very peculiar allies, who do their cause much harm.

In the competition for the countries of the vacuum, all three of the elements of power thus enter in—the military element, in American bases in the Far East and in Europe, and on the other side the Red Army and the forces of the other associated countries; the economic element, chiefly in the western belief that a country whose economy is sound will not fall victim to Communism; and the political element, in that each side believes that if a government of its own colour can be installed or preserved in a particular country, that country will decide its international position accordingly. The three are, of course, very closely related.

The economic significance of the disputed areas provides still another reason why each individual territory cannot be considered in isolation from the general world picture. There are certain areas, especially the

Middle East and Malaya, where the Western Powers are extremely anxious to retain control for economic reasons—petroleum, rubber and tin. In a world which applied socialist principles, the availability of raw materials to a particular country or group of countries would not depend on who controlled the sources of those materials. There would be collective responsibility for seeing that the resources were properly developed and distributed and for protecting the people of the producing country from excessive exploitation. But the world is nowhere near that state of perfection yet. We in Britain set an encouraging example to the rest of the world in showing our willingness to supply goods from the areas we control to anyone who wanted them; we only stopped when we found those goods being used against us. The Americans have been less inclined to trade freely, and imposed political restrictions much earlier than we did. It is difficult to compare either with Russian behaviour. She has not shown herself very willing, for instance, to make the minerals of the Balkans available outside. But Russia and her associates are rapidly developing industrial countries whose demand for materials is swelling, and it does not imply any blame on her to suggest that if she controlled the sources of some of the more important materials these would become less easily available to the rest of the world.

Withdrawal?

A change of control in Malaya or the Middle East might mean that the industrial countries of Europe and America would lose some of their materials. One sometimes hears socialists dismiss that as unimportant, or as proof that we are still imperialist at heart if we suggest that we have a legitimate interest in what happens to these materials. But it is one thing to say that we should stop exploiting the countries which produce our materials (though even this is not a clear-cut issue), and quite another to say that it does not matter if those countries pass under the control of someone else. If the second happens, their peoples will not necessarily be any better off, but may be worse. Also, the sudden cessation of the supply of materials would create serious dislocation in the industrial countries; and even if not sudden it would be bound to cause a sharp fall in our standard of living. It might also increase our dependence on America for supplies—for if in 1950 America had not been importing large quantities of tin, rubber and petroleum from areas under our influence, we should never have been able to balance our dollar payments.

There is also a close connection between the rise in the cost of imports and the social revolutions in the primary-producing countries. We had to recognise (whether we liked it or not, though of course most socialists liked it) that we could no longer exploit our dependent territories as we did before the war, because if we tried those territories would take charge of their own destinies and throw us out. We withdrew from India and Burma, gave fuller independence to several colonies, and our treatment of other areas improved enormously. But we paid a price for all this. Many good socialists have complained that our improvements in the treatment of colonial territories (or better still, our withdrawal from them)

are not going ahead fast enough. I am not trying to defend the present rate of progress when I point out that the Government could not decide to take further steps forward without considering, among other things, what the effect of each step would be on our standard of living and (perhaps even more important) our ability to preserve full employment at home. For if, as a result of raising the standards of a colony, or of giving it independence, our home industries had to go short of a material or pay substantially more for it, that was one of the factors which had to be borne in mind in reaching the decision. As a matter of fact, our colonial policy since 1945 *has* actually reduced our supplies of some materials and *has* actually caused us to pay more for some, and when socialists complain about the rise in the cost of living, I hope they will remember that that is one of the reasons for it. If more were to be done, could the Government count on the people of this country understanding the position and accepting the price we would have to pay for our new policy?

If we now look at the political side of these economic arguments, the conclusions we must reach are much the same. The areas which we had controlled as colonies had been grossly exploited by our fathers and grandfathers, but even under the later Conservative governments there were signs of a change of attitude. With a Labour Government in power here, a much wider view was taken of our responsibilities; and the Labour Government actually meant it when it said that our chief responsibility was to prepare these territories for independence. If we were going to withdraw from them, we had to be sure that our withdrawal would not leave them worse off still. For even in an advanced country the sudden removal of the controlling authority can cause chaos; how much more so in a less advanced country? We did not want power to pass into the hands of the wrong people, who would replace our exploitation with a native one. We did not want to plunge the territories into tribal wars or wars between different religions. Above all, we did not want our withdrawal to be simply a signal for some other power to come along and take our place. Politically as well as economically, we felt obliged to retain influence in these great areas even though we could not, and did not wish, to control them as absolutely as before.

The combination of the economic and political factors meant that in the conflict for power in the under-provided areas we could not be entirely neutral. We had had to surrender some of our influence, but we were anxious not to surrender any more of it than necessary. If the main contestants were still Russia and America, it was not a matter of indifference to us which of them acquired the greater share of what we had given up. Our interests were, broadly speaking, in line with those of the U.S.A.; between ourselves and the U.S.S.R. there was little in common.

We have now adduced several more reasons why a postwar socialist Britain was bound to find herself—in terms of the power situation and her own economic needs for survival—vitaly concerned to prevent changes which would open the road to communist advance. How does

this square with more fundamental choice, on the basis of political principles, between alliance with "east" or "west"?

BRITAIN'S POLITICAL POSITION

Increasing public interest in foreign affairs means that similarities or differences of political structure and outlook now play a larger part than they used to in determining a country's foreign policy. An instance is the case of Franco Spain; for though there are many strategic and some economic reasons for allying ourselves with Spain, public opinion rejects association with Franco—and the Government must pay attention.

People have often said that because politically we stand between the capitalism of the U.S.A. and the Communism of the U.S.S.R. we should be well placed to act as a bridge and an arbiter, since in any difference which arose between the two we should be free from political interest. This argument was the source of the "third force" idea, which envisaged a Britain neutral between the two chief power-centres, prepared to be friendly to both, but also prepared to throw the whole weight of her strength and influence on the side of whichever she considered right in a dispute. There was a lot of sense in this argument back in 1946 and 1947, as long as there appeared to be some hope of bringing about a world settlement. It was fully consistent with the principle of collective security, since under the League of Nations or the United Nations all states not parties to the dispute in question were intended to do the same—to look at the question on its merits, and support the country whose case was stronger against whatever country appeared to be in the wrong.

The snag about the third force argument was that it assumed too readily (just as the League of Nations assumed too readily) that decisions on immediate issues could be reconciled with longer term expectations. For what matters is not the behaviour of a country on a specific issue, so much as the estimate made of its ultimate intentions. If these are defensive, the country deserves international support; if they are expansionist, it deserves to be resisted. Nor does collective security forbid semi-permanent groupings, such as the Atlantic Pact or the Soviet grouping in eastern Europe; for countries may be brought together by a community of interest which will partly determine their attitude to any specific question. Up to the moment, our estimate of the ultimate intentions of the United States, as well as our obvious community of interest with her, have brought us nearer to her than to the U.S.S.R. There is a definite danger that in three or four years' time, when the physical strength of the western grouping has caught up with that of the Russian, America will become the chief menace to peace. Our proper course will then be to use our influence against her; and whether we are prepared to do so will be the real test of our own intentions.

The third force argument was no guide to action if it meant a narrow, legalistic neutralism which ignored ultimate intentions. A

country whose interests range as widely as ours cannot behave as though it were a Switzerland. In the conflict for power which I have described earlier we were not and are not unconcerned with the result. Consequently our position as third force only made sense if it meant that, while giving our general support to the group of Powers that we considered the lesser danger to peace, we used our influence to ensure that it continued to be so.

Apart from these longer term considerations, there has been an immediate political reason for our attachment to the American grouping. Our socialism rests on the double basis of economic justice and political liberty. The Americans have not yet attained the first, but they have far more of the second than the Russians have. The Russians claim to have the first but they have not got the second at all. I hope not to shock socialists too much by suggesting that to us political liberty is more important even than economic justice, since while a country is free politically it can always progress along the road towards economic justice, but if it loses its liberty it loses the power to define what it means by the term.

We have never denied the right of a country to go Communist if it wishes (we were the first great non-Communist country to recognise the Communist Government in China), but much of our dislike of Communism is due to the fact that it is so often imposed by force. Part of the reason why we have placed the preservation of liberty above the advancement of socialism (I mentioned earlier that the two did not necessarily go together) is that the sort of socialism we want must include political freedom; because Communism seldom does, we do not recognise it as true socialism. Sometimes we have recognised quite frankly that socialism on our model was not likely to succeed in countries without a democratic tradition (in Yugoslavia for instance), but we have always hoped that its non-democratic form would develop along our lines. When it has become clear that there is no hope of this happening, we have been compelled to show our opposition. We wish to restrain the spread of Stalinism because it makes proper political and economic development impossible. Our motives for doing so are not identical with those of the Americans, though in the short term they may lead us to much the same type of international policy.



When we add together the economic limitations on our freedom of choice, our interest in the future of the areas under-provided with power, and our community of aim with other countries which believe that Communism should be restrained for political reasons, it follows that our interpretation of what is meant by a "third force" must be considerably modified. In a word, our position in the cold war has largely been decided for us. Our main job now is to do what we can to keep it cold. - i.e. prevent it from becoming hot.

All the argument so far has led up to a point where we must try to define where each side in the cold war stands; for this will determine our behaviour for several years to come. I shall take each side in turn.

RUSSIA AND THE COLD WAR

Russia, like ourselves and the Americans, is anxious to extend her influence in the world and to prevent the extension of influences opposed to her. She wants to do so partly because she believes that her system would be better for the world, partly because she wants to protect what she already holds. Her desire for power is probably greater than ours, her desire for economic advantage outside her borders probably less, though she is interested in denying that advantage to us. We have to admit that she is justifiably nervous of the intentions of the west. She suffered invasion during the war, and she cannot forget our pre-war attitude to her or the wars of intervention after 1917. She knows that we dislike her political system and fear her expansion; therefore she is afraid that one day the west will take it into its head to attack her. However irrational that fear may be, there is no doubt that it is genuine—just as, unfortunately, there is no doubt that it cannot be removed by the usual type of Foreign Ministers' Conference. How does she propose to remove the causes of her fears?

Political activity in other countries is one obvious way, for if a country can be induced somehow or other to go Communist, it then becomes pro-Russian and anti-American. Even if there is no hope of securing control, a strong Communist Party will weaken its will and its ability to stand up to Russia, and so is the next best thing. Thus the political battle within the borders of every country where a Communist Party exists is one aspect of the foreign policy of Russia; viewed in the world setting, a successful strike organised in Paris, Montreal or Sydney serves Russian policy as well as a territorial gain in Korea.

Political activity is not the whole of the cold war. Russia's participation in the international competition for power is more active than ours, because in a sense she is on the offensive. Her aim is threefold—to gain tactical advantages when and where she can, to try to isolate her opponents and weaken their unity, and to try to weaken them individually. I am quite convinced that she does not include full-scale war among her methods, for the simple reason that if pitted against the whole potential strength of the west she could not possibly win; for though in a general war the west might be frightfully damaged, Russia would be destroyed.

It is because the "soft" areas are ranged round the borders of Russia that every piece of Russian initiative appears as a probing action outwards from the main land mass under her direct or indirect control. Azerbaijan, Greece, Czechoslovakia, Berlin, Indo-China, Malaya and finally Korea have been the scene of these actions. Only one, Czechoslovakia, was successful. The common feature of all the rest is that,

when confronted with determined resistance from the west, they have been called off before Russia herself was committed to a point from which she could not withdraw. But every action is accompanied by a propagandist campaign to prove its justification and to weaken resistance, and often the propagandist campaign has been more successful than the main action. The value of this type of outward probing is that, if it succeeds in gaining some territorial or tactical advantage, that is useful in itself; if it fails, and there is still time to withdraw, nothing has been lost.

Much of Russian policy since 1917 has been based on the belief inherent in Marxism that the capitalist order was bound sooner or later to destroy itself as a result of its internal contradictions, and go down in a series of disastrous slumps. The role of Communism was to hasten the process, and to be ready to take over when the time came. But in fact capitalism has proved remarkably resilient, and instead of collapsing it is changing itself into "welfare capitalism," which is what we now have in this country and what the United States is gradually working towards. Therefore some other means must be found to produce the collapse, which is defying the rules by not coming of its own accord.

If the capitalist countries can be kept in a state of tension for long enough, the calculation is that the system will be strained to breaking point. It is relatively easy for Russia to maintain great armed strength, because for her the cost of keeping a soldier or building a tank is much less than for the U.S.A. or ourselves. Operating from a compact land-mass, Russia does not have to send her troops thousands of miles outside her own territory to get them to the point of contact. Also, since the initiative is always in her hands, she can produce greater effects for a smaller expenditure of effort than we can. So if she times her outward probes nicely, and uses them not only to try to gain limited advantages but also to keep up the state of tension, she will induce the western countries to maintain a burden of armaments which will lower their standard of living, and so create more favourable conditions for subversion and direct political action.

If the leaders of Russia had been more in touch with western ways, they would have realised long ago that from her own point of view this policy is wrong. It has enabled western governments to point out, correctly, that Russia's aim is not to encourage higher standards of life, but lower, in Europe at least. If, as I suggested earlier, she had capitalised the goodwill felt towards her after the war, and had come out as the champion of reconstruction and better conditions in all countries, her influence in western Europe would be far greater than it is now, and the Communist parties would not have been swept out of every government in which they took part. Her other great blunder has been her failure to distinguish between one form of capitalism and another, or between the incurable capitalist and the social democrat—except in so far as she singles out the social democrats for even more vehement abuse. Had she shown more discrimination, she could have brought

about the division between the western countries that she aimed at creating. As it is, her behaviour has forced upon the west a degree of unity which it could never have achieved by itself.

THE WEST AND THE COLD WAR

What does this unity of the west consist of? Its first expression was when the Marshall Plan succeeded in giving life to an international organisation designed to allocate external assistance between a number of countries, and so proved that co-operation, even in a field where competition would once have been the rule, was possible so long as there was some sort of overriding community of interest. The second expression was the North Atlantic Treaty, which is also the first major experiment in defensive co-operation between a number of countries in time of peace. In each case it was bound to happen that the United States should take the senior place in the partnership, as the supplier of aid in the first and as potentially much the most powerful in the second. In each case there was also the clear implication that acceptance of American aid, or of America as senior partner in an alliance, involved the acceptance of at least some part of the American viewpoint. Yet many people, especially on the left, distrust her intentions.

We are no longer afraid of isolationism on her part, but rather that she will lead us into an aggressive policy that we do not want. Yet the very closeness of the partnership is perhaps the best guarantee against that happening, because while it continues we and the other countries of Europe are just as vital to America as she is to us. Our bargaining power is increased rather than diminished. For instance, I suspect that if it had not been for the certain knowledge that we and the other countries concerned would not have supported her, America might well have found herself embroiled in full-scale war with China last autumn; but because of her unwillingness to break the partnership she had to defer to our views.

In one sense, of course, our ability to use the threat of withdrawal from the grouping is a wasting asset, because it is only effective when an issue is so clear-cut and so important that we really would prefer to see the alliance broken than committed to the wrong course. For if the threat were ever carried out, we should then have no further chance of impressing our point of view on the other partners—and the Americans know that we know that. Probably the only reason which would compel us to leave the alliance would be the conviction on our part that the Americans, sure of an overwhelming superiority in military strength, were abandoning their defensive role for an aggressive one—a possibility which, though remote, is not unthinkable—so that we, as a true third force, would be bound to transfer our support to the potential victim.

But that situation has not arisen yet. In the meantime we still have several cards in our hands, short of actually threatening a break. A general agreement on aims, such as exists between most of the western

powers, does not imply complete identity of views. Even if we are not prepared to sever our connection with the other countries of the grouping, the Americans know quite well that we will be less than whole-hearted in our support for the alliance if it begins to follow a course of which we disapprove at all strongly. The same, of course, goes for the other countries. But equally, if the alliance is to be preserved we may be required from time to time to agree to courses which we would not have chosen ourselves—provided that our disagreement is not fundamental.

Alliance involves compromise.

This is where socialists meet one of their most difficult problems of conscience. It is seldom that an issue presents itself in clear black and white; often enough we have to choose between two tones of grey. To take an example, most socialists dislike the idea of rearming Germany. They are not confident that the democratic order there has come to stay, and they fear that a rearmed West Germany might provoke a fatal international crisis by trying to reunite the whole country by force. If the issue of rearming or not rearming could be treated on its own merits, there would be no hesitation in deciding against it. But the Government has not been able to look at it so simply. First, a lot of thought has had to be given to the place of Germany in Western Europe; is it politically wise, or likely to encourage democratic development, to differentiate between Germany and the other countries? Secondly, since everyone agrees that West Germany must be defended, are we and the western countries to accept an indefinite commitment to do so without German participation and with no proportionate German sacrifice? Thirdly (and this is the really difficult point) does the maintenance of western and Atlantic unity possibly mean that we ought to give way on an issue such as this in order to gain our point in some others? Is German rearmament the price we must pay for keeping America out of war with China? Whether the answer the British Government gave was right or wrong, these were some of the considerations on which it had to be based.

Supposing we had refused to accept the idea of allowing some form of military association with Germany, what would have happened? Presumably the question would have been dropped for a time, but would certainly have come up again later. The furthest we could go in opposition would have been to leave the alliance—an action we can obviously only take once. We would have salved our consciences by doing so; but what else?

Had we withdrawn our support, we should have killed the will to resist of all the other European allies, many of whom are inclined to neutralism anyway. The American Administration would then have been forced by Congress to write off Europe altogether. If that were all, it might be no bad thing for Europe—to be saved from the burden of rearmament and the risk of being fought over once again. But the next consequence would have been that the Americans would have

assumed a free hand in the Far East, since there would be no allies to restrain them. Korea might then have become a general Far Eastern war in which our interests would be involved, and which there would be no hope of either side winning *in the Far East*. Sooner or later there would have been a military deadlock, and one side or the other would have sought a decision in Europe; for in spite of its loss of power, Europe is still the decisive area of the world. Would we, in that case, have been any better off? The other possibility would have been that the Americans would have taken over sole responsibility for the defence of Europe, which might have been even worse since they would have been forced by our defection to rely on the most reactionary elements of all. In either case, there would have been no further chance of American economic assistance, and as the areas from which we get our raw materials and food passed one by one under exclusive American or exclusive Russian control our need for outside help would not have diminished but increased.

These are powerful reasons for not breaking the alliance. We may sometimes have to compromise, and accept things we dislike. But the alternative could easily be the start of the war we are determined to avoid—and if it once started it is idle to pretend that we could keep out of it.

TWO ILLUSTRATIONS

I now want to apply the general principles I have tried to describe to two particular cases, Persia and Korea. In each case there has been a rather easy line of criticism against Government policy. Here again I am not trying either to defend or to attack what has actually been done, but to examine the factors which led to the decisions taken by the Government.

The case of Persia.

Persia is a country which has been a source of conflict between Britain and Russia since the middle of the last century. Although independent, its "integrity" has always been regarded as a British interest, originally because it was near the trade route to India and actually bordered on the western frontier of India, more recently because of oil. In that sense Persian independence has been partly illusory, since in the days when power politics were power politics, a decision by any Persian government to throw in the country's lot with Russia would have led to trouble with Britain, and probably to the fall of the government. But Persia has now become one of the areas underprovided with power, for in these days our ability to engineer the collapse of a refractory government is less than it used to be.

When the Persian Government decided to nationalise the Anglo-Iranian Oil Company we could hardly object to the political principle. Since we believed in nationalisation with compensation, we insisted that the company should be compensated; but the trouble was that Persia could not offer full compensation and still remain a viable state. We

were also very doubtful whether she could take over the oil installations and run them at anything like their present level of efficiency. Thus, even ignoring for the moment the question of Persia's international alignment, there was something of a dilemma—to insist on remaining and possibly creating serious disorder, to withdraw and risk the cessation of the supply of oil, or to try to compromise on the basis of leaving behind enough of the British staffs to keep the installations going, though at the loss of the big financial interest involved. Before 1914 any British Government would have insisted on staying, and would have backed up its insistence by force if necessary; but to a Labour Government in 1951 that was quite unacceptable. Some people told us that the correct course was to withdraw completely. If the issue had been a purely Persian one, I dare say that that is the course we would have taken. But the objection to it was not so much the loss of the oil (which would have increased our dependence on dollar supplies) as the implications for the future of Persia in relation to the rest of the world. For if the only major industry in the country collapsed, it was almost certain that poverty and disorganisation would increase; the Mossadeq administration would have been overthrown in favour of a Communist-inspired one, and Persia would have passed over to the other side of the international fence. Thus on political as well as economic grounds the British Government wanted to keep some foothold in the oil industry there.

Two external issues were thus involved, the supply of oil to the rest of the world, and the international alignment of Persia. If we had tried to stay by force we should have created a serious international crisis and perhaps provoked intervention by Russia. If we had withdrawn completely we should have lost the oil and risked a Communist revolution in Persia, or else have compelled her to get assistance from some other country in order to keep the industry going, which would simply have meant surrendering our interests not to the Persians themselves but to a third country. Thus the middle course, though the most difficult, had obvious advantages in the view of the British Government.

The case of Korea.

Then Korea. Our aim ever since the war has been to see a united independent Korea with a democratic government. The original partition was a bad arrangement, never intended to be permanent. If the events of June, 1950, had simply meant the unification of the country on acceptable conditions, we would have agreed willingly. But they did not mean that. The invasion of South Korea was a very carefully calculated move in the cold war. The scene was well chosen—a piece of territory in which neither we nor the Americans had any very great strategic or economic interest, and with a notoriously bad government. The invasion could therefore be accompanied by a propaganda campaign likely to cause confusion to western opinion, by presenting our defence of the south as a defence of Syngman Rhee and a political system abhorrent to socialists.

Two views could be taken. One was to regard the affair as a local dispute of no concern to us, which should have been left to settle itself. The other was to see the invasion as a deliberate challenge to the United Nations, since South Korea was recognised by U.N.O.; and also as a challenge to the west, since (despite the small strategic importance of the area) the west was not prepared to allow a forcible disturbance of the distribution of power. The second view was taken by the Americans and ourselves, so that we were at once committed to resist; from the moment that decision was taken, the character of the Syngman Rhee government became largely irrelevant to the main issue.

Thus the case of Korea started off an acute phase in the competition for power and influence in the Far East. It is a good illustration of what can happen when an area adjoining two regions provided with power is itself under-provided. If the Americans had kept troops in the south, there would have been no invasion, since that would have been too direct and too dangerous a challenge. Since their withdrawal, the status of the area was uncertain, and it was obviously annoying to the Chinese and the Russians to have a small piece of territory on the mainland of Asia whose position is not clear. There was a local advantage to be gained if the south could be united with the north under a Communist system; and it was not certain that the rest of the world would resist. To attack would therefore answer another big question—how far was the west prepared to go in resisting Communist expansionism? The risk was fairly small, since at the beginning only Korean forces were involved, and could be disowned if necessary—another instance of the limiting of liability by the principal Powers in the cold war. The Chinese did in time become involved, but only when they felt that the course of events was likely to involve a direct threat to them.

What has been decided in Korea is therefore not the comparative merits of Seoul and Pyongyang, not the future of Korea alone, but the future of the cold war. For the fact that the west resisted so strongly indicated that in the next few years any similar act of expansion, however indirect, will meet with similar resistance and will incur the risk of making the cold war hot. If, as I suggested earlier, Russian policy is to avoid a hot war, then the chief result of Korea should be the end of probing movements, and a fall in the temperature—provided (and it is an important proviso) that the west, too, makes its own contribution to the slackening of tension.

CONCLUSIONS

Can we now sum up the whole of the argument, and see how it affects our socialist principles and their application? The salient facts of the situation are as follows:—

(1) Power has shifted from Europe and the areas formerly controlled by European colonising countries, and has been polarised in Washington and Moscow. Competition for influence between the two great power centres is not primarily the result of political differences, but is intensified

by them. Political control is sought by each side largely in order to consolidate power.

(2) The areas under-provided with power include many of the most important sources of raw materials. They are also undergoing a great social revolution. Britain, as the world's chief imperialist country and as the country most dependent on imports, is also the most affected by what happens to these areas.

(3) Partly because of this, partly because of the war, Britain's dependence on imports has increased. The economic position of the U.S.A. is even stronger than before, so that Britain has to rely for her prosperity even more heavily on trade with the dollar area.

(4) Russia's policy is twofold, aimed at political expansion into the under-provided areas, and at the weakening and division of the Western Powers through the cold war. Britain, being vitally concerned with raw material supplies, and aiming also at the genuine democratic advancement of the under-provided areas, cannot be neutral in the cold war.

(5) Therefore Britain belongs to the western partnership. But her influence in it is used in the direction of moderation. This is a further reason for continuing her association with the U.S.A. and the other partners, since if she withdrew from the alliance she would have no further opportunity to influence its policy.

All of these facts mean that our foreign policy must be conceived and executed as a single whole. What happens in one area may have a profound effect elsewhere. Therefore to talk about dealing with a particular situation "on its merits" may be misleading, unless it is realised that the merits are world-wide. This is, it is true, a form of power politics, but it must be accepted by socialists.

Finally, we cannot forget that Britain still enjoys many privileges—the results of her past imperialism. Certain policies would be possible abroad only at the cost of a fall in our home standards. A Government in power, anxious to defend its achievements, and realising that its defeat would be disastrous both at home and abroad, cannot ignore the effects on the home electorate of a foreign policy which involved such a reduction in standards—and it is by no means certain that the public would understand or accept increased hardship due to such a policy. This is the most severely limiting factor of all on our freedom in foreign policy.

Socialist principles will still guide any Labour Government here. But they can only be applied in accordance with the hard facts of the situation. To ignore the full consequences of each action is not a true application of principle, nor would it really advance the world-wide aims for which we stand.

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