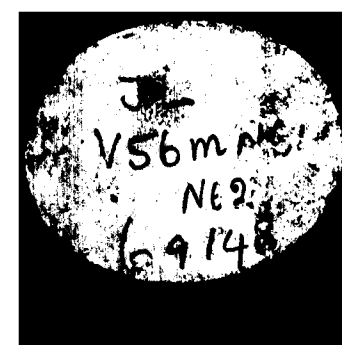


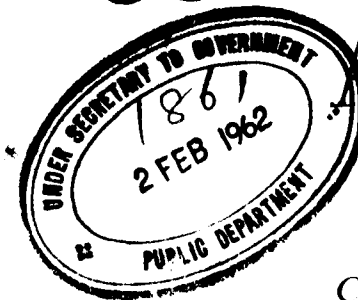


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THE ROUND TABLE

A Quarterly Review of

BRITISH COMMONWEALTH AFFAIRS



Contents of Number 205

THE MEANING OF MEGATONS
COMMONWEALTH AND COMMON MARKETS

A FEDERATION DISSOLVED
EQUIPPING THE NEW AFRICA

A NEW AMERICAN MOOD

AUSTRALIA AND E.E.C.

NIGERIA'S FIRST YEAR

And Articles from Correspondents in

UNITED KINGDOM IRELAND INDIA PAKISTAN
CANADA SOUTH AFRICA NEW ZEALAND
RHODESIA AND NYASALAND

December 1961

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THE ROUND TABLE is a co-operative enterprise conducted by people who dwell in the different parts of the British Commonwealth, and whose aim is to publish once a quarter a comprehensive review of its politics, free from the bias of local party issues. To this is added a careful and impartial treatment of outstanding international problems that affect the nations of the Commonwealth. The affairs of THE ROUND TABLE in each portion of the Commonwealth are in the hands of local residents, who are responsible for all articles on the politics of their own country. It is hoped that in this way THE ROUND TABLE serves to reflect the current opinions of all parts about Commonwealth problems, and at the same time to present a survey of them as a whole, in the light of changing world conditions.

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THE MEANING OF MEGATONS

ENIGMAS OF SOVIET INTENTIONS

"**T**O stand firm is not to invite war, but the surest way to prevent it." So said Sir Anthony Eden in his maiden speech in Parliament as Earl of Avon, a grave and measured utterance in which the wisdom engendered in a lifetime's experience of international affairs had been deepened by mature reflection in years of release from responsibility. The date was October 18, when the Russian proposal to explode a 50-megaton hydrogen bomb, with destructive force equivalent to 2,500 times that which obliterated Hiroshima and Nagasaki, was still only a threat. It has since become a diabolical reality. **A** prodigious amount of poison has been discharged into the atmosphere to fall later upon the earth, possibly endangering the health of millions, especially young children and presumably including Russian children; and a world no less bewildered than horrified is left wondering what it all means.

The series of experiments or demonstrations of which the explosion of October 30 was the climax has proved that Russia possesses such weapons as could make all the Western countries uninhabitable at any level of civilized life. This has for some time not been seriously doubted. Nor is it supposed that any Power has developed defensive devices that could satisfactorily arrest or deflect these monstrous missiles. There is no resource but counter-attack. The Administration of the United States is confident, at any rate with the support of its allies, of disposing of even greater offensive power than the Russians, and of having the reserves to strike back with devastating effect even after being itself partly disabled by a surprise nuclear attack in time of peace. The only possible inference from these premises is that the outbreak of nuclear war means mutual extermination by all the combatants. Whether any non-combatants could survive to restore the means of living above a bestial level might depend on calculation of the degree of pollution of the universal atmosphere that the holocaust would entail.

All this is merely a description of the portentous menace overhanging human life, of which the world has been conscious for a decade, and from which, as Mr. Kennedy has lately warned the American people, this generation can expect no release. It suggests no explanation of why Mr. Khrushchev needs to call our attention to the perpetual menace in such melodramatic tones, at a time when American and Russian tanks have been training their guns upon one another across the line of demarcation in Berlin, maintaining a childish point of diplomatic punctilio which would be dismissed as ludicrous if it did not contain the risk of igniting the train that would set off the universal catastrophe.

It remains an enigma, then, why Mr. Khrushchev should go to enormous expense to show the world what the world already knows, or even what use it is to be able to obliterate an adversary several times over if there is no way of warding off an equally fatal blow in return. It is of no avail to Samson to be

able to pull down the gates of Gaza more than once on the Philistines and himself. Speculation about Mr. Khrushchev's motives speedily becomes involved in contradictions. It is no doubt possible, though there is no evidence, that the explosion is a piece of personal publicity, designed to maintain him in power at a time of underground mutterings against his rule. It could be a gigantic piece of bluff, intended to frighten the West into submission by doubling the stakes. But the stakes had already gone too high to make this explanation very plausible; and the problematic prospect of intimidating the adversaries ranged against him must be more than balanced by the certainty of alienating opinion in the uncommitted nations. The audience really desired for the pyrotechnic display may of course be not so much Western as Eastern: the tension between Moscow and Peking may make it desirable to give the Chinese Communists an exhibition of Soviet might and potential aggressiveness.

The curious correlation between the great explosions and the relaxation of the rigid timetable originally proposed for the settlement of the Berlin question has suggested to some that Mr. Khrushchev has only now realized that Great Britain and the United States are in earnest in maintaining their rights in Berlin, and that he raises this commotion to cover a redeployment of his strategy, holding his position *vis-à-vis* the aggressive Soviet left wing while a new diplomatic line is worked out. But when all these speculations have been pondered, the explanation that the tests, however superfluous, are simply intended as a military exercise alone makes a kind of sense.

The exercise may be directed to remoter objectives than the achievement of Soviet aims in Berlin, but it sets the scene in which the immediate Berlin crisis has to be worked out. In the last issue of *THE ROUND TABLE* the problem was considered with principal emphasis on allied obligations to the people of West Berlin. There are also obligations to the East Berliners, now literally walled into their Soviet prison. Though no doubt Mr. Khrushchev never loses sight of the possibility of getting control of the whole city, it is fairly clear that the prime object of this year's campaign is to secure the recognition of East Germany by the West and its final integration into the Soviet satellite empire with East Berlin—eventually perhaps the whole of Berlin—as its capital.

Now East Germany is already a dependency *de facto* of the Russian Empire, and it is clearly beyond the capacity of the West to secure its release without world war—or even with world war, for that in its nuclear form would dissolve the fabric of European society. Why then, it may be asked, not recognize the *fait accompli* and concentrate upon attainable objectives? The unity of Germany is, after all, a recent phenomenon in history and has proved anything but a blessing to any of her neighbours. If the Russians defend the intransigence of their policy in Berlin and denounce the N.A.T.O. alliance on grounds of the danger of reviving German militarism, our own experience should enable us to understand that they may quite sincerely be more afraid of the long-term threat from Germany than of the nuclear power of the United States. Why should the West not acquiesce and consent to keep Germany divided?

The answer lies in the disastrous effect that the overt and final abandonment of the cause of East Germany might have on public opinion in West Germany. Germany divided may be reasonably regarded at the Kremlin as a guarantee of security. Germany united and Communist may seem to be a better guarantee, not necessarily unattainable. The diplomatic armoury contains bribes as well as threats. If the West finally recognizes the division of Germany, the temptation may arise for West Germans to look to the East for reunification at Russia's price. Not perhaps in Dr. Adenauer's time; but the long rule of the veteran is plainly nearing its end. No one can think it impossible that he may be succeeded by a Socialist régime, prepared on terms to let down the drawbridge towards the East.

The prospect that the Western powers might themselves, by offering recognition of East Germany as a bargaining counter, secure such value in return as would satisfy the West Germans is remote. We are bound to say to the Russians that we cannot recognize a mere puppet state as a sovereign member of the community of nations. If they then ask what evidence would convince us that East Germany is not a puppet, we should presumably reply that nothing short of the withdrawal of the Soviet forces would carry conviction. Any such request would be countered by a demand for the withdrawal of N.A.T.O. forces from German soil, and the old deadlock would recur—a deadlock so nearly intractable because underlying it is the real Russian fear of German aggression.

We are led back to the conclusion that there is no discharge from this cold warfare. To meet the Soviet pressure in Europe the immediate need is to intensify and make indissoluble the cohesion of the Western peoples, including especially Western Germany as the most exposed member of the association. This is a political objective that may be powerfully advanced by the success of the negotiations to bring the United Kingdom into the European Economic Community, on which views from many parts of the Commonwealth are expressed in this issue of *THE ROUND TABLE**; it is to be hoped that opinion in those countries which have misgivings about their economic interest will consider also their political interest in the defensive strength of the West.

Clear heads and steady nerves will be required as the continuing crisis over Berlin develops. But Berlin is only the present fulcrum of the strain between East and West. If we show weakness there, as Lord Avon said in the speech already quoted, other demands will fall thick, fast and strong.

What is at issue is not the future of Berlin, but the unity of the will and purpose of the Western Alliance and its ability quietly but firmly to say "No" to unreasonable demands.

Events may soon reinforce the warning with which Lord Avon ended:

Pressure by Communist Powers is world-wide and continuous. Berlin is, at the moment, the focal point, but there are others . . . the Persian Gulf . . . South-East Asia . . . Tibet.

There is no reason to suppose that these pressures will subside. . . . We must

* See p. 8 and references there given.

expect them to gather force as the Kremlin glories in the new power to intimidate, which its breach of the agreement to suspend nuclear testing is gaining for it. . . . The free world is in a position of the utmost danger . . . we are still not realizing the nature of the effort which is called for from us if we are to survive a challenge of so much ruthlessness and power . . . This country can influence the international scene by the image of its purpose which it creates in the minds of other people. I do not think we can, any of us, be altogether happy about that portrait just now. That is partly because of the theme of recurrent economic crises which have been endemic since the war and which, when they are temporarily surmounted, are so easily forgotten. Immediately after the war they seemed more readily acceptable. After the prodigious national effort that our country had made, and the unstinted expenditure of our resources, they seemed excusable. But now nothing would so much increase the authority of my noble friend the Foreign Secretary as the conviction in the world that we have put these recurrent spells of economic weakness behind us for good.

I have no doubt that we can realize this, but only by a national effort in which every member of the community plays his part with a will to see the business through. This is something more important than the policies of any Party; it is our national survival as a great Power. If we can approach our economic problems in a spirit such as we have so often evoked in the past in the face of our country's danger, selflessly, but with determination, we can solve them. We have to succeed, if our deliberations are to count for anything and if our country's influence is to hold sway for justice and for peace.

COMMONWEALTH AND COMMON MARKETS

A STUDY OF THE TREATY OF ROME

THE British Government has always emphasized that the future relationship of the United Kingdom with the European Economic Community raised three main problems: the Commonwealth, British agriculture and the European Free Trade Association. In the debate that preceded the summer recess last year these were regarded as the three main difficulties that stood in the way of a closer association. In the debate just before the summer recess this year, which preceded the Government's application to enter into negotiations for membership under Article 237 of the Rome Treaty, adequate safeguards for these three interests were described as the essential conditions of British membership.

In the public discussion in and out of Parliament during the last few months it has become increasingly clear that the last two problems are of a different order of complexity and gravity from the first. The problem of E.F.T.A. is narrowing. Denmark has followed Britain in applying for full membership of the E.E.C.; Norway is expected to do so within a few weeks. The three neutral countries, Sweden, Switzerland and Austria, are likely before the end of this year to have applied for an association under Article 238 of the Rome Treaty, leaving Portugal as the only E.F.T.A. member for which even a beginning of a negotiation has still to be made. This is not to say that this is not a most difficult problem, caused on the one hand by the great difference in economic development between Portugal and the rest of western Europe and aggravated on the other by the political anxieties created by Portugal's relations with her African colonies. Nor is a solution of the problem of the neutral countries likely to be achieved without a good deal of further negotiation in which many doctrinal prejudices to be found on both sides of the Atlantic will need to be removed. But the problems created by clashes of economic interests or the difficulty of devising suitable trading arrangements between the three neutral countries and an enlarged European Economic Community should clearly be manageable.

The early fears about the fate of British agriculture in the Common Market seem also to have given way to a more sober assessment. The spread of knowledge of the conditions of farming on the Continent, of the objectives of the Rome Treaty, and, not least, of the difficulties the Six themselves are encountering in their efforts to make progress with a common agricultural policy, have all contributed to making the view more widely held that it is not inherently impossible for the British farmer to be gradually integrated into a single European agricultural market.

The Commonwealth problem, however, remains almost completely intact. It is no exaggeration to say that it forms the core of the hesitation or out-and-

out opposition to the Government's present policy both on the part of many of its own supporters and of a substantial section of the Labour Party. There are, of course, other grounds of opposition extending from the pure milk of the doctrine of sovereignty on the one side to the fear that a liberal, capitalist (if not reactionary) Europe will make Socialist planning in Britain impossible on the other. But if a solution for the problem of Commonwealth trade could be shown to be possible and could then be advocated as reasonable and fair in all the existing circumstances, opposition to Britain's entry into the European Community would, one may confidently predict, dwindle to negligible proportions.

The Government clearly believe that there is a chance that this state of affairs can be brought about, or they would not have embarked on negotiations. In this, they are in advance of a good deal of political opinion at home and abroad. The reactions, so far, of Commonwealth countries have in general been, at the very least, discouraging.* The consultations which British Ministers had in the summer led to reactions which ranged from reluctant acquiescence to relative indifference. By the time the Commonwealth Finance Ministers met at Accra in September, the British Government had made its application and the range of Commonwealth views had changed, stretching from the cautionary to the almost plainly hostile. No doubt, a heavy discount needs to be applied to these views. In Australia the economic situation is difficult, an election is pending and the two strongest Ministers belong to different parties. Canada, too, has been faced with serious economic problems; the Government has passed through a number of difficult internal embarrassments, notably the Coyne affair; the latent psychosis caused by the conflicting U.S.-Commonwealth pull is always ready to break out into the open; and an election may not be far off. In Asia and Africa the political overtones, real or imagined, of western European integration have been tending to create suspicions, which have also been exploited by extreme left-wing groups. Above all, a collective occasion like Accra must lead to the striking of more emphatic attitudes than real feelings might justify.

But even when all the allowances have been made, there remains, at best, doubt and confusion. This is well illustrated in a recent issue† of the *Bombay Economic Weekly*, in which one writer speaks of the Commonwealth attitude as not being very helpful and criticizes the Indian Finance Minister Morarji Desai for having categorically refused to accept associate membership, while another writer, speaking for Africa, expresses the most extreme hostility to what is described as an attempt to establish a collective imperialism of the west European countries.

Unfounded Fears

THESE attitudes have their reflection here. The purely economic risks to Britain from any readjustment of Commonwealth trading arrangements do not appear to be a major cause for concern. Admittedly, certain interests

* Opinions held in a number of member or former member States of the Commonwealth will be found below on the following pages: Ireland pp. 74-76, Australia pp. 43-48, Canada pp. 89-92, South Africa pp. 94-96, New Zealand p. 99.

† Sept. 16, 1961.

have shown some anxiety over the effect of any reduction or disappearance of the preferences which Britain enjoys in the Commonwealth, but it is unlikely that this factor by itself could create a major political difficulty for the Government. It is the economic effect on the other Commonwealth countries that is uppermost in peoples' minds. It results in the fear that harm to the trading interests of our fellow members will weaken the political links that tie them to the Commonwealth, whose cohesion may in any event be threatened by the increasing political intimacy of our relation with Europe, which membership of the Community must bring about.

The grounds from which these fears are derived are often inadequately examined and ill-assorted attitudes are often found together. Some of the most vociferous opponents of negotiation with the Community, let alone entry into it, have shown scant appreciation of the position of the newly independent, or shortly to be independent, members of the Commonwealth. They are primarily concerned with the old, white, Dominions and their concern for the Commonwealth is little more than a projection of a "Little-England" attitude. The more thoughtful critics, keenly aware of the inner tensions already existing within this loosely knit institution, the Commonwealth, and of the difficulty of maintaining it as an effective force in the world, are fearful that the changes likely to be brought about by British membership in E.E.C. may be altogether too violent to be absorbed.

The question then is whether a reasonable and fair solution is intellectually conceivable and whether it is likely to emerge as a practical proposition from the present negotiation. The first part of this question resolves itself primarily into an analysis of the economic problems posed by an attempt to reconcile the Commonwealth trading system with a European Common Market. The second turns on the political prospects of negotiating such a reconciliation with the Six (with the added complication of making it acceptable to other countries, notably the United States), and, at the same time, with the other Commonwealth countries, to a point where British political opinion, at least, will be prepared to accept it.

Wide Range of the Treaty

THE provisions of the Treaty of Rome cover a vast range of the activities of the Community's members. Most, if not all of these, affect Britain's present relations with the other members of the Commonwealth, whether these derive from tradition and accepted practice or are embodied in treaties or other agreements. They cover not only economic matters in the strict sense, but many social arrangements, such as social security or labour migration as well as fiscal and financial institutions and practices. Some of these may give rise to special difficulties where Commonwealth countries are concerned. However, these are not likely to be so great as to make the Commonwealth aspect the decisive feature of the negotiation: if they are, in the end, found acceptable by Britain on domestic grounds, they will be capable of being fitted in with the Commonwealth relationship. Moreover, progress on most of these questions among the Six themselves has so far been slow and it

should be possible to do much to ease the transition from existing practice to the new communal arrangements.

The core of the Treaty, however, relates to trade within the Community and with the outside world, and to those factors which directly and immediately affect the conditions of trading. The Community aims at the complete abolition of all tariff or other barriers to trade within itself, and at a common external commercial policy, including a common tariff, towards the outside world. A common agricultural policy is an integral part of the common trade policy, and agriculture is to be a part of the future single internal market. It is in this field that the really serious problems affecting the Commonwealth arise, for at first sight at least it is hard to see how one regional trading system can be reconciled with another. It is this obvious difficulty that led the British Government originally to seek a solution through an industrial free trade area. This would have left the two systems intact while providing for a more liberal trading régime, over a part of the field at least, between Britain and the Six. Under such an arrangement the ultimate reconciliation of trading policies over the whole field and between the Six, the Commonwealth and the rest of the world would have been left to be done on a world-wide basis through G.A.T.T. and other world-wide institutions.

Such an "easy" solution is now hardly ever mentioned again, even by the most nostalgic. The lesson of 1958 has at last sunk in, and it is now generally accepted that a solution for the Commonwealth problem must be found within the framework of the Common Market. There are few who would quarrel with the way in which the British Government has now presented the different aspects of the Commonwealth problem—as regards both Commonwealth countries and sectors of Commonwealth trade—when it expounded its approach to the negotiations at a meeting with the Six on October 10. It is becoming increasingly clear that this problem must be taken apart into its main constituents and that each one must be made to yield to its own separate and appropriate solution. Nevertheless, to give such an approach a genuine prospect of success will require a basic recognition by the Six (the British Government may be assumed to have it in full measure!) that there is a total Commonwealth problem to be solved, that a collective Commonwealth interest must, therefore, be acknowledged. The sectional approach will not succeed unless it proceeds from this initial acknowledgment.

Some of the problems faced by the Six when they negotiated the Treaty of Rome were not unlike those now presented by the British application. They also had "associated overseas territories", dependent, independent, or soon to be independent. In Part Four of the Treaty, in a Protocol "relating to goods originating in and coming from certain countries" (the so-called "Morocco protocol") and in the continued availability of Part Four treatment to associated territories that had become independent, the special trading relations between European metropolitan countries and their colonies or ex-colonies were, to a considerable extent, carried into the Community. Existing preferences for associated countries' exports were preserved and extended from the metropolitan country to all the members of the

Community. The associated country's participation in the tariff reduction incumbent upon members of the Community was limited by its own need for revenue, or infant-industry, duties. Independent associated countries, like Morocco and Tunisia, continued to benefit from "their" metropolitan country's import régime. No radical departure from special arrangements by which the metropolitan country helped the associated country, such as bulk purchase of tropical products at special prices or other form of subsidy, was imposed.

It is tempting to say that what the Six could do should be available to Britain and the Commonwealth. But there are several reasons why such a wholesale solution of the Commonwealth problem is highly unlikely. The associated countries and territories of the Six were all underdeveloped areas, very largely in Africa. The competition of their main exports between each other in the markets of the Six was relatively unimportant; nor was there any competition of any great consequence between those exports and the products of the metropolitan countries. Moreover, since the signing of the Treaty of Rome, a number of the associated countries have become independent, and, although the terms provided in the Treaty of Rome have continued to be available to them, the political penumbra around the original concept of associated territory has become increasingly awkward and has led to a re-examination within the Community of the future link between members and those underdeveloped countries with whom they had special relations.

Commonwealth Complications

THE Commonwealth problem is much greater in volume of trade involved, in the scope of countries concerned (both geographical and in regard to the stage of development reached) and in the complexity of constitutional and political relationships with the "metropolitan" country than that of the associated territories of the Six. Above all, the impact of the competition of their exports on the trade of members of the Six (particularly in temperate foodstuffs) or on the trade of third countries (e.g. of tropical products on the exports of Latin America) is so considerable that an across-the-board solution by means of "associated territory" status for all members of the Commonwealth will not be acceptable to the Six. Moreover, even though the precise nature of that status is now in the melting pot and may be purged of any colonialist flavour, it is not likely to commend itself even to all the Commonwealth countries who might, in theory, qualify by reason of the degree of economic development they have reached.

But this is not to say that "A.O.T." status may not offer a valid and acceptable solution for a number of Commonwealth countries. It is certainly *prima facie* the solution for remaining British colonies, or countries which are on, or have only just passed, the threshold of independence. The problem here will be, fundamentally, not very different from that with which the Six are already faced in any event. It is, in the first place, to take account of political susceptibilities, by moving from the arrangements laid down in Part Four of the Rome Treaty more nearly towards association agreements

as contemplated in Article 238 of the Treaty. The replacement of arrangements derived automatically from a past constitutional link by contractual obligations on both sides should enable the underdeveloped countries concerned to drop any remaining scruples against benefiting from arrangements which, Communist or extreme nationalist criticism notwithstanding, are plainly to their advantage.

The other problem will be to fashion trading arrangements which are not intolerable to other interested parties. In some tropical products, for example, a straightforward exchange of preferences, that is to say, an extension of the area in which they are enjoyed (the enlarged European Community) and of the countries which enjoy them (the associated territories of old members and those of the new), might create intolerable conditions for certain outside producers, particularly in South America. They (and the United States), either directly or through G.A.T.T. can be relied upon to put this point most forcibly; and it would be very unwise for Europe, with Britain, not to be mindful of these wider considerations. Fortunately, this problem already exists: Britain's application may enlarge it, but it does not create it. Britain herself has always insisted on the need to ensure that the Community is liberal and outward-looking, and her influence can be expected to be beneficial. Whether through the gradual elimination of preferences and reduction of the external tariff (where this can be done without grave harm to the economy of the associated country) or their replacement by other devices, such as special subsidies or higher buying prices (where this does not lead to permanent economic distortions), the interests of third countries can be taken into account. Embryonic world-wide commodity agreements already exist for some tropical products, such as coffee and cocoa. These too can help both the associated territories and the third countries. And where the liberalizing effects of arrangements designed with a view to preventing vital interests of third countries from being damaged are too severe for the economies of associated countries, development aid from the Community can be brought into play. In short, while there are some highly intractable problems, such as bananas or citrus fruit, a painstaking negotiation, taking different countries and tropical products in turn and based on an imaginative use of the association formula, can provide a solution for an important group of Commonwealth countries and sectors of trade.

The approach to the Commonwealth problem through the provisions for association in one form or another provides the possibility of a solution for the whole trade of the Commonwealth countries that can be covered by it. Subject to the points made above, it would also solve in large measure the problem of trade in tropical products, since most of the countries that are most likely to fall under the association solution are primarily producers of tropical products. Where the association formula proves impossible, the approach will necessarily have to be commodity by commodity. Here, three groups may be distinguished: materials, manufactured goods and foodstuffs (other than tropical). Fortunately, the problem for materials is limited. For most of them the common external tariff is zero or very low; and the acceptance of it by Britain should not cause great difficulty to Common-

wealth exporters. There are, however, a handful of materials, such as aluminium, or lead and zinc, for which the common tariff is still too high and where it will be necessary to negotiate reductions, preferably to zero, or at least some tariff-free quotas (as provided for in Article 25 of the Treaty), for Commonwealth suppliers. It is not possible to be positive about the prospects of achieving this. But, having regard to the small number of products involved and to the Community's own desire, manifested in their actions up to now, to keep the tariff on materials for industry low, one can be reasonably confident that an acceptable solution will be found. If it is, a further important sector of Commonwealth trade, affecting in this case not only underdeveloped countries, but also the old Dominions, such as Canada and Australia, will have been safeguarded.

Manufactured goods present a much more difficult problem. In this instance the economic interest of the existing members of the Community, as well as the interest of third countries who are watching on the sidelines, and, finally, the pure doctrine of the Common Market, all combine to make special treatment for Commonwealth goods a most difficult negotiating objective. These difficulties arise with special force in the case of the developed Commonwealth countries, Canada and Australia. The trade concerned is, of course, very small: only about 7 per cent of Britain's imports from the Commonwealth consists of industrial products; and the proportion of Canada's or Australia's exports of manufactures that come to Britain is even less. These exports, moreover, have grown up under the shelter of a Commonwealth preferential system, which was based upon, even if it was not explicitly intended to preserve, a complementary economic relationship. The essential counterpart for the preferences which British manufacturers enjoy in Commonwealth markets is the unrestricted duty-free or preferential entry which Commonwealth foodstuffs and materials enjoy in the British market.

Nevertheless the exports of manufactures to Britain from the economically developed members of the Commonwealth is a valuable trade to them and one, moreover, to which considerable political importance attaches. When processed foodstuffs are added (ranging from canned fruits through cocktail sausages to pickles), the trade is so important, both in total and in its relation to employment in particular localities, that neither Britain nor the Commonwealth countries concerned could view with indifference the rapid disappearance of preferences, let alone the imposition of "reverse preferences" which the application of the common external tariff and the disappearance of the intra-community tariff would involve.

A Scale of Priorities

IT must, however, be clear that, in the end, some scale of priorities, as regards both commodities and time, will have to be adopted if the negotiations are to be successful. The Six cannot reasonably expect the application to this trade of the full rigour of third-country treatment. This would be against their own actions—the coming into force of the Treaty of Rome did not involve the imposition of a single tariff against an associated country where one did not exist before; and it would be contrary to their professed

desire not to deal a damaging blow to the Commonwealth relationship. On the other hand, Canada and Australia cannot reasonably expect Britain to insist on the preservation, for all time and for all the commodities involved, of a preferential relationship which has grown up as part of a system designed for a different purpose and which economic development, including changing competitive conditions in the British market itself, would in any event be likely to call in question. The smallness of the trade serves as an argument on both sides; and a reasonable compromise will need to be worked out.

The export of manufactured goods from the less developed countries of the Commonwealth presents a rather different problem. There is, first, the need to avoid giving substance to the political arguments against linking these countries with Europe. The writer in the *Economic Weekly* already quoted says that "the effect of the Common Market on industrial development in African countries is likely to be disastrous because 'the Western powers are biased in favour of agricultural development in Africa'". This is, of course, a travesty of the facts. But if Communist propaganda is not to be given unnecessary nourishment, it is most important that existing or developing industries in the economically less advanced countries should not be harmed by any new European trading arrangements.

Association would, of course, solve most of these problems. It is, however, at least doubtful whether it will in the end prove possible for some of the countries most concerned, such as India. Furthermore, even where it might be, as in the case of a "dependent" overseas territory such as Hong Kong, the most acute aspect of the problem is that of so-called "low-cost" competition, for example in textiles; and this would have to be solved by negotiation, whether there is association or not. In a way it is fortunate that this problem has already arisen in Britain's own relations with Commonwealth countries and has, as for example in the case of Hong Kong, led to *ad hoc*, albeit temporary, solutions. Moreover, other countries are also directly and heavily involved, both exporters, such as Japan, and importers, such as the United States. The recent textile conference under the auspices of G.A.T.T. may not have done more than patch up a temporary easement, and one which is not much to the liking of some countries. But it has perhaps shown the way in which this problem of low-cost competition might be tackled.

Finally, and most complex of all, is the problem of Commonwealth trade in the foodstuffs grown in temperate zones, cereals, dairy and livestock products, some horticultural products and sugar (which is also grown as a tropical product). The difficulties here spring from Britain's traditional free import policy for food, the specialization of the old Dominions to supply the British market, a common agricultural policy in the Community with potentially strongly protectionist features, and the existence or threat of large surpluses of these commodities in the developed countries of the Western world. These surpluses, given continued progress of technique, amounting in places to an agricultural revolution, are likely to grow rather than to diminish. The British Government has indicated that its methods of support for home agriculture could be changed to fit in with a common policy to support the European farmer. Can British food import policy with

its traditional (or contractual) unrestricted and duty-free entry (accompanied in some instances by a tariff preference) for Commonwealth products also be fitted in?

This problem, too, must be taken apart before it can be fully appraised. What is at stake here is Australian soft wheat, beef, mutton and lamb, butter and cheese, and sugar, New Zealand lamb, butter and cheese, and Canadian hard wheat. The other major interests are feed grains, mainly barley and maize from Canada, Australia and Rhodesia; and there is also an important interest in certain fruits, notably apples from Australia, New Zealand and Canada. This list is by no means exhaustive; but it contains the items of greatest difficulty, partly because they matter greatly to the exporting country, partly because they raise in the acutest form the issue of outside supplies *versus* the Community's own production under the common agricultural policy.

The British Government has stated that its aim in the present negotiations is to secure for Commonwealth countries opportunities for outlets comparable to those they now enjoy. There is no inherently insuperable technical difficulty in devising arrangements which will achieve this aim. What is at issue is whether in the long run the Community's agriculture is to aim at a degree of self-sufficiency which will mean the eventual elimination of supplies from the large, efficient producers overseas. In the short run, it is whether the import arrangements under the common agricultural policy for the so-called transitional period, that is before a full common market is in being, are made so restrictive that trading conditions are significantly tilted against Commonwealth suppliers compared with what they might reasonably have expected.

There are, thus, two aspects of this problem and each must be adequately taken into account in whatever solution is negotiated. If the formula of "comparable outlets" is accepted it will mean that the Community has accepted certain principles that will guide it in the elaboration of its common agricultural policy into the final Common Market stage. These principles will determine the ultimate level of prices for the main products within the Community and any other features of agricultural policy that may significantly affect production or consumption. This, in turn, must set certain limits to the amount of protection against outside supplies: in short, the policy must be so devised as to leave room for products from outside, not only in theory but also as a matter of practical access to the market. The negotiations between the Six and Britain are not the occasion for determining in detail how this is to be achieved in the long run. But if the principles are agreed, there will be the opportunity of giving them practical expression as the common agricultural policy evolves.

Major Agricultural Products

BUT for the short run precise arrangements will be necessary. These do not present insuperable difficulties. Canadian hard wheat is virtually not grown in Europe and it would be fantastic if the import levy arrangements proposed by the European Commission for regulating grain imports were deliberately devised for the purpose of preventing the British (and some

continental) consumers from having the sort of bread they like and are used to. Australian soft wheat is more difficult, being directly competitive with continental (and, indeed, British) wheat. But this is a traditional trade and, provided that the French, British and Australian farmers do not display inordinate appetites for the European market, there is no reason why it should not continue on much the same scale as in recent years. French producers can legitimately expect to find some new outlets in Germany (and to some extent Italy) which has the highest cost production in Europe, and there is no reason why Australian wheat should be put at a deliberate disadvantage compared with French wheat as far as the British market is concerned.

Butter is already a serious problem. The British market, the only free market in the world, has recently been seriously glutted and returns to even the most efficient producers, the New Zealanders, have fallen below a remunerative level. An embryonic—and short-term—market-sharing arrangement is to be instituted; and this perhaps shows the way for the future. But, in any event, something will need to be done to cope with the mounting flood of dairy production, of which the butter surplus is at the moment the most acute expression. It is clearly nonsensical for the price of butter in many countries of the Six to be twice that in Britain, thus encouraging further production and stifling any possible increase in consumption. Fortunately, the European Commission has not yet produced proposals for dairy products and it is to be expected that the prospect of British membership together with the Commonwealth aspects will significantly influence what ultimately emerges. As for sugar, there is a long-standing Commonwealth Sugar Agreement which is an integral part of an equally long-standing International Sugar Agreement. There is no reason why these forms of international arrangement should not continue.

It is not necessary to go through the whole list of commodities in detail. These examples illustrate what can be done if there is a will to succeed. Lamb might, however, also be mentioned, not only because it is extremely important to New Zealand, but also because it illustrates the problems in agricultural trade that exist quite apart from the complications arising from Britain's prospective membership. The Six produce little, and eat little, lamb. There is hardly any trade in it among them or between them and the outside world. Yet lamb must clearly be included in the common agricultural policy because its price and therefore its supply, must be related to the price of other meat. The problem of what this price is to be is almost wholly one for solution between New Zealand and Britain, the only two important trading partners in this commodity. But it is a problem that would have to be solved whether Britain enters the Community or not. The increasing supplies of New Zealand lamb on the British market have already caused a serious fall in price which, apart from its repercussions on other meats, is pushing up the subsidy the British Government has to pay to its own producers to very high, and perhaps intolerable, levels. New Zealand has been warned that the British market is limited. Here then is an example of the need to find a solution irrespective of the impact of the Common Market.

Indeed, many of the problems in the field of temperate agriculture are problems of evolving or increasing surpluses, affecting many countries. It is tempting to think that Britain's Commonwealth problem in relation to these products could, therefore, find a solution within the framework of world-wide arrangements—be they in the nature of commodity stabilization schemes like the International Wheat, or Sugar, Agreement, or be they new devices for linking the disposal of food surpluses with programmes of aid to underdeveloped countries. It is true that the attention which will have to be devoted to finding a solution to Britain's food imports from the Commonwealth within an enlarged European Community may sharpen awareness of the wider issues and perhaps provide a new impetus towards the evolution of wider and longer-term solutions. But it would be hazardous in the extreme to divert, as it were, the particular problem of Britain's accession to the E.E.C. on terms tolerable to the Commonwealth into the wider arena of world problems. These two sets of considerations, much though they may be expected to converge in the long run, belong to two different universes of discourse and, indeed, use different institutional channels for discussion and resolution. A premature attempt to seek the solution of specific Commonwealth problems in these wider arrangements might prove destructive of any prospect of British membership of the E.E.C.

Nor is this necessary. As already stated, given the acceptance for the short and long term of the principle of comparable outlets and given an awareness by both the Commonwealth and the continental exporters of the limits of the British market, there is no doubt that suitable arrangements can be made. Above all, both must recognize that it is by no means certain that, in the absence of such arrangements, glittering prizes can be won on the British market; just as the British farmer is beginning to recognize that for him, too, the choice is between two different forms of change, not between change and standing still.

Political Hesitations

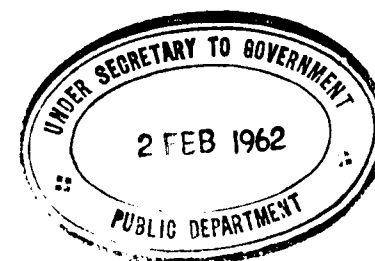
BUT even if suitable arrangements can be made for a transitional period and some general assurance obtained for the longer term, the Commonwealth countries may well ask whether this is enough. Does it mean some temporary alleviations, on temperate foodstuffs, tropical products, some materials, perhaps even some manufactured goods, but inevitably in the end the disappearance of the total Commonwealth trading system? Alternatively, the Six may ask whether these arrangements do not add up to such a dilution of the concept of a European Common Market, that it will cease to have practical meaning. It is from this sort of doubt that the political hesitations on both sides spring. Certainly, on the Commonwealth side, the direct political consequences of Britain's joining the Community cannot, without a good deal of special pleading, be made to look very serious. The Treaty of Rome itself contains no political provisions. And such closer political institutions as may yet come about can hardly be regarded as derogating more severely from British sovereignty, or to be more likely to be inimical to the intimacy of Commonwealth consultation, than W.E.U., N.A.T.O.,

S.E.A.T.O., or A.N.Z.U.S. European federation would, of course, make a difference. But federation cannot be forced upon members of the E.E.C. and it is hardly good sense to speculate on the conditions that may obtain if and when it were to be on the agenda as a practical proposition, any more than it would have been useful to speculate in 1939 on Sir Winston Churchill's offer to France, a year later, of joint citizenship; or than it would be to speculate on the precise changes that may occur over the next few years in the political circumstances within the Commonwealth itself.

The only political fears which it is worth while arguing about as a practical matter are those which spring from concern over the indirect political consequences of disturbances to the pattern of economic relations. For the existing European Community, the safeguard lies in Britain's wholehearted acceptance of the basic objectives of the Rome Treaty. To find an accommodation for Commonwealth trade should not be fundamentally more difficult than was the negotiation of arrangements which the Six made for their own associated territories or those which they will have to make either through G.A.T.T. or otherwise in respect of their trade with others of their trading partners. They have acknowledged the value of the Commonwealth politically: the consequence of this is that they must have due regard to the Commonwealth's economic well-being. They have professed a desire to be outward-looking: the Commonwealth could well be the touchstone by which their sincerity can be tested.

For the Commonwealth countries, the essential is to recognize the inevitability of change. There is no field of Commonwealth trade—from lamb to motor-cars, from grey cotton cloth to cocoa—in which the conditions of trade have not changed radically in recent years and in which the one thing that it is safe to forecast is further change. Mr. Duncan Sandys, the Commonwealth Secretary, speaking of its political content, has described the Commonwealth as the child of change. This is no less true of its economic content. It is a hard thing, particularly for politicians, to compare not what is with what is proposed, but what is proposed with what might otherwise be. Commonwealth trade with Britain and with the rest of the world is at this moment undergoing rapid changes. Only this year the wheat situation has been dramatically transformed by Australia's large sales to China and by Canada's poor crop. The British market for food is becoming more and more hazardous to Commonwealth exporters; and if the E.E.C. is not enlarged by Britain's entry there is no guarantee that it will become less, rather than more so. Of course, the Commonwealth exporter likes to think that whatever happens it will be the British Government he will have to deal with rather than "the Community". But what matters in the end is what Britain inside or outside the Community can do for and with the Commonwealth. A Britain with a faster rate of economic growth, with wider trading possibilities, with a stronger voice in Europe, must be a more useful member of the Commonwealth, even if, say, free entry for meat or wheat has to give way to some other arrangement. But it takes statesmen to see this; and in this respect, too, the present negotiations will be a test for all the members of the Commonwealth.

For Britain, too, the inevitability of change must be the guiding thought. Cheap food is already threatened by the need to prevent Exchequer subsidies from rising while still supporting the farmer. Market-sharing can no longer be regarded as anathema when it is the only way of reconciling the interests of domestic, Commonwealth and European producers. Preferences are poor guarantees of a market when not only price but competitiveness in delivery, design and service determine sales. In short, it is not a clinging to what is that can bring salvation. "Our stability is but balance, and conduct lies in masterful administration of the unforeseen."



A FEDERATION DISSOLVED

THE LATEST SYRIAN REVOLUTION

IT is perhaps true to say that the latest Syrian Revolution, namely that of September 28, 1961, had fewer elements of surprise than the many preceding political upheavals which have unfortunately been characteristic of Syrian history since the end of the French Mandate just after the Second World War. The parliamentary democratic constitution which the Syrian people adopted, without question, on attaining their independence has unfortunately failed to provide them with political stability. This is perhaps natural, considering the disposition of the Syrians themselves and the stresses and strains to which they have been subjected in their brief period of independence. In the first place the Syrians are not easily governed, whether by foreigners—as the Turks, the French and now the Egyptians have discovered—or, on account of their individualism, by themselves—as witness the frequent changes of government as *coups d'état*. It may seem strange to classify Egyptians as foreigners from the Syrian point of view. But such they are, for the present-day theory that all those who speak Arabic, share Arab culture and desire to be Arabs are Arabs, irrespective of race or religion, fails to convince most Syrians that Egyptians are Arabs or that, even if they are, they are desirable as rulers of Syria.

The political instability of Syria, produced by their own individualism has, as stated before, been intensified by the stresses and strains both internal and external to which the independent Syrian State has been subjected. Internally there have been two main problems, namely the rapid development of the Syrian economy and the transformation of Syrian society from an oligarchic form, dominated by wealthy landowners and a few industrialists and merchants, to a more egalitarian structure in conformity with modern concepts. Externally, Syria's first problem has been how to eliminate what Syrians see as the taint of Western imperialism and yet to maintain a rapid rate of economic expansion without becoming by acceptance of Soviet aid too heavily committed to the Communist variety of imperialism. Syria's second external problem has been her reaction to the emotional appeal of Arab unity. It was aggravated in 1948 by the establishment of Israel (which in Turkish times had close family and political connexions with Syria), and in 1956 by Anglo-French action on the Suez Canal. Unfortunately for Syria no strong political party existed to steer her through these difficulties until the Ba'ath or Arab Renaissance Party became a significant political force about 1955. Before that time, although elections were held, the elected deputies to the Syrian Parliament were almost exclusively wealthy landlords or industrialists. These grouped themselves into so-called parties, which had a political meaning so long as it involved offering opposition to the French Mandate. When the Mandate ended, the old political parties became largely the personal following of accepted leaders, but none of them except the

Ba'ath evolved a political programme adapted to the requirements of an independent and rapidly developing Syria. In these circumstances it is not surprising that, as the power of the political parties to administer the country and ensure its stability increasingly declined, the Army stepped in to fill the political vacuum. It was the Syrian Army that in effect ruled the country indirectly through pressure on Parliament or directly as in the Shishakli régime (1951 to 1954) during the whole of the brief period of Syria's existence as an independent State except the first few years.

It is against this background that Syria's union with Egypt in 1958 and the recent dissolution of that union must be considered. In this connexion the crucial year is 1956. By that year, the old Syrian political parties had lost practically all their influence and the Army was in political charge, though its political directions were carried out by "captive" parliamentary deputies. Another and perhaps more potent part of the Army's control apparatus was the Deuxième Bureau headed by the ruthless and ambitious Colonel Abdul Hamid Sarraj, in whose family there is a strong Kurdish strain. By 1956 too the U.S.S.R. had become an important factor in Syrian politics by providing the Syrian Army with arms, at a period when Britain, France and the United States limited their supply of arms to Syria and Israel in order not to exacerbate the existing tension between those two countries or to start an arms race between them. In the favourable attitude thus created and aided by a great increase in the staff of the Soviet Embassy in Damascus the Syrian Communist Party, under the leadership of another Syrian Kurd, Khalid Bikdash, though still nominally outlawed, grew in numbers and in power. Bikdash, an able man of great perseverance and for long a fugitive in hiding, began to appear at official receptions and became a power in the land. But by this time (1956) the Ba'ath Party itself had become a political factor of great importance in Syria and had even spilled over into the Lebanon, Jordan and Iraq. The Ba'ath Party, unlike the old Syrian parties, did have a political creed which had great appeal to the broad masses of the people. This creed had three main points, namely, Arab independence (internationally speaking), Arab unity and Arab socialism. Its socialist views included the prevention of the exploitation of labour, in both agriculture and industry, the break-up of large estates, the settlement of the hitherto nomadic tribes living in the Syrian hinterland, and the wider provision of public hospitals, educational facilities and the like. The social aims of the Ba'ath Party were of course attractive to the Syrian Communist Party and at times the two parties worked in unison, not from conviction but each trying to benefit from the other's activities.

Suez and After

ANGLO-French action on the Suez Canal in October 1956 had far-reaching effects on the Syrian political stage. The more moderate and economically responsible political elements in Syria were no longer able to maintain publicly a pro-Western attitude (especially since Anglo-French progress in the Canal Zone was so slow). The Russians by striking pro-Egyptian and pro-Arab attitudes greatly strengthened their position in

Syria. The Ba'ath Party, with its emphasis on pan-Arabism, grew greatly in strength by denouncing Anglo-French action; and its hero-worship of President Gamal Abdul Nasser as the modern Saladin (incidentally Saladin himself was buried in Damascus) grew to fever point. In these favourable circumstances, the Soviet Union tried to strengthen its position still further. Official Syrian missions sent to Moscow were promised considerable technical and financial aid to develop Syrian economic resources. Trade exchanges between the two countries were to be fostered. The Syrian Communist Party became stronger and bolder to the point that they were able to bargain with the Ba'ath Party for the number of seats which they were to have as a result of the Damascus Municipal election in 1957. As these portents of an ultimate Communist take-over increased, various influential sections of Syrian opinion took fright and sought shelter. Chief among these were the landed proprietors, industrialists and merchants, who although superseded outwardly in the political field by the Ba'ath Party still had considerable influence, especially in the Army, many of whose officers were still recruited from their ranks. The Ba'ath Party was also apprehensive of the growing strength of the Syrian Communist Party and recognized in it an enemy. For both the Army and the Ba'ath Party the solution was some sort of union with Egypt. The Syrian Army had for some time past been closely collaborating with the Egyptian Army over Israel, and the Ba'ath Party's emotional belief in Arab unity and warm admiration of President Nasser left no alternative to union with Egypt. After surprisingly brief negotiations, during which President Nasser is believed to have taken the line that there must be complete unification or nothing, President Nasser in February 1958 announced, subject to ratification by the Syrian Parliament, the formation of the United Arab Republic, being the complete merger of Egypt and Syria. Inevitably the Syrian Parliament did ratify the agreement despite all the efforts of the Syrian Communist Party to prevent it. Thereupon the Communist leader Khalid Bikdash fled to Bulgaria, there to continue the Communist campaign against the Union, while members of the party disappeared underground or were arrested and, as the price of their liberation, made public confession of their "errors".

As a natural consequence of the formation of the U.A.R., President Nasser began bringing Syria into line with the kind of socialist State he had erected in Egypt. As in Egypt, political parties in Syria were dissolved and the Egyptian National Union Party was extended to cover Syria. The imposition of this State-controlled party was a body blow to the Syrians, who passionately love political discussions. Then, control of the administration of Syria was moved by stages from the hands of Syrians (mainly technicians) living in Syria to those of Egyptians living in Cairo whose Viceroy in Damascus was an Egyptian, General Abdul Hakim Amer. Egyptian civil servants were dispatched to Syria in much larger numbers than the Syrians posted to Egypt who in any case tended to be selected from among the "rebels". Similarly Egyptian army officers were appointed to command Syrian troops and even Egyptian troops were sent to Syria, to hold the port of Lattaquieh, the Syrian end of the sea link providing for the transport of

heavy materials and troops in any numbers between two parts of the same country, completely separated by Israel whose military prowess and political intentions have always been feared. Again, as with the civil servants, Syrian military officers received no comparable commands in Egypt.

On the economic and industrial side also, the hand of President Nasser's socialism weighed heavily. As compared with over-populated Egypt Syrian labour costs are high and in consequence Syrian industrialists saw themselves in danger of being driven out of business. Syrian merchants, accustomed to the benefits of a relatively hard and accessible currency, resented the restrictions placed on their freedom to import as and whence they wished. To these grievances was added, regularly each year, another for which President Nasser cannot be blamed: that is the relative failure of the harvests. In Syria large areas uncultivated before the war have been brought under irrigation by private enterprise. Nevertheless great dependence is still placed on land watered by rain and the yearly failure of the customary crops reduced Syrian economy to a dangerously low level and added to the general discontent. But of all the Egyptian social measures the two which probably had the greatest effect were the nationalization in July 1961 of banks and commercial and industrial enterprises, and the nationalization of land and its proposed redistribution in small parcels to peasant owners—a procedure some experts consider unsuitable to Syrian conditions. These two measures were the economic counterpart of the political shock dealt to the Syrians by reducing Damascus from the status of a capital city alive with political discussion to that of a dull, unimportant, provincial town. Though there is no evidence to support the idea, it seems probable that discontent with the Egyptian connexion had by July 1961 become so general among the different influential circles in Syria (and notably Damascus itself) that serious planning to sever the link with Egypt or at least greatly modify it actually began in that month.

A Ruthless Officer

BUT the joker in the revolutionaries' plans must have been Colonel Abdul Hamid Sarraj, the head of the Syrian Deuxième Bureau, who had powerfully contributed to the establishment of the U.A.R. As a result of his action, President Nasser after the Union appointed that power-seeking ruthless man to a position of even greater authority in Syria, where for a time he undoubtedly harassed the Syrian Communist Party and other enemies of the Union. Then stories began to filter out of Damascus to the effect that Colonel Sarraj had got on terms with the Communists. There were other stories that had relations had developed between him and the Egyptian authorities. Whether these stories were true or planted is unknown, but it is certain that Colonel Sarraj, in a reorganization of the Council of Ministers of the U.A.R., was appointed Vice-President and transferred to Cairo. Although out of the country Colonel Sarraj still had close connexions with the Syrian Deuxième Bureau and more power than ever before to punish dissidents. But by July reports were circulating that all was not well between him and President Nasser, though the cause was unknown. This

dispute reached its climax at the middle of September when Colonel Sarraj was dismissed from his office and permitted by President Nasser, rashly as most thought, to return to Damascus. When on September 28, a few days after Colonel Sarraj's return, the Damascus Revolution began, most observers concluded that it had been organized by him. As stated earlier, the really surprising element in this revolution is not that it should have happened but that it should have been hatched, apparently undetected by Colonel Sarraj's Deuxième Bureau and certainly without his participation, even at the last minute, on his return to Damascus. His non-participation at all events is proved by the fact that he was immediately arrested when the revolution began and rearrested after escaping.

The latest Syrian *coup d'état*, like its predecessors, was, it should be noted, carried out by the military though the aim was purely political. In this case however the Syrian military can justify their action by the fact that all Syrian political parties had been dissolved and by the presence on Syrian soil of a considerable number of Egyptian troops. The actual technique of the revolution was moreover complicated by the fact that the aim was not merely to overthrow one purely Syrian régime to instal another, but to break off a union by which the other and stronger party, although at a distance and separated by another independent country, had installed some of his own troops and civil governors. Both President Nasser and the Damascus revolutionaries had at all cost to avoid bloodshed—or at least much bloodshed, for whichever party was held guilty of shedding Arab blood would be deemed to have sinned against the ideal of Arab unity. In the event the Syrian Army seems to have brought about the surrender of the Egyptian troops at Lattaquieh by a subterfuge, and to have discouraged to the point of surrender the Egyptian parachute troops sent there to prepare a foothold for the arrival of more Egyptian troops, in each case with little or no bloodshed. It is perhaps worth remarking that most casualties took place in Aleppo (15 killed 60 wounded) as a result of action by "How-chis" (professional agitators). It is perhaps even more to the credit of President Nasser's and his advisers' wisdom and feeling for Arab politics that when he realized how swiftly the revolution was spreading he called off the proposed dispatch of troops to enforce the union *manu militari*. But although the Syrian revolutionaries may have been sure of the support of the wealthier classes they had also to consider the views of the broad masses of the people. President Nasser had for long been considered as the Paladin of the Arab World. Furthermore, the majority of the population may have considered that they stood to gain by President Nasser's socialist programme. While it might be possible to keep some check on their overt expression of opinion, the use of force in their case was also out of the question. The problem of the reaction of the students (always very vocal in the Arab World) was also tricky. Though there is as yet no supporting evidence, it seems likely that the revolutionary committee sought to increase its chances of success by presenting President Nasser in an unfavourable light. This was probably the aim of their interview with President Nasser's chief representative in Syria, General Amer. Immediately after the interview the

Revolutionary Committee announced that General Amer, having first agreed to their proposals to modify relations between Syria and Egypt, had subsequently gone back on his word. Details of the proposals made, if any, have not yet been published, but it would be interesting to know if they were reasonably within the bounds of acceptance. However that may be, the Revolutionary Committee had certainly strengthened their case for breaking with Egypt. Another manœuvre designed to make them more acceptable to the general public in Syria and to the outside world was the announcement that once the revolution was successful the Committee would no longer intervene in political matters but would ask a civilian, namely Dr. Ma'amun Kuzbari, to form an interim government to hold office until elections were held. This is the usual move after every military *coup d'état*, and every experienced Syrian understands that the Army prefers to run the country indirectly through nominees (which the Syrians prefer) rather than establish a military dictatorship such as that of Adib Shishakli, which became very unpopular. The choice of Dr. Kuzbari to form a civilian government is interesting. Most Syrian politicians who have held office in recent years are compromised in the eyes of Syrians, but by going back to the régime of General Adib Shishakli the Revolutionary Committee have been able to find someone approaching the status of an elder statesman in the person of Dr. Kuzbari. To broaden the basis of his rule and in a genuine attempt to build up an efficient honest administration General Shishakli drew on the Arab Liberation Movement, which was strongly nationalist, right wing, and not necessarily anti-West in complexion. Dr. Kuzbari was a prominent member of that party and took office under the Shishakli régime. When that régime was swept away in February 1954 the Arab Liberation Movement retired to the background but remained in being (until dissolved with all other political parties), Dr. Kuzbari being its president. Dr. Kuzbari has now announced the names of his Cabinet and as far as they are known they share his political beliefs.

Debarred from trying to bring Syria back to the fold by military means President Nasser at first attempted to do so by a war of words directed against the Revolutionary Committee by Cairo Radio, which has been a powerful instrument of his policy. This counter-offensive was naturally moderated when he accepted the breakaway; but up to that point it was vigorously argued that the Revolutionary Committee, and all who supported them, were "imperialists", i.e. Western stooges. As evidence in support of this "smear" Cairo Radio first stated that Dr. Kuzbari had recently visited London and received there his orders to start the breakaway revolution. Both the British Government and Dr. Kuzbari admitted he had visited London for a few days immediately before the revolution, but both denied any contact between Dr. Kuzbari and any British official agency. But the precipitate haste with which certain countries, notably Jordan, Turkey and Iran, recognized the new Syrian régime afforded President Nasser more plausible evidence of imperialist backing for the Damascus revolutionaries. Thus Jordan was described as the last stronghold of the family which had betrayed Arab unity in the interests of Western imperialism,

Turkey as the fascist State closely associated with the West, while Iran was accused of hating the Arabs and being the friend of Israel. Cairo argued that recognition by these countries proved the old accusation that the West feared Arab unity and continued to work against it, and had brought about the Damascus Revolution in order to sabotage it.

But less than ten days had elapsed before President Nasser realized that the Syrian breakaway was to all appearances an accomplished fact. Again displaying political wisdom President Nasser announced on Cairo Radio on October 5 that he would not oppose Syria's application for membership of the United Nations nor her membership of the Arab League. He added, however, that he would not recognize any government in Damascus until the Syrian people had had a chance to express their will, presumably by means of parliamentary elections. He also stipulated that the Arab League should appoint a commission to inquire into the alleged defects of U.A.R. administration of Syria, and in particular whether Syria had or had not suffered economically as the Syrians allege. It would seem unlikely that such an inquiry will ever be held but the demand will serve as a face-saving device for President Nasser.

International Readjustment

THE dissolution of the United Arab Republic has, of course, presented problems of readjustment by the Arab world as well as the countries of the West and the Soviet block. Leaving out of consideration the projected union between Iraq and Jordan which was brought to an end by events of July 14, 1958, in Iraq before a definite picture had had time to emerge, the dramatic failure of the union between Egypt and Syria has thrown grave doubts on the possibility of achieving, in a direct and positive form at least, the Arab ideal of unity. No longer will Arab governments or nationalists be able to debate endlessly which country should join up with which. It will be clear that if Arab unity is to be achieved it will have to take an indirect form as envisaged by Nuri Said, the original author of the Arab League. On October 10 the revolutionaries in Syria in the name of both the "Supreme Arab Revolutionary Command" and the Syrian Council of Ministers launched a radio appeal for a decentralized form of union of all Arab States. This sounded like an amplified and strengthened version of the present Arab League. Under it each State would safeguard its "regional and international sovereignty" but supreme legislative and executive councils would fashion unified policies in military, foreign and economic affairs. Each State would pledge itself not to interfere in the internal affairs of another (a clear hit against Cairo habits since President Nasser's advent to power) and disputes between Arab States would be judged by a supreme Arab Constitutional Court. The Syrian aim in launching this appeal for a revised form of Arab unity probably was to clear themselves of any possible charge of being hostile in principle to that cherished Arab ideal. If Arab states could bring themselves to submerge their individualities to the small extent now proposed, Egypt as the most advanced Arab State might well retain its supremacy by exercising the role of elder brother. Much would

depend on events in Egypt. President Nasser's prestige inside, as well as outside, has suffered from Syria's secession. The recent expropriation of the wealth of a number of merchants and others and the arrest or dismissal of a number of Egyptian army officers would seem to show that the internal situation in Egypt is not too stable.

To both the Western world and the Soviet block the re-emergence of an independent Syria presented the immediate problem of recognition. During the first days of the revolution it was evident that President Nasser would resent the recognition of re-emergent Syria by the major powers, although he had agreed not to oppose Syria's application for membership of the United Nations and the Arab League. For the Soviet block and notably the Soviet Union itself the problem was comparatively easy. Moscow had always been opposed to the Union because, whatever his external relations with the U.S.S.R. might be, President Nasser had always stamped out local Communist activities. The Soviet Union wished to resume its activities in Syria to undermine Turkey, the bastion of the CENTO pact. As the Soviet Union had promised to provide technical and heavy financial aid for the construction of the Aswan High Dam, and as Egypt was indebted to the Soviet for the supply of arms and aircraft, it seemed unlikely that President Nasser would feel able to retaliate for Moscow's recognition of Damascus by, for instance, breaking off diplomatic relations. The first sign of Moscow's proposed step was the appearance in the Beirut Communist newspaper *Al Nida* of October 4 of a statement by the Syrian Communist Party hailing the revolution as "an historic victory for the Syrian people and Army". The statement demanded a national (i.e. coalition) government based on free elections and a relaxation of the restrictions on liberties, i.e. an opportunity to operate overtly. This was followed on October 7 by the Soviet Government's official recognition.

British Interests

FOR the Western Powers and particularly for Britain the Syrian breakaway presented a much more delicate problem. For them all, but especially for Britain, the Arab world remains an area of importance and one where their interests are best served by peace and stability. These interests, unchanged by recent events, are, first, that no part of the area should fall under Communist control so that the strength of Turkey and her allies in the CENTO pact should be undermined or that the spread of Communism in Africa should be facilitated. Of equal interest, particularly to Britain, is the uninterrupted extraction of oil in the area and its transport, together with other goods, by established routes across the Arab world. These routes are primarily the Suez Canal, the Iraq Petroleum Company's pipeline from Iraq and the Arabian-American Company's pipeline from Saudi Arabia, both of which pass through Syria. It is true that the importance of Arab oil may have been somewhat diminished internationally by the discovery of oil in North Africa, but from a purely British angle the importance of sterling oil from the Middle East remains undiminished. In the normal course of events, Britain would have recognized Syria as soon as it was clear

that the new Government had complete control of the country and intended to honour her obligations to Britain, previously contracted. It would have been to the advantage of Britain and the West generally to recognize and so support the new right wing Syrian Government. But President Nasser in the early days of the revolution at all events made it clear that he would greatly resent the recognition of the re-emergent Syria by any major power. His attitude was obviously dictated by the belief (shared by others) that such recognition would, at the beginning of the breakaway, add to his discomfiture. It is of course no part of British policy to add to the present unstable situation in the Middle East by weakening President Nasser's position, especially at a time when he seems to be turning increasingly towards the West by resuming diplomatic relations with Britain and increasing commercial exchanges. Neither would Britain wish to jeopardize her many hostages to fortune in the Arab world. It might be remarked that the British force sent to Kuwait last summer was relieved by Arab League forces of which an important component was furnished by the U.A.R. (i.e. Egypt). In these circumstances, though it could be argued that Western (including British) recognition of Syria would tend to promote Middle Eastern security, on balance it seemed preferable that Britain in particular should delay recognition until President Nasser realized that international recognition was inevitable. In a very brief time, President Nasser displayed his wisdom and courage anew by withdrawing his opposition to the recognition of Syria. First the United States recognized Syria on October 10, followed by Italy, Norway, France and Western Germany on October 12 and Britain on October 13. In connexion with West-German recognition it is of importance to note that in June 1961 an agreement was concluded between the U.A.R. and West Germany whereby the latter would provide the technical aid and finance for a £44 million dam to be built in Syria on the Euphrates. This would provide water for two million acres and 4,000 million kilowatt-hours of electric power annually. A condition of this agreement was that German equipment and materials should be exclusively used, it being understood that the German authorities regarded this as a prestige undertaking. It is practically certain that the new Syrian Government would wish the agreement to remain in force and, although circumstances have changed, it seems likely that the West Germans would agree. Even if that is so some time must elapse before the benefits are felt. In the meantime it may become necessary in the interests of stability to support the new Syrian Government economically, to bolster up an economy either weakened by repeated droughts or squeezed by the Soviet Union to repay past loans. It might therefore be of advantage to the West to begin planning such help now, channelling it through the United Nations. Such aid could not be resented by President Nasser nor would it brand Syria as an imperialist stooge.

EQUIPPING THE NEW AFRICA

NEEDS OF A DEVELOPING ECONOMY

IT is frequently asserted that Africa is a continent poorly endowed with natural riches. Yet if we take Africa south of the Sahara we find that it makes an important, and in some cases a dominant, contribution to world economy in its production and export of primary commodities. In the mineral field these include gold, platinum, diamonds, copper, cobalt, iron ore and other non-ferrous minerals which are in world demand. In the agricultural sphere there is a substantial export of coffee, cotton, cocoa, sisal, tea, tobacco, oil seeds, pyrethrum and fruit, besides material quantities of other crops. African forests have a place in world markets for timber, bark extracts, beeswax and gums, while its livestock industries are producing an increasing quantity of hides and skins and canned meat. Nevertheless in relation to its size and to the population of the continent the production of wealth is still small and is barely overtaking the increase in population. Moreover, there are great impediments in the way of rapid development. The enormous distances; the paucity of communications; the concentration of population in the more favoured areas; the maldistribution of rainfall and consequently of water supplies; soil deficiencies; a great range of human, animal and plant diseases; the backwardness of the people; the lack of capital resources—all these and a lot more make quick progress difficult and the continent is strewn with the monuments of follies perpetrated by those who have been in too much of a hurry.

The colonial powers have concentrated on first things first and their economic policies have been to develop natural resources for export and to leave import requirements to be provided by the industrial countries. As far as British colonies are concerned the Home Government was unwilling to provide more than a negligible amount of capital for development, until 1940 when the Colonial Development Act was passed. After the war this was supplemented by the Colonial Development Corporation, whose role was to invest money in commercial undertakings. Through these two agencies important amounts of capital have been injected into the colonies, but while these were probably as much as this country could afford they fell short of the total required. There can be no doubt that since the end of the Second World War great strides have been made in the economic development of the African colonies. Budgets have been balanced, appreciable surplus funds have been built up from revenue to help finance development plans, reserves have been accumulated, modern and well-equipped ports have been constructed, rail and road systems have been extended, electricity supplies have been provided, water supplies have been greatly improved in both urban and rural areas, and, of great importance, sound marketing arrangements have been set up for the disposal of the principal products. The other colonial powers have to a greater or lesser degree done likewise.

As a result the former colonies as they gain independence find themselves reasonably well equipped with the basic requirements, which should enable them to develop quickly towards becoming modern States.

Any study of how these countries can be assisted in the future must include an assessment of the attitudes of the political leaders and their governments. It is, of course, natural that people who are emerging from the influences of the political and cultural outlook of the metropolitan colonial powers should want to look around and see how other countries conduct their affairs. There is a tendency for many Africans to think that independence will bring with it the millennium; but there is, among the more thoughtful, a realization of the urgent need for economic aid. Many political leaders have attained power by making extravagant promises of greatly improved standards of living and opportunities. To retain the support of their followers they must produce results, and this inevitably makes them turn to any sources from which aid is offered. The fact that they are in a hurry puts them in a dilemma. The Western approach, which is cautious and emphasizes the need to go step by step, has no appeal at all and is looked upon with suspicion as being another device to hold them back; yet they need our help. Although there is little evidence to show that Africans are enamoured of the Communist ideology they are certainly attracted by Communist technique in the economic field. There is no doubt that the rapid transformation of Communist countries from backwardness into modern States has created a great impression on those Africans who have been behind the Iron Curtain. It is perhaps a different question whether such technique would be successful in Africa, but there is a strong feeling that here is an example worth following. With their imaginations fired by what they have seen, heard or read about the achievements of Communist countries, politicians and the intelligentsia within Africa are looking eagerly at what is being done in Guinea under Communist guidance. Whether or not it is true that a large number of Chinese agricultural advisers are attempting to bring about an economic revolution in the life of the people in the rural areas, there seems to be no doubt that a Communist-inspired policy is being pursued. It is doubtful, though, just how much this will appeal to the people concerned, for African peasants are imbued with the same conservative outlooks and prejudices as peasants the world over.

Some Emotional Factors

FUNDAMENTALLY there is a longing to develop an "African personality". By this is meant something which is truly African and not borrowed from their former colonial masters or for that matter from anywhere outside Africa. They want it to be the expression of the African genius, which will find its final form in Pan-Africanism. There are so many ethnic, linguistic and environmental differences within the continent that Pan-Africanism would seem to be an ideal hard to achieve. But though the ideal is unlikely to become a reality there is no doubt about the reality of African devotion to it. This attitude of mind affects their approach to economic matters. In order to throw off their dependence on imports great importance is attached to industrialization. Anyone travelling in Africa today must be struck by the

great number of factories, large and small, which are being set up in every country. It seems almost that industrialization is regarded as one of the hallmarks of civilization. It is certainly regarded as a visible sign of greater economic independence. The same attitude is partly responsible for the importance which is attached to prestige projects, usually great hydro-electric schemes. While the need for prime movers is an urgent matter that cannot be gainsaid, it is at least open to question whether too large a proportion of the limited capital available is not being invested in these schemes and whether it would not be wiser at this stage to concentrate on increased primary productivity.

The political leaders recognize that they are likely to be dependent on labour if their plans are to be successfully carried out; and to placate labour they do at least lip service to what they call African Socialism. They admit that they have not worked out exactly what they mean by this, though they are at pains to insist that the African brand of Socialism will not slavishly follow the Western Socialist philosophy. The most recent manifestation of Pan-Africanism in relation to labour was the setting up of an All African Trade Union Federation at Casablanca on May 30. This new organization—AATUF—is supposed to be independent of the ICFTU and WFTU, but there are some who see Communist influence at work.

If the attitude of the African political leaders to economic development is subjected to emotional and political pressures it cannot be said that the Western countries have been very clear as to the terms on which they are prepared to offer aid. The Russians are usually ready to exploit this uncertainty by entering the field quickly with specific offers made on very reasonable terms. But of course what they can offer only touches the fringe of the total requirements. It is becoming increasingly clear that what is required is an international approach. The World Bank has already made economic surveys in several African countries; its reports have been models of clarity and their recommendations carry authority. The technical agencies of the United Nations too have done much very good work in the field of investigation. The value of these reports by international bodies is that even rabid anti-colonialists cannot complain that they are tainted with neo-colonialism. They command respect and can be trusted as giving a clear and objective appraisal of the problems and how they can be solved. The wiser African governments base their development plans on such reports. But reports and plans by themselves are of no avail. There is an urgent need for men and money to do the work. It has often been suggested that there should be something like the Colombo plan for Africa or for parts of Africa, but this does not seem to have gained much backing. Certainly there is need for an organization that can co-ordinate programmes and seek the assistance required from the various sources available. But there seems to be little being done in this direction, and it looks as if each country will have its own plan and that they will compete with each other for aid from the countries which offer it.

Investigation before Action

IF we must accept this as inevitable we can only hope that development plans will be drawn up on the broadest basis, making provision for all

foreseeable requirements. When this is complete it will be necessary for working programmes to be drawn up to cover periods of three to five years. It is here that difficulties are encountered in assigning priorities. The ideal is to phase the work to be done so that resources of technical staff, of labour and of machinery can be continuously employed on one job after another, and not lie idle between the completion of one project and the start of another. There is, however, a great temptation for politicians to ignore this and to give undue priority to their favourite schemes, especially those which will gain the approval of their constituents. Once a programme of priorities has been fixed there is a great deal of thorough investigation to be done which must cause delays. Few governments have sufficient technical staff of their own to do this work except on a very limited scale. Some assistance can be obtained from the United Nations technical agencies, but their resources are limited and there is a great demand for their services. Fortunately there are a number of private firms of repute who specialize in this sort of work, and have the experienced staff available. But government departments often seem suspicious of such firms and use all sorts of arguments to keep them out. But experience has shown that they can do the work as efficiently, more expeditiously and less expensively than if it were undertaken departmentally. When the investigations have been completed the work itself has to be undertaken. Here again another series of battles often begins with the bureaucrats, who dislike employing contractors. But as a matter of expediency, if for no other reason, contractors must be employed if the work is to be done quickly. There are plenty of good contracting firms available, and the alternative of a government department's setting up its own elaborate organization for such work usually proves a costly failure unless there is a programme of sufficient size to keep it occupied for many years.

When the work on a project has been completed it is necessary to make arrangements for it to be operated efficiently. Conditions vary of course with the nature of the project, but it is often best for this to be undertaken by government. In many cases, however, opportunities occur for a follow-up with the investment of private capital. If the prospects are promising it is not difficult to find a firm with the resources and the know-how to come in either alone or in partnership with government, and this is often in the best interests of the development of the country concerned.

In almost all cases it is unlikely that for some time to come there will be sufficient trained African technicians available to meet the needs. In most African countries the governments have established some facilities for technical training, but with few exceptions these are quite inadequate. It is of the greatest importance that increased provision should be made for training not only technically qualified men but also skilled labour and artisans, of whom there is a serious shortage. Even so the output of such training establishments is unlikely to be sufficient to meet the demand for many years to come. This gives an opportunity for those who undertake development work, be they government departments or contracting firms, to assist with this problem. Africans respond very quickly to being trained on the job and with sympathetic instruction are able to achieve a

high degree of skill in a very short time. Not unnaturally Africans dislike employers who will not take the trouble to teach them and it is to everybody's advantage that they should be taught.

During the last year or two many countries have offered scholarships to Africans, and there must be thousands of African students in training in overseas universities and establishments at the present time. When the need for increasing the number of trained men is so urgent it may seem out of place to be critical of the various schemes that offer these opportunities. But experience has shown that overseas training is not always such a desirable thing as it seems to be. There is no doubt that the glamour and prestige of an overseas scholarship has an enormous appeal to Africans, and this operates detrimentally to the development of their own higher educational establishments, which are faced with the alternatives of having vacant places or lowering their standards. Students when they arrive at their destination find conditions quite different from what they had expected. They are not always given a warm welcome, the climate, the food, the language and living conditions are all strange to them. In some countries there is still a colour bar, while in others there are political restrictions. The monetary value of the scholarship is almost always insufficient to meet requirements, especially in vacation. Moreover, when they return with a diploma or a degree they find that it is of a lower standard than that which they might have obtained had they gone through their own universities. This is a difficult problem which does not seem to have been realistically examined. The responsibility lies with those who offer scholarships and the authorities at the receiving end.

Finance

WHEN we turn to finance, the first thing that is clear is that very large sums of money will be required and that it is unlikely that sufficient will be available to meet more than a portion of the needs. But we must also take note of past experience, which has shown clearly that in backward countries there is a limit to the amount that can be spent effectively in one year. Governments naturally want to be sure that the requisite finance will be forthcoming before they launch their development programmes. Their requirements fall into several categories. First, there is the expenditure that is needed for the preliminary surveys and investigations, which will give no direct return. Then there are schemes which though desirable in themselves are at best sub-economic and will require an element of subsidy. Both these categories must be financed either from the country's own budgetary resources or from aid in the form of grants. Then there are schemes such as public utilities which can be expected to pay in the long run. These can be financed by loans so long as there is a holiday for payment of interest and sinking-fund contributions, at least during the construction period. Heavy rates of interest and short-term loans are not suitable for such projects. Schemes for increasing productivity can often be made to pay within a shorter time, but there is a natural tendency for projects in the more favoured areas to be given priority. There is, of course, much

sense in this, but in the present conditions in large areas of Africa it is important that attention should also be paid to the less favoured areas even if the financial return will take longer to realize. If this is not done there will be an ever-growing disparity in the prosperity of different sections of the population.

There can be no doubt that widespread interest is being taken in the development of Africa. It cannot be too often repeated that it is the greatest pity that there is no machinery to co-ordinate this. As a result there will be waste, overlapping and competition, to say nothing of countries playing for position in order to curry favour. It is heartening to find that there is a growing number of Africans who are showing great good sense towards economic matters. But unfortunately the occasional irresponsible voice proclaiming that private investment will be nationalized or taxed out of Africa finds more listeners than the utterances of responsible leaders who are trying to attract not only aid but investment to their countries. It is perhaps not surprising to find Africans suspicious of the idea of the European Common Market, and saying that Africa must have its own Common Market. While it is true that in some areas—East Africa for instance—a regional economic and fiscal policy can lead towards a common market on a very small scale, the trouble is that most African countries produce and trade in the same sort of commodities. The prosperity of Africa will continue to depend on world trade, and though some countries will endeavour to become more self-supporting it is likely to be a long time before this is achieved.

The important consideration for us in the United Kingdom is to decide in what way and on what scale we can assist in the development of independent countries in Africa. It seems likely that, with the possible exception of the Congo, such assistance as we can give will be concentrated on countries formerly under British Administration. In these countries we still enjoy a measure of goodwill, the people speak the same language and they are accustomed to our methods.

But we seem deliberately to have divorced two forms of aid which should really be considered together—men and money. The setting up of the Department of Technical Cooperation is certainly an important step in the right direction, but it seems that it is to deal solely with personnel and will have no say in the expenditure of such funds as Her Majesty's Government can make available. This is a serious disadvantage and should be reconsidered. Either all British aid should be administered by one department or the various agencies responsible for aid should come under some international co-ordinating authority.

There has been some manifestation of disappointment shown by colonies gaining independence at the scale of aid offered by Her Majesty's Government. We have been assured by official pronouncements in Parliament that we have in fact been very generous, that we are making provision for £140 millions per annum for aid in the future and that this sum is the maximum we can afford. For the time being at any rate we must accept this as immutable policy, although there will be many who will dispute it and some will

criticize the fact that our political policies in the colonies are not supported by the financial provision needed.

Private Investment

APART from government aid there is also aid in the form of investment from the private sector of the market. At the moment it is well-nigh impossible to obtain any capital investment in London for Africa. Virtually the only substantial sums from British sources being invested are undistributed profits of firms operating in Africa, who are still willing to invest in improving and extending their business and occasionally in new projects. By and large, there has been a flight of British capital from Africa on an appreciable scale. On the other hand, one finds other Western countries not so shy of investment and providing finance on a substantial scale for the establishment of industries, for financing projects for which they will obtain the contracts, and for obtaining a stake in the production of the African commodities they need. It is to be hoped that once stability is restored British investors will no longer be reluctant to play their part.

When we turn to the manpower requirements we find that the problem can be conveniently divided into two—the retention of the services of those who have worked in African countries and the recruitment of new staff. It is acknowledged by most African leaders that for some years to come they will need the services of expatriate staff, particularly technical staff, and that with their expansionary programmes this need will tend to increase. In British Colonies a very fine service has been built up of administrative, professional and technical staff. These men and women have in many cases more than a careerist attitude towards their work. They feel that they have made and can continue to make a contribution to the African country in which they work, they have obtained a good appreciation of local problems, they have learned the local languages and by working closely with the people they have gained their confidence. In fact they cannot easily be replaced, and this has been recognized by the generous terms which have been offered to encourage the best of them to continue to serve for a while. But generous terms are not everything and there are many who are unwilling to stay on in the changed atmosphere, very often accompanied by a lowering of standards which is usual with the coming of independence.

There will certainly be a gap before a sufficient number of Africans with the training, the experience and the personal qualities required are available in adequate numbers. There will therefore be an urgent need to recruit new staff and it is unlikely that a sufficient number of candidates from the United Kingdom will be available. In fact there is already a considerable recruitment of professional and technical staff from other countries; and although this may lead to some difficulties, particularly in respect of the varying standards of professional qualifications, it is on the whole working surprisingly well. But is there not a case for an international service to be recruited by the United Nations? WHO, FAO, UNESCO and other technical agencies already have an international staff of advisers. In the Congo operation they have had to recruit executive staff and from all accounts this has worked satis-

factorily. This is surely a matter in which Her Majesty's Government could take the initiative and suggest certain specialized services which could be organized on an international basis. The United Kingdom has very great experience of African conditions and her opinion commands respect. There are already signs that Her Majesty's Government is willing to co-operate with the United Nations to a greater extent than many other countries, including the other metropolitan colonial powers. Such action would be a valuable contribution to the solution of some of the pressing problems which are likely to beset so many African countries in the years ahead.

A NEW AMERICAN MOOD

LIVING WITH THE COLD WAR

THE people of the United States have spent the middle and last part of 1961 in establishing and acknowledging to themselves what is clearly observable as a new national mood in which to conduct their lives under conditions of Cold War. This has several elements. Resolution is one of them. A more intense sense of personal, individual involvement is another. A settling down for a long pull into an indefinite future is a third. An acceptance of the fact that no quick and easy solutions are likely is a fourth. A more realistic view of the problems and stresses of their times is a fifth. It is also desirable to identify one element which is not included in the new national mood: war psychology. This is a subtle matter requiring a subtle distinction. The American people today seem more ready than has recently been the case to tell themselves they might have to fight, and more ready, in fact, to fight if *necessary*. But there is little if any spirit of preventive war, or "hit-them-first", or "force a showdown", or whatever other phrase might describe the ultimate frustration in which an initiative of action becomes more desirable than more waiting, more crises, more seemingly insoluble problems fed out in a steady stream from the headquarters of the Communist world. The new national mood may, in fact, reflect a growing confidence that eventually the contest can be won by the United States and its allies with the means now being employed, without the maiming of civilization in a nuclear holocaust. And it appears to be pervaded by a new maturity.

The defining of the new mood may have begun with President Kennedy's calls to "sacrifice" in his campaign and in his opening addresses after his inauguration. But that probably was not a particularly important factor in the *formulation* of the new mood; because Mr. Kennedy never followed through very strongly in the period immediately following, or until various steps became necessary (like an increased call-up of reserve forces) for reasons which were clear to everyone.

Mr. Kennedy did, however, contribute an important articulation of the new mood in the early autumn. In the first place, holding a press conference after a long lapse in the series, he said very frankly—and quietly—that nothing in conversations with the Soviet Union had up to then offered him any hope of a quick or easy solution of the Berlin crisis. The next day, in a brief but important speech at the University of North Carolina, the President enlarged upon the point—and the nation seems to have caught it.

It is a dangerous illusion [he said] to believe that we shall soon meet total victory or total defeat. We are all destined to live out most if not all of our lives in uncertainty and challenge and peril. This is a time of national maturity and understanding and willingness to face issues as they are, not as we should like them to be.

This amounted to a more formal expression of another comment he had made in his press conference, the somber sentence:

We happen to live in the most dangerous time in the history of the human race.

But at the University he held out some long-range hope:

If we can be purposeful, if we can face up to our risks and live up to our word, if we can do our duty undeterred by fanatics at home or abroad, then surely peace and freedom can prevail. We shall be neither Red nor dead, but alive and free.

The last sentence, with its phrase borrowed from the anti-nuclear pacifists of Britain, was a reproach and a warning to the extreme right in the United States, among whom the reverse slogan, "Better dead than Red", has some currency. He reached far back into American history, to "Fifty-four-forty or fight", which originated in the U.S.A. at a time of dispute over the American north-west border, to suggest that slogans hardly provide adequate bases for national policy in today's complex times.

A Divergent View

MR. KENNEDY's statement, which seemed to provide a rather precise and accurate definition of the national mood of resolution and maturity, was followed by another expression from his administration which seemed curiously at odds with it. The spokesman was Harlan Cleveland, assistant Secretary of State for International Organization Affairs, and reportedly what he had to say possessed the blessing of the President and other top officers of the administration. What he said was reliably described as part of an administration campaign to curb a "rising mood of national frustration" toward the unending contest with the Soviet Union and the Communist world. From such a mood of frustration, in Mr. Cleveland's thesis, there are only two exits: belligerence or defeatism. And either of these, the thesis continues, could endanger the conduct of foreign policy and impinge on the national security.

Mr. Cleveland no doubt offered an accurate reading of certain extremes of American popular sentiment (although they are hardly discernible at all in informed public opinion) where belligerence or defeatism might take hold. He did say some useful things. He ran through the ledgers of the West and the Communist world and counted up the West's assets and Communist liabilities. Such an accounting, he said, showed good reason why Premier Khrushchev, rather than Americans, should be frustrated. He suggested that a sense of ebb tide in the Communist world could explain a current Moscow effort to "try terror as a policy". Extreme anti-Communists, he went on, naming the late Senator Joseph R. McCarthy, have done more "to build the myth of triumphant Communism than the ratty little United States Communist Party and the wool-headed pacifists combined". Communism, he said, coming to power only by force, has "succeeded as a scavenger but failed as a leader". The Soviet Communist Party, in his reading,

has lost ideological authority, and Communist parties abroad have lost strength in more places than they have gained. At the same time a new Western community, with a greater industrial base than the U.S.S.R.'s, is coming together. (This was an early theme of the Kennedy administration,* but it is also one which had suffered neglect since its first articulation.)

This estimate of the relative position of the West and the Communist block is one which calmer minds in the United States have worked out for themselves. Emphasizing it for the general public was a useful exercise. But Mr. Cleveland's appraisal of the national mood as one of rising frustration is directly at odds with President Kennedy's appraisal of that mood as one of resolution and maturity. There is no question in this writer's mind that President Kennedy's is the correct judgment. And, as is usually the case, it is visible earlier and more clearly in the country outside Washington. Mr. Cleveland's summary judgment might better have been left unsaid. As to why he said it, and why he believes it, the explanation probably lies in the fact that in America, at least, there exists among ultra-articulate liberals, of whom Mr. Cleveland is one, a sort of appetite for anguish. They do not feel they are fulfilling their mission of communication unless they find something disturbing to talk about. The fact is that their approach loses a great deal of the desired effect even when the anguished perception is sound, for the simple reason that the American people don't like to be lectured by their public servants, and particularly their appointed public servants, of whom Mr. Cleveland is again one, about their faults. They prefer to have their virtues identified, and to be encouraged in them.

Theologians Intervene

AS it so happened, another reading of the national mood came along about the time Mr. Kennedy and Mr. Cleveland were having their say. A group of twenty-five theologians, answering a question-paper by *Christianity Today*, a conservative Protestant weekly, said Americans are worshipping the false gods of status, security, science, sex, self, physical power, comfort, material possessions, and—according to one response—the *status quo*. Rather than argue with twenty-five theologians, it is perhaps better simply to raise the question whether such idolatry is as intense as it has been, or whether it is not yielding to the new national mood. It is a matter of demonstrable fact that the tail fins are disappearing from American cars, and as a status symbol the over-large, over-chromed, over-powerful, over-comfortable car is dated to the point of being obsolete.

To take all these impressions and try to sum them up would produce a statement something like this in definition of the new national mood: It is resolute, it is mature, it is less selfish and self-indulgent, and it thinks this side may eventually win.

How did a mood like this come about? Such changes do not occur rapidly in anything so complex as the collective American mind. The process almost

* See THE ROUND TABLE, No. 203, June 1961, pp. 266-7.

certainly takes years instead of months, and is not often detectable in its *real* origins or early stages. One example which comes to mind from the experience of generations still living took place between 1940 and 1945: the shift from a historic tradition of isolationism to a strong post-war internationalism (now, perhaps, being assailed by the beginnings of neo-isolationism). That shift certainly began before 1940; perhaps in the debates preceding World War II; perhaps as far back as the refusal to enter the League of Nations; perhaps in some dimmer and remoter corridor of the national experience. But it surfaced in 1940 and had become dominant by 1945.

The final stages of the current development of a new national mood have probably all occurred within the present year. For more than forty years the people of the United States have been learning what it is like to live in the same world with aggressive Communist power which does not play at all according to their rules. But even until recently there was a feeling that the brunt of that relationship could be borne by the President, the Secretary of State and other officials elected or appointed to bear such responsibilities. This does not leave out of account the fighting of one war against Communism in Korea, the payment of heavy taxes for defense and foreign aid, and the other steps the nation has taken in which almost everyone was directly or indirectly involved. Called upon to do their duty, the people did it. But this is something else again from a sense of day-in and day-out involvement. Today's mood does not suppose that one war would settle the issue, or that the mere paying of high taxes out of a high prosperity will alone settle it, either.

The effect, as definition, of President Kennedy's calls to sacrifice has been mentioned. It is also true that Mr. Kennedy, when he has chosen to explain the situation at all, has been somewhat more candid than his immediate predecessor, Mr. Eisenhower. During the Eisenhower years, there was strong pressure to carry out something which was to be called "Operation Candor". It never amounted to anything. Mr. Kennedy may have been even more candid than the often painfully forthright Mr. Truman, who, it may be recalled, persisted in calling Korea a police action long after that had ceased to be an adequate description. No instance comes readily to mind in which Mr. Kennedy has described a crisis in less than its full dimensions as he and his advisers understood them.

Accumulation of Crises

THE development of the new national mood picked up speed and sharpened its outline this year for a number of additional reasons. One was the development of a steady series of crises which had, from sheer cumulative effect, more impact than on their previous appearances: in the Congo, in Laos, in South Vietnam, in the United Nations and in Berlin. Another was the Soviet termination of the Geneva talks on a nuclear test ban treaty, and the Soviet resumption of nuclear tests in the atmosphere. (Out in the country—meaning outside Washington—it was commonplace after that to hear people remarking in casual conversation that, at the very

moment, a radioactive cloud from Soviet testing was passing through the skies above them. Intense interest in fall-out shelters supplanted the complete apathy on the subject which had reigned before; every hamlet has its small construction firm advertising fall-out shelters, and the Government has taken its first real steps to provide something in the way of mass shelters, at least.) The death of Dag Hammarskjöld, Secretary General of the United Nations, gave Americans a conscious realization, where it had been only subconscious before, of how deeply and intensely they are committed as a people and through their government to the United Nations as a hope of peace and order; and a new consciousness, including anger, of the Soviet wish to destroy the United Nations as the instrument Americans wish it to be. The nature of the general struggle was put in most lucid terms by Secretary of State Dean Rusk as one between the world of free choice and the world of coercion; a people psychologically conditioned to free choice responded with understanding. Probably the most powerful single factor was the Berlin crisis and particularly the sealing of the borders of East Berlin, which demonstrated in clear view of everyone again, at a meaningful time in the evolution of the new mood, the merciless nature of Communist power and coercion. By oblique paths, that event may well have contributed to a new confidence of ultimate success in the American mood; it is simply incomprehensible to Americans that a power which can do what it did in Hungary and then repeat it shamelessly in East Berlin can, in the long run, come out on top in a world in which the opinion of men must play a part at least equal to that of power.

There is one other factor which must be mentioned and discussed with some care. That is Cuba, and particularly the fiasco of the attempted invasion of Fidel Castro's island by Cuban refugee forces early in the Kennedy administration.

Mr. Kennedy had started out his presidency with all the assumptions in his favor—to far too great an extent for his own good or the nation's good. Had there not been a sudden and severe reverse, he might have gone along for some time, as Mr. Eisenhower went on, the beneficiary of an almost wholly uncritical esteem which in United States terms is summed up in the phrase, "Father knows best". This is the kind of situation in which Americans tend to shift all their burdens on to the man in the White House while they go about their private preoccupations undisturbed and undistracted, and hardly interested. But the colossal failure on the Cuban coast brought home to everyone the realization that up to the moment, at least, the President was not possessed of the kind of genius which would enable him to take care of all the problems of the world by himself while the electorate munched lotus leaves. Thus this event had the salutary effect of reminding the people of their duty of shared responsibility in all the affairs of the nation. It produced also a sympathetic reaction in favor of the one man, young, diligent, determined and intelligent, who sits at the focus of the national responsibility. This series of circumstances contributed greatly to the new sense of personal involvement on the part of the people. So did the heightened awareness of the fall-out problem, mentioned earlier. So, of course, did the calling up of

troops, and other defense measures which began to come to reality during the summer.

Resolution and Maturity

WHAT does the new national mood mean in terms of U.S. policy and action? What does a country do with a new mood? Some observers, particularly from abroad, regard it as a "stiffening" which will hamper Mr. Kennedy's freedom of diplomatic action, particularly in the Berlin situation. That is not the way most American observers see it. They consider that resolution and maturity are conditions of the national mind which will permit Mr. Kennedy to be more effective in pursuing that "firmness and flexibility" which he has bespoken as the desirable qualities in the conduct of American policy today. A willingness to wait, a willingness to forgo quick and easy solutions, to avoid quick and hard solutions, to recognize matters as they are, to accept challenge and peril and uncertainty as normal conditions of their lives into an indefinite future, provide a much firmer base for policy than haste and frustration. They certainly do not forecast either belligerence or defeatism.

United States of America,
November 1961.

AUSTRALIA AND E.E.C.

A CRITICAL VIEW OF THE COMMON MARKET

THE Australian Government's critical reaction to Britain's decision to negotiate for entry into the European Economic Community seems to have surprised not only Mr. Sandys but also many Australians. Certainly the man in the street has only a vague idea of what is involved, and even in political circles there seems until recently to have been no great interest. Originally the attitude was one of benign disinterestedness. Later it was generally assumed that Britain was not prepared to go beyond participation in an industrial free trade area, and it was evident after 1958 that no association with E.E.C. was possible on that basis. However, the subject remained under careful study by the Federal Department of Trade, and once Britain's attitude was clarified and it became clear that she was prepared to seek full association with E.E.C., the reaction of the Australian Government was prompt and forceful.

Export Markets

IN the first place Australia is vitally interested economically. Britain absorbs about one-quarter of Australia's exports, and in the last four years this has been equivalent to about £225 million per annum out of total merchandise exports of about £900 million. Of the exports to Britain about £75 million is represented by wool, ores and concentrates and similar basic materials which would presumably continue to enjoy free entry into Britain even if she joined the Common Market and levied the proposed common tariff. However, problems could arise concerning most of the products included within the remaining £150 million of our present exports to Britain. Of major importance are the British markets for meat (including canned meat), butter, fruit (fresh, dried and canned), wheat and sugar, any one of which might in a particular year be worth £20 million or more to Australia.

Exports of these products could suffer in three ways. First, Australian products might be displaced by European products in the British market. This could happen because of what has been called "Imperial Preference in Reverse". Australian agricultural products, which practically throughout our whole history have enjoyed free entry into Britain, might in the future have to surmount the common E.E.C. tariff, whereas E.E.C. goods which were previously subject to British tariffs and import controls would enjoy free entry, except for meat which might be excluded by quarantine precautions against foot and mouth disease. Thus Australia could lose its British markets for wheat (to France), for currants (to Greece), for butter and cheese (to Denmark and Holland), and for sugar (to beet-growers in Europe and cane-growers in the associated territories). In the long run these losses might be partially offset if Australian exports could be expanded in markets from which E.E.C. supplies were diverted to Britain, but this would not be likely to

occur except for crops such as wheat, the European production of which is limited because their acreage cannot be readily expanded.

Secondly, Australian products might be displaced in the British market by products from outside countries, such as U.S.A. and the Argentine. This could happen because Australian goods in addition to enjoying free entry have also for the past thirty years enjoyed a preferential advantage over many non-Commonwealth goods which have been subject to British duties. In the future, however, Australian goods might be liable under the common E.E.C. tariff to pay the same duties as goods from other countries. In this way Australia could lose much of its markets for canned fruit and sultanas to the U.S.A., and perhaps those for fresh fruit and meat to the Argentine. Some commentators think that the losses under this head could exceed those due to the direct displacement of Australian by European products.

Thirdly, it is feared that the British demand for some products, such as butter and possibly also meat, could be reduced if prices in the British home market are increased to the levels envisaged in the Common Market. British consumers could buy less or turn to substitutes, such as margarine in place of butter. Against this it is possible that Australia could obtain higher prices for a reduced volume of exports, except that it is proposed to impose special levies on low-cost products entering the E.E.C. In the long run rising standards of living in Britain and in Europe generally might stimulate a greater demand in all the Common Market countries for Australian products, such as wool and meat. However, these gains are problematical and might well be insufficient to offset the short-term losses.

The Economic Background

IN these various ways, therefore, Australia stands to lose a part of its £150 million market for "vulnerable" products hitherto exported to the U.K. It is only possible to guess at what would be the exact proportion lost, but in a few years it could easily amount to one-half, or £75 million per annum, and a figure as high as £110 million was apparently quoted in the discussions with Mr. Sandys. To overseas critics this may seem a relatively small amount when compared with Australia's total merchandise exports of nearly £930 million a year. Indeed, the Australian Government's attitude has for this very reason been compared unfavourably with that of New Zealand, whose losses might be relatively very much greater. However, Australia's need for even marginal amounts of exports has been particularly acute since the abolition of import controls in February 1960, and this explains in part the Australian attitude.

Some account has been given in previous issues of THE ROUND TABLE of the balance-of-payments crisis which threatened Australia after the removal of import controls in February 1960. Between that date and the following August imports rose from less than £80 million to over £100 million per month, and did not fall back to their former level until May 1961, and then only after the most severe restrictions on internal credit and activity had been in force for six months. For the year 1960-61 as a whole merchandise imports exceeded exports by £118 million, and it is by no means certain that

the flow of imports will not again outrun that of exports once internal activity returns to a more normal level. Towards the end of the last financial year exports benefited from higher wool prices and from increased wheat shipments to Communist China and certain other countries. These gains may be only temporary and wool prices have already weakened. In order to stimulate a more permanent expansion of exports much effort has been expended by both business men and government officials in seeking new overseas markets. These efforts have not been fruitless, but they could be more than offset by any loss of exports to Britain. It is perhaps unfortunate that Mr. Sandys's visit should have occurred at a time when Australia is so acutely conscious of its export problems.

In another respect also current trade difficulties have been important in determining the Australian attitude. With her secondary industries threatened in recent months by large-scale imports, Australia cannot readily contemplate granting preferential entry into her markets to France, Germany and other Common Market countries, as she has hitherto done for manufactured imports from Britain. In the course of coming negotiations, however, the Six could well demand such preferential entry as a price for permitting special treatment to be accorded to Australian goods entering Britain or other E.E.C. countries. Such a demand might be acceded to in respect of capital goods and other products not made in Australia (but on which Britain nevertheless enjoys a 7½ per cent preference), but it could hardly be met in respect of imports which compete with local manufactures. Indeed this touches an even deeper and more sensitive nerve-spot than the export problem, for in Australia, as in many other countries, protection and industrial development are traditionally synonymous terms. So far from granting further concessions, the Australian reaction to the loss of free and preferential entry for agricultural products into Britain would almost certainly be the withdrawal of the reciprocal preferences for British manufactures that compete with Australian manufactures. Such imports would then be subject, like those from other E.E.C. countries, to the higher "most-favoured-nation" rates of duty instead of the present British preferential rates. This is said to have been made clear to Mr. Sandys and it has certainly been evident in press comment. However, even this course would not be easy since it would be necessary to have due regard to the possible effect of higher duties on the cost of both imported materials and of consumer goods entering Australia.* With the withdrawal of preferences on British goods, the further question would arise of whether preferences should be continued for imports from Canada, India and other members of the Commonwealth, if indeed the Commonwealth still existed. Thus for Australian tariff policy the implications of Britain's entering the Common Market would be complicated and far-reaching.

* It may be noted that Australian MFN rates, being generally specific and not *ad valorem*, are not unduly high as compared with many other countries. The withdrawal of the British Preferential Tariff might therefore cause only a moderate increase in the cost of imports. Moreover the increase might be at least partially offset if concessions were made to the E.E.C. countries by reducing the duties on imports of capital goods not made in Australia.

Another factor in the Australian reaction to the British decision becomes evident when we examine the nature of the industries that would be affected and their place in the Australian economic structure. The probable effects are not concentrated on one major industry, like dairying in New Zealand, but are spread over a wide range of small industries. Some of these, however, are key industries in the development of various regions of the Australian continent and their growth has on more than one occasion in the past been regarded as a desirable objective by British as well as by Australian governments. Thus the white settlement of the tropical Queensland coast is intimately connected with the future of the sugar industry. Similarly, fruit growing (particularly dried fruit) has been the main-stay of many irrigation areas along the Murray and its tributaries. But the dried-fruit industry is dependent on Britain for 35 per cent of its market, and the sugar industry for 27 per cent. The loss of these markets might ultimately mean the abandonment of large areas that have been settled at great cost, both public and private. The land could not readily be used for other purposes, and the labour might find no alternative employment within hundreds of miles. The damage could thus be permanent and could not be adequately offset, as seems to be imagined in some quarters, by a long-term rise in the European demand for products such as wool and meat, even if that occurred.

Moreover, the wool industry itself could be more adversely affected than is apparent on first sight. This is because of the peculiar importance of mixed sheep and wheat farming in the Australian rural economy. A check to the wheat industry, if it occurred, could induce farmers to grow somewhat less wheat and more wool, which would then have to carry an increased share of the overhead costs of mixed farming, whilst wool prices might be depressed by the increased production. Similar repercussions could follow a check to the fat lamb industry. And any increase in the costs which wool has to carry is likely to stimulate the further development of synthetics, which constitute the greatest long-term threat to the future of the industry.

The Political Implications

STRUCTURAL changes as great as those indicated above are bound to have political significance, particularly since many of the industries most directly affected, such as sugar-farming, fruit-growing and dairying, are typically industries for the small man. Many are ex-service men who have been settled on the land under government settlement and rehabilitation schemes. It goes without saying therefore that their welfare has considerable emotional and political appeal. In these circumstances the sensitiveness of Australian politicians need not be ascribed to the influence of the Country Party or to an impending election. It has deeper and more permanent roots which cannot be ignored.

The main political concern of the Australian Government, however, is with issues that extend beyond the realm of local politics. The communiqué issued at the close of Mr. Sandys's visit gave expression to their fears that Britain's entry into the Common Market would lead to "a division within the Commonwealth" and "a weakening effect on the Commonwealth

relationship". According to a statement made by the Prime Minister a few days later there had been a major difference of opinion between himself and Mr. Sandys on this issue. The Prime Minister did not elucidate the point further, except to say that by joining the Common Market Britain would become "intimately involved in European politics for the first time". The implication seems to be that closer political ties (like closer trading ties) with Europe will be matched by weaker ones with the Commonwealth. As is well known Mr. Menzies was unhappy about the outcome of the last Prime Ministers' Conference and the departure of South Africa from the Commonwealth. He may fear that British concern for the welfare of other parts of the world rather than for that of the old dominions—who are after all her best friends—will lead to further disintegration. He did say, however, that he had in mind a "real modification" rather than a "break-up" of the Commonwealth.

In the discussions since Mr. Sandys's visit two concrete examples have emerged of the type of modifications that might occur. The first is the possibility that the British might succeed in negotiating special arrangements with the Common Market for certain Commonwealth countries only. Such special arrangements have been mentioned, for example, in the cases of New Zealand and the newly independent African countries. The emergence of several degrees of Commonwealth membership might thus be accelerated. The second concerns the fear that has been voiced by both the Treasurer and the Minister of National Development that the Commonwealth countries might no longer be able to look to London as the chief source of capital imports. This affects Australia particularly as the largest Commonwealth borrower. In 1959-60 the private capital inflow into Australia amounted to £190 million and well over half of this came from Britain. However, if Britain joins the Common Market, British firms may need most of their funds to invest in European countries and those countries will presumably have to be granted access to the London Market. Thus another Commonwealth link may be broken or seriously weakened.

Another View

IT was because of their strong views on the political as well as the economic implications of Britain's proposed move that the Australian Ministers refused to agree to a communiqué that might be interpreted as implying approval. It would be misleading, however, to give the impression that the views expressed in government circles are shared by all Australians. One newspaper criticized the wording of the official communiqué at the close of Mr. Sandys's visit as "astonishing and indefensible". A more sober view was that there was "no sound argument for standing fast on a set of iron-clad Commonwealth preferences if they no longer meet the economic requirements of the day".

These editorial views are by no means unique. There is perhaps general agreement that Australia must be given the opportunity to participate in negotiation when "details and arrangements affecting Australian trade" are under discussion. However, for a number of years there has been dissatisfac-

tion with the preference system. Apart from any local manufacturers who might like higher tariffs on competitive British imports, there is a feeling that the tariff concessions given to Britain are not fully compensated for by those which Australia receives in the British market. Moreover, in the last few years the British market has not been expanding so rapidly as formerly; there is clear evidence of more rapid expansion in the E.E.C. countries and in Japan. Indeed some doubts have been cast on whether the British market will expand fast enough to absorb the growing production of primary products in the Commonwealth countries.

In these circumstances Britain's proposed entry into the E.E.C. has been welcomed in some quarters. In the first place there are those who are impressed by the argument that entry into the Common Market will strengthen Britain, both politically and economically. Admittedly the benefits to Australia would only accrue in the long run and would have to be set against the short-term losses, but growth and strength offer a better long-term prospect than stagnation and weakness. Secondly, the abandonment of the preference system would seem to permit and require a more rapid development of Australia's own natural destiny. For a decade or more Australia has been seeking new markets, new supplies of capital and new sources of immigration. This process would be accelerated and in particular Australia would need to seek further development for her exports of manufactured goods as well as of primary products to the countries of South East Asia. On the other hand proposals for a Common Market with these countries or with New Zealand have not met with great enthusiasm. Thirdly, the loss of preferences in Britain might compel Australia to re-examine the soundness of some of her rural industries. Subsidies for the dried fruit and sugar industries may well be justified on non-economic grounds, but the same can hardly be said of the less viable sections of the dairy industry. Drastic changes have already been proposed in the degree and form of the support to be given to that industry. Some redistribution of resources may thus be highly desirable in Australia's own interests, provided it can be effected over a reasonable transitional period.

For these various reasons therefore the view has been expressed that if Britain does enter the Common Market the short-term losses might be less and the long-term gains greater than government spokesmen suggest. Post-war developments have added greatly to the resilience and flexibility of the Australian economy and outside Canberra at least there is no lack of confidence among Australians in their own future, nor in their ability to stand on their own feet and meet the challenge of the future.

Australia,
November 1961.

NIGERIA'S FIRST YEAR

ANNIVERSARY OF INDEPENDENCE

IN October of this year the Federation of Nigeria celebrated the first anniversary of its independence with celebrations described by its self-effacing Prime Minister, Sir Abubakar Balewa, as "modest and befitting a developing nation". His choice of words was significant, for the occasion was seen in England as an opportunity to draw attention to the pace of development in Nigeria and to suggest it was a reward for her, if not modest then certainly moderate, policies at home and abroad. Few sought to investigate the causes of these policies or to assess the factors governing their continuance. Indeed with Berlin, Ghana, and the Common Market jostling each other for headline space, there was little room for anything more than a brief pat on the back before passing on to the latest crisis. The result is that few people know much about this youngest member of the Commonwealth, the largest African State in which self-government can be described as successful.

Organization

THE Federation of Nigeria was set up in 1953 and comprises three regions, each by and large ethnically distinct. A good deal of autonomy has been devolved upon their governments so that the Central Government retains only such subjects as are essentially federal: for example, defence, police and external affairs. The country itself is 370,000 square miles in area and has a population of nearly 40 millions. The Northern Region comprises almost two-thirds of the country and is mostly savanna grasslands and semi-desert. The Eastern Region has an area of 29,000 square miles and the Western 45,000. Both are flat and low-lying, very humid and covered with thick bush. Scenically there is little of value outside the northern deserts.

There are no internal tariffs, and customs and excise duties are levied by the Federal Government only on goods crossing Nigerian boundaries. Last year £63 million was raised from this source out of a total federal revenue of £88.8 million. But under a complex system revised in 1959, some £38 million was allocated to the regional governments for their own uses. So, with the three regions both ethnically and economically distinct, it is not surprising to find that the three major political parties operating in the federal sphere are regionally based.

The predominantly Muslim north is the home of the conservative Northern People's Congress (N.P.C.). The National Council of Nigeria and the Cameroons (N.C.N.C.) of more radical traditions draws its support from the dominant Ibo people in the Eastern Region, while the Action Group draws its support principally from the Western Region. At the 1959 federal elections no party gained a clear majority of the 312 seats in the Federal Parliament; but each, unsurprisingly, gained a majority of the seats in its

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own area. However, the enormous size of the Northern Region (it has 174 seats) meant that while people voted by tribe and religion the N.P.C. was assured of the largest following in the Federal Parliament. In fact it won 142 seats out of the 174, losing principally to the Action Group. In the south the N.C.N.C. and Action Group both gained seats in the minority areas of their opponents' region. A coalition government of N.P.C. and N.C.N.C. was formed under Sir Abubakar Balewa, a northerner. The N.C.N.C. leader, however, Dr. Azikiwe ("Zik") chose to remain outside the Government and subsequently became Governor General, thus bringing his active political life to a premature end. The Action Group took up the duties of opposition in the Federal Parliament.

Early Federal Tensions

CONSIDERABLE pessimism accompanied the granting of independence to the Federation in 1960, and one year of stable self-government is an achievement that goes far to discredit earlier councils of gloom. It is worth while recalling the three principal dangers which last year seemed to be threatening the Federation's survival.

The first was the tension between the feudal Muslim society of the north and the more democratic traditions of the east and west, richer and with a higher level of development. The British policy of indirect rule had protected the authority of the Muslim princes, and fear that the onset of democracy would erode their authority had led them to back-pedal on the eve of independence, thus, in southern eyes, branding themselves more firmly as reactionaries.

The second lay in the bitter tribal antagonism between the predominantly Ibo N.C.N.C. and the Yoruba Action Group. Many people felt that, quite apart from their mutual dislike of the north, the southerners would be unable to co-operate among themselves once the imperial power was no longer there as referee.

This rivalry was further heightened by the fact that their leaders, Dr. Azikiwe (N.C.N.C.) and Chief Awolowo (A.G.), were the two fathers of Nigerian nationalism, and, not surprisingly, incapable of working together.

Thirdly, there was the sectionalism already manifest in a movement to create new States for the minority groups in each region. The British Government rejected the plan as the thin end of the tribal wedge that would weaken the Federal Government critically and eventually destroy it altogether. However, both the Action Group and the N.C.N.C. were early to espouse the "New States Movement" as it came to be called, although their subsequent reluctance to do much about it suggests that their motives were largely expeditious.

Faith in Federation

WHAT strikes the visitor to Nigeria today is the strong determination among the educated classes to preserve the Federation, and their equally firm conviction that it will survive. This optimism is not unjustified. The fact that for a year the Federation has been run by a coalition between

left and right wing parties offers some insight into the forces operating for its preservation. The ministerial offices, motor cars, expense accounts and all the other ostentatious paraphernalia of government point to the leaders' unconcealed enjoyment of their positions. In African politics, where party differences are so frequently based on personal animosities and are at heart far less substantial than they may at first appear, this can be an important consideration in preserving a coalition. But besides this, there are two other factors which have helped to preserve the Federation under a stable government. One is a widespread perception of its economic advantages; the other is a widespread belief in Nigeria's potential leadership in African and world affairs. Of course such agreement is not a guarantee of political tranquillity. However, when combined with the sobering realities of independent nationhood, it has helped to lessen party controversy over the broad outlines of Nigeria's domestic policy, with the result that divisions now run deepest around the conduct of foreign policy, where the old moods of militant nationalism can be revived with an ease denied to the home front. The editor of a Lagos newspaper summed up intelligent opinion on the Federation: "Any damage to it would mean penury for us, and Waterloo for African Nationalism. West Africa would lose her natural leader."

The real basis of Nigerian unity lies in the economic advantages inherent in a single tariff area of 339,000 square miles with a 40-million population increasing by a million every 18 months. These have been firmly grasped by the Nigerian Federal Government, whose efforts are now largely directed towards providing the framework within which a mixed economy of the European type can develop. Nearly 40 per cent of development spending between 1955 and 1966 will have been on communications. And there are at present long-term plans for a dam on the Niger (£68 million) and new berths at Lagos harbour (£20 million).

The Importance of Regionalism

THE compliment to the Federal Government's role as caretaker of the channels of trade and development is the strength of regionalism reflected in their nearly complete financial autonomy. It is this loose federal structure that explains Nigeria's decision to build her future on capitalism and the unrivalled political stability she offers to the investor with an eye for Africa. The growth of regional autonomy has prevented the emergence of any single leader personally identified with the nation's destiny, as Nkrumah was, who might be tempted to push through a crash programme of development by strong arm means in order to unify and strengthen the country behind him. Instead, regional politics have tended to remain closely in touch with the lives of the inhabitants. Other factors have assisted also. Nigeria's comparatively easy road to independence has prevented demagoguery and slogans from intervening to separate the political flavour of the country from the traditional characteristics of its people. In the north they still have the respect of a Muslim culture for property and social status; while the peoples of the south enjoy a customary free enterprise that even allows their women the right of separate income. These indigenous tendencies are reflected in the

moderate capitalistic policies of the regional governments, and, perhaps more dramatically, in the processions of American limousines thronging the narrow streets of the capital and the other manifestations of the renaissance which the southern peoples are going through, with its undreamt of wealth and emphasis on the rewards of individual endeavour.

Development

RESPONSIBILITY for development is shared between the regions and the Federal Government. In this field also the regional governments are highly autonomous. However, a National Economic Council was created in 1955 to consolidate federal and regional development activity, and was subsequently strengthened by the addition of a Joint Planning Committee in 1959. The system is typically Nigerian. The distribution of power between the two governments is calculated to impress the investor with the economic cohesiveness of the nation and assist the regional government with federal grants for capital expenditure. But the regional governments are left enough freedom to become vigorously competitive in their programmes of industrialization. So, foreign investment may be attracted by the activities of the Federal Government and channelled through the planning committees to the most desirable area. But such money tends to be in the form of capital aid and loans, like, for example, America's promise of assistance for Nigeria's new but vague five-year plan, which Sir Abubakar secured on his recent tour. Specifically industrial investment is more often a matter of negotiation between the regional government and the foreign interest concerned.

Each region runs a development corporation financed largely from the revenues of its marketing board, and responsible for the administration of development grants, its own projects, and the encouragement of foreign investment. But Nigerian capitalism does not profess *laissez-faire*. Young industries are protected by tariffs, and the development corporations frequently enter into partnership with the investor and may become the eventual owners. The Western Region Development Corporation, the most ambitious of the three, has invested £11 million in its own industrial and agricultural projects, which include rubber plantations, a plastic factory and group farms. Unfortunately it was badly advised on some undertakings, but its staff have enormous drive and its rubber in particular has excellent prospects. A good example of the amount of initiative over development left in the hands of a regional government was provided last August, when Dr. Okpara, Premier of the Eastern Region, returned from a world tour with promises of £10 million of foreign investment for his region.

Nigeria's political stability and moderate capitalist outlook are largely attributable to the Central Government's heavy devolution of power upon the shoulders of the regional governments. Not only has this served to preserve them as expressions of the natural order of society, run in the north by Muslim aristocrats and by the propertied middle class in the south. It has also made criticism of a region at federal level unreal. For the federal legislature is not just constitutionally incapable of interference apart from the most dire eventualities. It does not wish to be capable. For no matter how

much the Action Group may dislike the feudal abuses of the northern emirs, they are unwilling to surrender their own sovereignty and so unwilling to interfere with other people's.

Federal Politics

THIS is one reason behind the rather artificial nature of federal politics. Often the noise is considerable but its significance slight. For the movement of politics is slowed down against this background of common economic outlook and determination to preserve the Federation. There is scarcely any dissent from the broad lines of internal policy, either in the newspapers or in the spacious federal chamber. And so debate gives way to displays of violent regional and personal acrimony. There is little else to keep the parties divided.

The true voice of radicalism in Nigeria is not to be found in Parliament. It is the preserve of the Nigerian Youth Congress, a small body, not yet an official political party, under the presidency of a young bearded doctor called Tunji Otegbeye. Drawing its sixty thousand membership from among the educated youth, it calls for the substitution of a unitary constitution for the federal one, a more socialistic approach to internal economic problems and Nigeria's avowal of a Nkrumahist foreign policy. Dr. Otegbeye, at present branded as the leader of Nigeria's angry young men, will soon be entering the hustings. And his entrance will strengthen the hand of the N.C.N.C. radical wing, who are at present gagged by their party's alliance with the conservative N.P.C. A division in the party's ranks may be expected.

But although considerable unanimity attends the conduct of internal affairs, this is not the case in foreign policy, where criticism of Balewa's failure to supersede Nkrumah as acknowledged leader of African nationalism is mounting among sections of the population who as yet hold small brief for Ghana's left wing internal policies. They view with disappointment the Government's record of caution over Angola, and its failure to attend the Belgrade Conference, and hanker after a dynamic leader who will keep them firmly in the world's headlines. The Government is not insensitive to this criticism. But the conference it held in July to get public approval for its policies was turned into a defeat. And we may expect some hardening of its foreign policy in future.

The remaining issue of importance is the creation of a mid-west State based on Benin province. In fact the movement's origins lie in the nationalism of the Benin peoples, who differ linguistically from the rest of the Yoruba and are inclined to support the N.C.N.C. At heart the Action Group are opposed, especially since the discovery of oil in the proposed region. But they are unlikely to make a serious issue of what is anyway dependent on an unpredictable referendum. The movements for new States in the other two regions seem to be declining, and the whole issue looks like a damp squib.

The State of the Parties

TURNING to survey the condition of the parties, the most noticeable feature is the decline of the N.C.N.C., which under the leadership of

Dr. Azikiwe was until recently the most forceful organ of nationalism in the country. However, since his resignation to take up the governorship general disintegration has set in. Like most radical parties it traditionally lacked cohesion, but previous fissures have largely been the result of personal animosities, for Dr. Azikiwe was a notoriously difficult man to work with and always reluctant to delegate authority. Now, however, hostility between the radical backbenchers and the rich but tarnished leadership is far more a matter of principle.

Although strong in the east, the foothold of its northern branch, the Northern Elements Progressive Union, is unlikely to grow stronger. Its left wing has broken away, accusing the leadership of betraying party principles. In the event of an alliance between the N.C.N.C. radicals and the new Nigerian Youth Congress, the first truly national party would be born to threaten that Nigerian federalism on which so many of the country's current characteristics, loudly applauded in the West, depend.

It is unfair to brand the N.P.C. as undemocratic in a country where all parties are based on tribal loyalty. When it comes to voting, Nigerians, like people everywhere else, show little aptitude for choice. But there is no doubting that as far as leadership and policy are concerned, this is the party of the emirs. Its president is the remote and controversial Sir Ahmadu Bello, Sardauna of Sokoto, and the most powerful of the Muslim potentates. Seldom leaving his distant principality, he shows an aristocrat's disdain for the routine of politics. But whatever his original intentions, he is no longer a Nigerian John of Gaunt, the *eminence grise* behind the Prime Minister. For Sir Abubakar Balewa, whose personal popularity has increased immeasurably since independence, recently made clear the Government's dissociation from the Sardauna's talk of the Northern Region's associating itself with a proposed commonwealth of Muslim States. He now has the upper hand over the emirs, although with characteristic tact he seldom shows it. For Sir Abubakar is a realist who perceives that above all the clamour for a more radical foreign policy, must be set the paramount need of preserving Nigeria's attractiveness to foreign investors. And although, like Disraeli, he is educating his party, he sees that the conservative but still all-powerful northern emirs cannot be moved too fast, if their faith in the Federation is to be maintained.

His worries do not end here, for there is still the task of preserving his coalition both from its internal disruptive tendencies and before the assaults of the Action Group opposition. The tensions here can be considerable, as when last summer, for example, he had to reject N.C.N.C. allegations that victimization of their members in the west justified the intervention of the Federal Government.

Eventually, of course, education will break the grip of the emirs in the north. Some observers give them another five years, others longer. But when that day comes the N.P.C., at present the largest party in the country, will no longer be recognizable. Perhaps a metamorphosis will occur (this is certainly Balewa's hope) or perhaps it will be replaced by others. It is impossible to say. But the likelihood is that as education begins to make its effect, the

Action Group will profit, to begin with at any rate. They won 24 seats in the region at the last federal election and, with N.E.P.U. in disarray, are now the only viable opposition. But their growing strength in the north also means the dilution of regionalism as it is today.

In a country where most voters are illiterate, the Action Group use a green palm-tree as their sign. It is rapidly becoming symbolic of all that is efficient, if nepotistic, in Nigerian government. Although they are the federal opposition, their modern air-conditioned offices in Lagos contrast pointedly with the squalid confusion in their rivals' headquarters. Currently the Western Region is the richest in the Federation. Their provisional current revenue for 1960 is £19.6 million and their capital expenditure for the same year £11.7 million. The Northern Region, although so much larger, had a total revenue of £16.6 million and a capital expenditure of only £5.6 million. Considerable foreign capital is being attracted to the west as well: Dunlop and Raleigh are two firms recently to build factories there; they already have a cement company, and a textile mill is under construction.

The Action Group is a party both of intellectuals and of the middle class. The Yoruba are traditionally an urban people and in their towns today the twentieth century seldom penetrates behind the main street into the old world of narrow alleys and windowless walled compounds, brown, dusty and austere. Nowhere in Nigeria are the ideals of free enterprise more firmly embedded than among these volatile, intelligent, but acquisitive peoples. But just as their capitalism is moderate so in practice is their selfishness. For in many respects they have a strong sense of community expressed in their party's real awareness of current social problems and its bold attempts to tackle them. Primary education is free, and so is the health service for children under 18. There is an extensive rural education system, loan facilities for small business men and an imaginative scheme for resettling the urban unemployed as productive farmers.

A man linked closely to the rising fortunes of the Western Region is its Premier, Chief Akintola. He is a man to watch. Indeed with party morale high after recent sweeping victories in the local elections, the Action Group may well seem heir to the future.

But what is this future? It is easy to be over-optimistic. And certainly many Nigerians deeply resent our patronizing attitude towards them. As a prominent Nigerian columnist wrote recently: "We are fed up with being called Britain's nice child. It makes us feel such a cissy."

Economic Problems

NIGERIA's balance-of-payments deficit has been increasing since 1955 and, although a slight improvement was shown in 1956, the loss was still nowhere near covered by oversea private investment, which this year will probably top £18 million. Sterling assets of the Federal Government have declined by £17 million since 1955 to around £30 million in June, while the fall has been more dramatic with those of the regional development corporations and marketing boards. Furthermore, the pattern of Nigeria

trade has altered appreciably over the last ten years. Her exports to the Six in 1950 were a mere £3.5 million, but by last year they had risen to a total of £49.5 million. Of this some £20 million was accounted for by palm and groundnut products, which will meet heaviest competition from the Associated Members who now enjoy preferential entry into the Common Market. Clearly Nigeria will have to come to terms with E.E.C.

Indeed, in coming to any estimation of Nigeria's position it is necessary first to remember that, for all the impressive statistics about industrialization, over 80 per cent of her exports are still agricultural and only one person in forty is a wage-earner. Despite a large national income of £800 million the income per head is barely £30 a year: as one economist has had occasion to remind us, "absolute poverty is absolute". And although the people may have a richer cultural tradition than one finds on the east coast, say, their poverty is as terrible and as challenging as that anywhere. Beside it, the present rate of capital expenditure is woefully inadequate. Of course this is the case all over the undeveloped world, but then one relies on the strength of the old social systems to keep the underprivileged masses resigned during the long process of advancement. In this way some stability is possible.

Future Stability?

BUT how long will Nigeria remain stable and her own brand of regionalized nationalism last? Industrialization itself breaks many bonds. It will clearly be difficult to absorb the 2.5 million children presently at school. Already they are saying that in Lagos three-quarters of the population is unemployed. Certainly a grim familiarity haunts the sight of Africans driving to lunch in their Chryslers past pavements covered with unemployed dozing in the noon sun, like so much dynamite waiting for a match.

Nigeria's regionalized nationalism is threatened on the level of party politics also. For the three parties are ceasing to be mirrors of each region. In the past they may have stultified the growth of radicalism, and turned political energy inwards towards the horizons of the tribe, not the nation. But in the north the present political system cannot last long, and in the east it is threatened with schism. The new broad nationalism of the Youth Congress, no longer based on the tribe, has clearly excited sympathy among the young far in excess of its paid-up membership. The more the Action Group trains its sights on the other regions, the closer it too becomes to a truly Nigerian party. Change is clearly at hand. It seems likely that regionalism will decay and be replaced by a true nationalism drawing the country as a whole more firmly together. But to what end and with what governing ideology? This will depend on whether success or failure attend the present experiment in Black capitalism. And if during her inevitable political development a spark of radicalism should fly off to ignite the dry tinder of unemployment and frustration, this would reveal a failure of the system.

So it is wise not to be deceived by the apparent tranquillity of the Nigerian scene. But there is no need for panic, either, for the seeds of moderation are deeply sown. The point is that if capitalism is to have any relevance to Africa,

it must be made to work in Nigeria. It is the concern of the West to see that the affluence of Lagos, with its skyscrapers rising out of slums, and its crowded noisy night clubs, is symbolic of the nation and not the final fling of the *ancien régime* before the guillotine's descent.

UNITED KINGDOM

MEASURE OF TRUTH

IF we stay on the low plane of domestic politics and concern ourselves only with the ups and downs of party fortunes in the country, it must be admitted that Mr. Macmillan and the Conservative Party have known far rougher times. True, the public opinion polls are showing that Mr. Gaitskell and Labour have closed the gap since the general election of 1959, and that, theoretically at least, the Government would lose a lot of ground if an appeal were made to the country now. But this does not mean much. We now stand midway between two general elections, and it is natural that the enthusiastic enjoyment of a remarkable victory should have died away without yet being replaced by a heave to win again. Meanwhile the Government have not slipped anywhere near so far out of public favour as they did immediately after the Suez military action of 1956 and the economic crisis of 1958. By-elections are not being lost by Conservative abstentions, and the Government are not under very fierce pressure in Parliament. On present evidence, there is no reason at all why the Conservatives should not win their fourth general election in succession when Mr. Macmillan eventually decides to go to the country; and it is no particular secret that Mr. Macleod, who has now succeeded Mr. Butler as chairman of the party organization, believes that the victory can indeed be gained if only the Conservatives can check the feeling that "it is time for a change" by showing that they still have work to do which is relevant to the nation's sense of its need.

But this is not the only political plane, or even the most important plane. At another level it is utterly true to say that no Conservative Government since Sir Winston Churchill returned to office in 1951 has begun a new parliamentary year with such a formidable accumulation of tremendous questions awaiting answer. First, there is the Berlin crisis. Secondly, the economic crisis, accompanied by background fears of industrial trouble during the winter. Thirdly, whether Britain should join the European Economic Community on the terms that the Six, at the end of the next eight or nine months of negotiation, will be prepared to offer.

It is in this sense that everybody in British politics, irrespective of party, feels that the moment of truth for Britain has come. In more ways than one, without delay, the Government have to choose our destiny. The Suez operation may not really divide Britain's past from its future, but it seems to do. Before that it was possible for many people to believe, or to feel, that their country still had an undeniable claim to be reckoned a major Power capable of acting independently in protecting or promoting its national interest. It was no mere expediency or "gimmick" when Mr. Macmillan, on succeeding Sir Anthony Eden as Prime Minister in January 1957, straightway began to repair the damage done to the Anglo-American partnership and then went on to preach his doctrine of interdependence. The doctrine

has developed progressively. We have seen it at work in the acceleration of the movement of colonial territories to self-government within the Commonwealth, and now we are seeing it in the British application for membership of the Treaty of Rome. In other words, Mr. Macmillan and his Ministers have made their realistic assessment of Britain's place in the world as it now is and have not flinched from the full logic of what they see.

But this is not to say that the Government believe Britain's influence has become, will become or should become less than it has been. Quite the contrary. The lesson they are teaching is that Britain and the Commonwealth, linked intimately with the United States and western Europe, must so build the bases of life that the influence continues in a rapidly changing world. One Minister after another at this year's Conservative conference in Brighton, for example, took as his text the need to establish a strong British economy, because without this foreign policy, defence policy and the standard of life of all the people would be weakened and a decline both material and spiritual would begin.

In the last few months the Government have not only done some running repairs on the economy but have begun to feel their way towards some really radical action to bring inflation under control, and to plan the national housekeeping so that incomes do not run ahead of true earnings. Mr. Selwyn Lloyd, the Chancellor of the Exchequer, has been having some exploratory talks with both employers and trade union leaders which are designed to prepare the way for persuading the nation that everybody must cut his coat according to his cloth, as they have not done for many years; and Mr. Henry Brooke, one of the toughest and most capable of Ministers, has been appointed to the new post of Chief Secretary at the Treasury to help in co-ordinating and carrying out the plan.

Two things are worth saying. First, the Government have not chosen a politically felicitous time to start persuading the trade union leaders to hold their wage and salary demands in check until productivity catches up with incomes. The April Budget will for some time compromise the "little Budget" which represented Mr. Lloyd's second thoughts in July. Secondly, it is embarrassing for a Conservative Administration which came into office ten years ago with the slogan of "Conservative freedom works", now to have to start talking about grand economic plans that have for many a distinct Socialist flavour. Yet there seems to be little doubt that not only Conservatives but most of the country would accept the kind of plan Mr. Lloyd proposes if only it were carried out boldly and fairly. For their part, many Conservatives are disillusioned to find that after ten years of Conservative government the country still flounders through rapid cycles of boom and recession, of accelerator and brake; and in the country generally there now seems to be a growing sense that "the affluent society" has a perilously insecure foundation.

Nothing, perhaps, could have sharpened this sense more than the debate on whether Britain should go into Europe if it is offered the chance. At the beginning of the year the subject was hardly discussed even in political circles. Within a few months, by adroit Government handling, it became a

dominant political controversy, and now there is hardly any intelligent person who wants for views upon it or who is not going in search of views about it. It loomed large at both the Conservative and Labour party conferences; the newspapers have appointed "Common Market correspondents", and radio and television scarcely let a week pass without some exploration of the issues. The lesson has now been well learned almost everywhere in Britain that the Six countries of the Common Market are stirring with new energy, and that a challenge is being made which Britain will ignore at its peril. As the Government put it, Britain will have to be prepared for great changes if we join the Common Market, but it will not be able to evade the need for great changes merely by staying out. And as the months pass there is less and less doubt about the decision of Mr. Macmillan and his Government. If reasonable safeguards can be had from the Six and can be added to the existing Articles of the Rome Treaty by way of protocol, the Government are sure that Britain must go in.

Controversy without the Facts

LIVELY as the Common Market debate has become, most of the advocacy for either going in or staying out has been academic. This was well illustrated at the party conferences. The reason is plain: Mr. Heath, the Lord Privy Seal, is now negotiating with the Six and until he surfaces some time next year, and declares precisely what the terms are, nobody can know or guess the balance of gain and loss. Until then, the Europeans will be able to make the largest claims about the benefits to the British economy of signing the Treaty, and the opposite camp will be able to take extreme positions about the threat to British sovereignty, to the maintenance of the Commonwealth connexion and to British agriculture as it is now supported. Meanwhile, British industry as a whole keeps significantly quiet, and the Trades Union Congress balances on the fence. If either one, or both, of these voices came out collectively in favour or against, the political issue would almost certainly be near to solution. It is proof enough of the Government's reading of the future that they have themselves taken the initiative in leading the horse to the water which it may in the end refuse to drink.

At the Conservative conference the argument turned almost wholly on the political questions involved, and there was hardly a reference to the effects on industry. Sir Derek Walker-Smith, Q.C., the former Minister of Health (no less significantly a former chairman of the Conservative backbenchers' 1922 committee), has become the leader of the Conservative group in Parliament who have made a frontal attack on the application to join E.E.C., and he also led the opposition at the party conference. He is mainly basing himself on the issue of diminished sovereignty—that is, the ability of Britain, once within the Treaty of Rome, to pursue her own national interest over a wide and complex area of policy, ranging from the Monarchy and Commonwealth Preference to the possible influx of Italian unemployed. Sir Derek made one of the outstanding backbench speeches of recent years during the Commons debate in July, and when he gave a repeat performance at Brighton he drew what proved to be a deceptive outburst of fellow feeling from the conference

representatives. As it turned out, they cheered him but would not vote for him. A motion supporting the Government's application to go into the Common Market was carried overwhelmingly on a show of hands; in a hall containing up to 4,000 "delegates" there were probably fewer than 40 hands raised against the Government. But too much should not yet be read into this. The cheers Sir Derek won were obviously to be explained by the audience's appreciation of what might be called a traditional Conservative speech magnificently delivered. But Sir Derek and his lieutenants were not hoping at this early stage to check the Government in their tracks. They were simply marking out with ranging shots the area on which the barrage will come crumping down when the Government report to the country on the outcome of the present negotiations with the Six.

At the Labour conference the leaders were wholly concerned with avoiding a commitment either for or against going into Europe. Mr. Gaitskell and his colleagues, who are known to be divided fairly evenly, have had to take a few gibes from commentators for choosing to be indecisive on one of the most crucial political questions of the day, but it is hard to blame them. They, too, need facts to base themselves on; and since the Government are at least theoretically reserving their position until the negotiation is completed, the Opposition cannot be fairly asked to do more. But the coyness of the leaders did not teach discretion to the delegates who spoke. There were passionate speeches for going in, no less passionate speeches for staying out; and there was one speech of high quality from Sir Alan Birch, the chairman of the T.U.C. economic committee, which balanced the argument with care and then leant just slightly in favour of Europeanism. In the end the conference left the subject in the "pending tray", though not before the leader of the agricultural workers had made clear that he and his men feared for the fate of British agriculture under the Treaty. (The chemical workers' leader was all in favour, and a miner M.P. was hotly against.)

So far as one may measure trends of opinion just now, it seems fair to say that if the Six come some way to meet the British Government by safeguarding Commonwealth interests, agriculture and the other countries now in the European Free Trade Association, a majority within the Labour Party and within the T.U.C. may be expected to support the principle of going into Europe—although they would be more than human if they did not carefully reserve their right to challenge innumerable points of detail. But this movement of opinion could be reversed if the Six showed themselves to be hard, or even grudging, bargainers. If the Government are not going to run headlong into serious political trouble next summer, it will be important to them to show that the safeguards conceded in the protocols are real.

The Old, Old Promise

THE economic background to the Common Market debate is forbidding but not entirely without promise. The United Kingdom balance of payments for the first half of the year, state the Treasury, contained a number of exceptional items "but there is no doubt that the underlying position was still

unsatisfactory". Sterling came under extreme pressure, largely because in the previous two years a heavy deficit had been covered by mounting short-term debt. To quote from the Treasury's *Bulletin for Industry*:

The country got through this period of strain, first as a result of substantial help from foreign central banks and afterwards by a large drawing from the International Monetary Fund. The balance of payments on current account was in fact improving and may have improved further since the middle of the year. There would, however, be better grounds for confidence that the improvement will be lasting if it depended less on a fall in imports and more on an increase in exports. Because invisible earnings have fallen so drastically we need a much better visible balance than in the past, though how big depends partly on the future level of net overseas investment and the unpredictable extent of the balancing item. But there is no doubt that the surplus must be large enough not only to bring us back into overall balance but also to provide for the repayment of the drawing from the International Monetary Fund.

To this may be added the fact that business optimism has been lessening significantly. More firms have been working below capacity or have had more unused capacity, and there has been no further increase in the labour pressure. Investment is on a downward trend. But the experts consider that the outlook for export demand could be very good if openings now developing in the world are exploited. For some time ahead world trade is expected to rise, and primary producing countries, it is thought, should be able to increase their volume of imports next year.

It might sound well enough to the determined optimist, but the country has learned from hard experience that this promise could be only another turn of the old, old trade cycle unless the Government, through Mr. Lloyd and Mr. Brooke, succeed in proportioning what is spent to what is earned.

Organization Man

THERE was never any doubt that Mr. Macmillan would reshuffle his ministerial pack before the new parliamentary session began. Hints had been dropping like autumn leaves for some time that Mr. R. A. Butler would not continue as chairman of the Conservative Party organization, partly because he had become overloaded with work (he was also Leader of the House, Home Secretary, and in all but name deputy Prime Minister), partly because Central Office felt that the chairmanship called for somebody's full-time attention. There had also been murmurings in the Commons that Mr. Butler had been too much distracted by other interests to keep an unceasing watch in the Chamber as a Leader of the House should, and here and there unjust criticisms that the party machine, which is the chairman's responsibility, had lost some of its tuning. But when the changes were announced they surprised Conservatives. The Prime Minister not only took the chairmanship away from Mr. Butler but also the Leadership of the House, and in a significant demonstration of personal confidence he placed both with Mr. Iain Macleod, who as Colonial Secretary had been given a rougher ride by Conservative backbenchers during last session than any other Minister.

Mr. Macleod also became Chancellor of the Duchy of Lancaster, which is virtually a sinecure office.

Therefore, Mr. Butler was deprived of two of the three hats he has been wearing on the apparent grounds that he had been overburdened; and Mr. Macleod was given three hats instead of one on the apparent grounds that the chairman of the party organization needs to be also the Leader of the House of Commons. (The day when the party chairman was not a parliamentarian seems to have ended.) These changes inevitably provoked a lot of speculation about the rise and fall in the standing of Mr. Butler and Mr. Macleod in the higher counsels of the Conservative Party. Was Mr. Macmillan designedly diminishing Mr. Butler, the most experienced Minister on the Treasury bench (he has now been in office over a period of nearly thirty years) and one of the three outstanding post-war reformers of the party structure, party policy and party attitudes to whom the Conservatives today owe far more than they really owe to Disraeli or Lord Randolph Churchill? Was he also meaning to influence the party's choice of his own successor* by decisively putting the reins of power into the hands of Mr. Macleod? These were fascinating political questions, and a little time had to pass before anybody could be reasonably sure about the answers. They were all the more fascinating not only because Mr. Macleod was brought into politics by Mr. Butler himself in 1946 but because he personally symbolizes the new kind of professional Conservative politician; he is one of the group of brilliant organization men whose talents were enlisted to win back the ground lost in the Conservatives' electoral disaster of 1945. (Other Cabinet Ministers of the type are Mr. Reginald Maudling, the new Colonial Secretary, and Mr. Enoch Powell, a former Professor of Greek who is now Minister of Health.) Mr. Macleod, it is worth remembering, is the idol of an increasingly important element in the Conservative rank and file in the country—the new Conservatives, as they are conveniently called, to distinguish them from the lords, baronets, knights and men of wealth whose hold on the constituency associations is rapidly passing away.

To some extent it must be true that Mr. Butler's stature within the Conservative Party at Westminster and outside has been reduced by the changes. He is no longer the obvious Crown Prince (he was that in 1957, too) but one of three or four likely candidates—of whom Mr. Macleod is now not only the most important but the best able to build up his own image as a leader within the party through the possession of the chairmanship and the Leadership of the House. This was not necessarily what Mr. Macmillan had immediately in mind, for it soon became known that Mr. Butler would have been openly described as deputy Prime Minister if there had not been constitutional delicacies involved. Short of being given the formal style, this will continue to be his role. As such he is relieving the Prime Minister of some of the burden he has to carry, more particularly the chairmanship of the ministerial committee which will be busy during the next few months making studies of Common Market questions. Here we see a new idea at work.

* As leader. The choice of a successor to the Prime Minister can be made only by the Queen.
—Editor.

Mr. Macmillan decided more than a year ago that Mr. Selwyn Lloyd, as Foreign Secretary, had to bear too heavy a load, and in his ministerial changes of July 1960 he gave Lord Home the services at the Foreign Office of Mr. Edward Heath, another Cabinet Minister. The system of "double-banking" is thought to have worked extremely well, and now Mr. Macmillan has extended it to his own responsibilities and also to the Treasury, where Mr. Brooke, as Chief Secretary, will supervise forward planning of the economy and the Chancellor of the Exchequer will continue to be responsible for the Budget and the Department as a whole.

The elevation of Mr. Macleod has some special significance. It undoubtedly proves that Mr. Macmillan means to take the Government and his party down the middle road in British politics. In the last two or three years Mr. Macleod has moved away from the position of protégé to Mr. Butler. He has made himself a force within the Cabinet and the party in his own right. But his Radical Toryism is unchanged. He is as much committed to the middle road as Mr. Butler, and perhaps has rather fewer reservations than Mr. Butler (in the colonies, for instance). Mr. Macleod happens to be obsessed by Disraeli's vision of "one nation", and he would no doubt be willing to say that over a wide area of policy most Conservatives and most Labour followers can march in harmony together. We may assume, then, that as chairman of the Conservative party organization he will encourage the new Conservatives who do not live in the past but are liberal, sometimes militantly liberal, in outlook; and that as Leader of the House he will guide government policies, so far as he can, in the direction of national unity. The possibility of his one day becoming the Conservative Leader must now be reckoned with. Age is on his side—he is 48. Political ability is on his side—until he became Colonial Secretary he had not aroused a word of damaging criticism since he entered politics. Ambition is on his side—he does not deny that he would like to reach the highest office, although he adds that in the Conservative Party this is never for the man himself to choose. Social trends in Britain are also probably on his side—he is one of the Conservative party's strongest links between the old order and the new.

Control of Immigration

THE statistical background to the Government's decision to arm themselves with powers to control (but not stop) immigration into Britain is that there are now believed to be 400,000 West Indians, Indians and Pakistanis in the country, most of whom have arrived in the last three or four years, and that the inflow has immensely increased during the first nine months of this year. Between January and September, in fact, there have been 82,000 immigrants from the three territories compared with a total of 56,100 for the whole of 1960. This is not to say that the Government have it in mind to control the free entry only of coloured immigrants. They have explicitly framed their new powers in such a way that there will be no taint of race, colour or creed prejudice, and for this reason control will equally apply to British immigrants from all countries in the Commonwealth and also to those from the Irish Republic. But nobody can believe that the point of the

control will not be to ensure that the number of coloured immigrants coming in is proportionate to the number that can be found work and can be decently housed. It is unpleasant to many to have to put the fact in this crude way, but only the coloured immigrants produce, or are likely to produce, special problems. There are, for instance, more immigrants into Britain from the Irish Republic than from Jamaica, but their skins do not make them conspicuous and they are able to return home when they run into difficulties or if they fail to find work. Immigrants from the West Indies, India and Pakistan, on the other hand, tend to emphasize local housing and social problems in a small number of cities, where work is plentiful, by overcrowding into certain districts; and if they fell on hard times they lack the means to return home and would become a charge on the Welfare State (to which as workers, of course, they contribute their share).

Whatever the Government may wish, it is also clear that the proposed main form of control—proof that work exists in Britain for the immigrant to take up—will also operate, so far as it is effective at all, to the disadvantage of the coloured. Southern Irish workers will be able to pay a few days' visit to Britain to find a job, and go back home if they fail; indeed, they can be sure that building contractors will recruit labour inside the Republic, as they do now. Young Australians and Canadians are likely to have some small means that will serve to get them through the control, and may well have no more difficulty in the future than now in finding temporary jobs for the duration of their stay. The West Indians often come to Britain not only without means but on borrowed money lent at interest. They will have little opportunity of arranging a job before they arrive.

During the years of British full employment the coloured immigrants have had no serious difficulty in finding unskilled or semi-skilled jobs which, by their standards, are well enough paid. The men are willingly recruited by British Railways and by the bus systems in many cities; factories have welcomed a supply of labour for the less attractive manual jobs; hospitals are said in some instances to have become dependent on the services of coloured women who work as maids. In present conditions, then, the coloured immigrants may have done more to solve than to create industrial problems. There are not lacking economists who argue that the influx has been of considerable economic benefit to the country, nor perhaps a few employers who privately admit that coloured immigrants have helped to relieve the pressure of wage demands. But there have been ugly incidents in Notting Hill (a London suburb), Nottingham and Middlesbrough which have served to show that in a limited number of districts colour prejudice, or social strains, may become explosive, and the Government have felt unable to ignore the dangers that might come if Britain should slip into an industrial depression. Most of the colour trouble so far originated apparently in local British anger that immigrants should occupy houses which whites have been unable to get. If the time ever came when white workers had to be stood off from work while coloured immigrants continued in work, or when white workers insisted that coloured workers should be dispensed with first, the social dangers might be intensified. There could be open colour clashes in

industry, or the coloured could become second-class citizens who could expect jobs only when the whites accepted that there was a surplus of work.

This is what the Government have in mind. Yet there need be no doubt that Mr. Butler and his colleagues have been reluctant either to bring to an end the honourable British tradition of an open door for Commonwealth immigrants or to make the control so very severe that it will seriously check the kind of immigration now taking place. So long as there is full employment, coloured immigrants who come to Britain are not likely to have much difficulty in finding compatriots who will offer them a temporary home or in finding work of the least skilled sort. And presumably if Britain sank into a recession the coloured immigrants would be less anxious to come. In a sense, therefore, the Government, through Mr. Butler, have done little more than make a gesture to appease the Conservative pressure group which for some years has been campaigning for immigration control. A point worth noting is that when the voices of the pressure group were heard at the Conservative Party conference extreme care was taken to disclaim any element of race prejudice. Now and then the voices were not wholly convincing.

About Turn

BRIEFLY, for purposes of record, let it be said that this year's Labour Party conference swung back from its unilateral commitment of last year and fell in behind the leadership's policy of full support for N.A.T.O. and the principle of multilateral disarmament. Only one of the major trade unions held firm by unilateralism—the Transport and General Workers, led by Mr. Frank Cousins. This enabled the official restatement of defence and foreign policy to be carried by 4,526,000 votes to 1,756,000. But, just to emphasize the party's ambivalence on defence, the conference defied the leaders' advice and passed two resolutions aimed at N.A.T.O. One condemned the establishment of Polaris submarine bases in Britain; another demanded the withdrawal of training facilities for West German N.A.T.O. troops in Britain. But the leaders were well satisfied with their achievement.

Great Britain,
November 1961.

NORTHERN IRELAND

AS before, an attempt has been made to shelter Northern Ireland from the worst of the "Little Budget". But as before, a continuance of high spending in the public sector goes only part way to counter the drag of dear money on industry and trade. So the Province is left to take what comfort it can from the reflection that its hopes of fuller employment can only be vain as long as the weaknesses of the British economy remain uncured.

After Mr. Selwyn Lloyd's statement the Government made its usual representations to London and gained exemptions which can be described as usual

also. That is to say, that policy is to proceed with industrial development; that there should be no slackening of the effort to find more work, and that local authorities should be encouraged not to curtail their programmes.

This repeated formula is not without financial backing, albeit not on the lines of a "New Deal". The Exchequer will bear an increased, rather than a lower, expenditure in the current year, and the greater part of the local yield of the 10 per cent surcharge on customs and excise duties is being devoted to relieving councils of the extra burden of interest charges. In particular, housing subsidies have been made still more generous and unemployment relief schemes will again attract a high rate of grant. At the same time the Government will continue with its already expensive schemes of factory building and assistance to industry. All these measures undoubtedly make their contribution to maintaining employment in building and to keeping up a momentum in social development, and they may well be rewarded when the pendulum swings back. But in the meantime they do only a little to stimulate new industry or to mitigate the effects of national disinflation on a wide range of manufactures and their markets.

The result is seen in a figure for unemployment substantially above that of last year, although the slump in shipbuilding has weighted the returns less than had been feared. The prospect for the winter is one of unemployment approaching 10 per cent and a lowering of the level of trade that brings hidden distresses of its own.

In Northern Ireland overdraft rates are by banking custom $1\frac{1}{2}$ to 2 per cent higher than Bank Rate in London, and this added burden undoubtedly discourages businesses in need of working capital. The interest rate on government loans having to be kept in line, councils are more inclined to hold back than to heed the exhortation to go on spending. It remains the case that Ulster's development is too slow in good times and slower still when, as now, the times are bad. The things to be hoped for are that the Chancellor of the Exchequer's policy will be successful, and that soon, and that the findings of the economic inquiry* will be positive and capable of early execution. This joint civil service committee of Whitehall and Stormont is now headed by Sir Robert Hall, a former economic adviser to the Treasury, in place of the late Sir Herbert Brittain. In advance of its report the Prime Minister, Lord Brookeborough, has appointed his own economic adviser by moving Sir Douglas Harkness from his position as Head of the Civil Service to a new department of the Cabinet Secretariat. The need for an office of this kind has long been evident: neither the Ministry of Finance nor the Ministry of Commerce has been able to supply the research and statistics without which policy has often been ill-directed. The only criticism which can be made of this change in organization at the top is that the new office might have been put in charge of a professional economist who would bring a fresh mind to the problem, rather than left with a civil servant who has been wedded to it for many years.

For the Prime Minister and his party a further anxiety is the nearness of

* See THE ROUND TABLE, No. 204, Sept. 1961, p. 398.

a general election. In February Parliament will enter on its last session and the election will almost certainly take place in the following autumn.

The Unionist Government will be returned with another ample majority, but it will clearly be tested by Labour in Belfast, where for many workers the shoe is pinching in a way that it did not do at the election of 1958. Already the political temper is being roused. The return of the House of Commons after the summer recess instantly reopened the debate on unemployment, its fires rekindled by the abandonment of the new Queen liner. Hopes of gaining the contract may not have been high, but the decision came as a blow to ship-building as a whole, and at a time when Belfast's reserves of tonnage are at a dangerously low ebb.

The Commons, too, are about to give a stormy passage to the Electoral Law Bill, in which the Government aims at a consolidation without any new reform. The Opposition have seized the opportunity to press for the adoption of the Representation of the People Act in Great Britain, and with it the abolition of plural voting and a redistribution of seats. The last the Government must sooner or later concede (though hardly before the election) since even its own members are admitting that the movement of population in and around Belfast must be recognized. The franchise is another matter. The business and university vote, and in local government a basis of ratable valuation instead of universal adult suffrage, are all held to be indispensable to the security of the Union. This is not wholly true: there are only a few constituencies in which their disappearance would have a material effect. Yet one of these is Londonderry, the city of the siege of 1688-89, and historically the symbol of Protestant tenacity. The loss of control here would well be greeted as the beginning of the end of the planter race.

Nevertheless, the Government cannot refuse to take some steps in electoral reform if it is not to be guilty of practices now foreign to present-day British democracy. Of these, redistribution—there has been no revision of constituency boundaries since 1929—comes first, and the oddity of four university seats in a House of Commons of 52 members may well come second.

In a very different field of policy Lord Brookeborough has been made to think of the same desirability of keeping more in touch with Westminster. By a Cabinet decision (the responsibility in Northern Ireland is collective) the law exacted the penalty of hanging in the case of a man who killed his wife in a fit of drunken violence. It was the first execution for eighteen years, and evoked an earnest controversy over the Government's failure to follow the British Homicide Act. Paradoxically, the Protestant Churches have pronounced against capital punishment when possibly a majority of their adherents are in favour of its retention. The choice for the Cabinet is again difficult and is another test of its willingness to lead public opinion as well as to follow it.

Also influencing the election will be the Common Market. On this the Government continues to be faint-hearted, anxious more for local safeguards than for the best interests of the nation. Only the Minister of Education, Mr. May, has realized the need to begin educating the people in the meaning of entry and the larger advantages to the British economy and the Western

Alliance. He has seen, as others have not, that even an exemption from the free movement of labour will be of limited duration, and that for the rest there is no option but to prepare for admission on whatever terms Mr. Macmillan may recommend.

It is fair to add that Lord Brookeborough has recently shown less apprehensiveness of the prospect of closer economic ties with the Irish Republic. It would be all to the good, he said on August 12, if barriers to cross-border trade were to disappear, provided that their removal is not to be regarded as the removal of "the fundamental differences which still separate Northern Ireland and Eire". That such differences are not being lessened is true, although there is more evidence to suggest that they need not be so fatal to co-operation as they once were. The phrase just quoted is in fact Mr. Lemass's, and an acknowledgment that there will be no speedy end to Partition. By the same token the general election in the Republic passed with little or no agitation against the border, and the Sinn Féin policy of attacking it by force of arms was decisively rejected. On the border itself the Irish Republican Army has been responsible for only one more incident of a serious nature (the wrecking of a train, fortunately without casualties) and if its long campaign should prove to be petering out the Common Market may have for Ireland, in the political as well as the economic field, consequences which will be in their own way as significant as any that have been seen in Europe.

At home the common interest of the two religious communities has grown yet a little more, and should be strong enough to withstand the strains of another election. In Parliament the Nationalist Party, uncohesive as it is, has begun to say less about the Constitution and more about the standard of living. Its leader in the Senate, Mr. J. G. Lennon, has raised the tone by appealing to Nationalist public representatives "to consult and co-operate with the Government in every reasonable effort to alleviate the effects of the present economic difficulties".

Another Roman Catholic, Dr. James Scott, gave a prick to his co-religionists by condemning their "ghetto mentality" and counselling the Church itself to be less exclusive. It was a brave retort to the diehards on both sides when he called for acceptance of the fact that creed has nothing to do with the attitude of Catholic or Protestant to the Union of Great Britain and Northern Ireland. All these are symptoms of a greater freedom of thought: the course of the next five years will show whether the Common Market intensifies the process, or through some act of political clumsiness in the course of its inauguration destroys the promise of a better understanding.

Northern Ireland,
November 1961.

IRELAND

A NEW CHAPTER

ON September 15 the sixteenth Dail, after a life of four and a half years, was dissolved by President de Valera on the advice of the Taoiseach, Mr. Sean Lemass. The subsequent general election on October 4 opened a new chapter in our history. To understand its significance one must consider the Irish political scene, which is in many respects unique. We are probably the only democratic State in Europe in which the main political division is not between Left and Right. As has been recently pointed out "all our parties—even Labour—seem to belong to the Centre, although some are perhaps more Centre than others".* Our two principal parties, Fianna Fail and Fine Gael, like their American counterparts, had their origin in the now almost prehistoric differences of a civil war, but their present division is largely one between the "haves" and the "have nots" so far as office is concerned. The reason for this strange situation is that our revolution was due to national rather than social reasons. But, although we have no Socialist or Communist Party in the continental sense, we have, owing to the lack of private enterprise and experience, more State-controlled activities than Great Britain. Internal transport, ocean shipping, steel, sugar, electricity, air travel, peat production, and now the manufacture of nitrogen fertilizer, are all run or produced by State-controlled bodies. Moreover the policy of our two main parties differs rather in emphasis than in principle, for both have been consistent in their rather fatuous attempts to operate a self-sufficient economy; in their hostile attitude towards our best customer, Great Britain; and in their failure to agree on a non-partisan policy for the development of our main industry, agriculture.

The Election

THE election itself was the quietest in living memory. Meetings were reduced to a minimum and the various parties used the newspapers and the radio more than the hustings. Brass bands and torchlight processions were at a discount. With the coming of television next year this tendency to rely on publicity rather than parades will doubtless increase. The removal of the dominating, distorting and disturbing figure of Mr. de Valera from the political scene, where he now functions only as an umpire, and the fact that the election campaign itself, because of the international situation, was reduced to the minimum period of fifteen days required by law, also contributed to this welcome change. The outgoing Dail was composed as follows: Fianna Fail (Government) 75; Fine Gael 41; Labour 12; Sinn Fein 4; Clann na Talmhan (Small farmers) 3; Progressive Democrats 2; Clann na Poblachta 1; and sundry Independents 7. At the time of the dissolution two vacancies existed in Fianna Fail seats, thus making a total Dail of 147, but

* "Polls Apart", by Jack White. *The Guardian*, Sept. 29, 1961.

the Sinn Fein deputies, who are in effect the political wing of the I.R.A., do not recognize the political authority of the Dail and never took their seats. Owing to the decline in population the new Dail has only 144 deputies. Only the Fianna Fail and Fine Gael parties nominated sufficient candidates to give them a clear majority, and the Labour Party announced that it would not again take part in an inter-party government. The Government's claim to be re-elected was based on their past record and present policy, under which they claimed that the country was at last making good progress towards prosperity. In support of this contention they pointed out that our agricultural exports were now the highest on record, that 350 new industries had been started since they last took office in 1957, that unemployment was at its lowest, that emigration last year fell as compared with the 1956-59 average, that the national income was rising, expenditure on development increasing, exports rising, and social welfare benefits increased. This was an impressive claim, but unfortunately there is another side to the picture. This is most clearly disclosed by the Preliminary Census Report just issued, which shows that last April the population of the Republic had fallen to 2,184,703, the lowest figure ever recorded. In fact our population has fallen substantially more in the last five years than in the previous thirty. This threat to our national survival was the most fundamental issue in the election, and Fianna Fail's claim to support was in effect that they alone had the strength and experience necessary to meet this challenge. They averred that to deal with the problems which must arise concerning our admission to the Common Market would be beyond the competence of a weak coalition government which was the probable alternative. It is true that the destination of our emigrants in recent years has for the most part been Great Britain, and that, therefore, the movement of our population was from one part of an economic unit (the British Isles) to another, but the census figures are nevertheless an alarming phenomenon. In this connexion the checks on immigration contemplated by the British Government may well give our new Government food for thought. Mr. P. McGilligan, a leading member of Fine Gael, and a former Minister, gleefully pointed out that instead of the 20,000 new jobs each year, which the Fianna Fail Party had promised in the previous election, there had been some 43,000 emigrants each year, and that as a result of our decision to join the Common Market "the Lemass policy of high protection by quota and tariff, and the exclusion of foreign capital, is in ruins".* But it is of course unfair to blame Fianna Fail solely for our plight. It is in fact the cumulative result of the self-sufficient, isolationist policies pursued by most of our governments since 1921. Mr. McGilligan and his colleagues held office for sixteen years of that period and helped to develop our centrifugal tendencies. The policy of Fine Gael has only differed from that of Fianna Fail in emphasis and degree. Both are now faced with the nemesis of the Common Market which, like the developer on a photographic plate, has dramatically revealed our true position as a dependent economy. Mr. Lemass is essentially a pragmatist and only interested in results; to make, as he said during the election, two blades of grass grow where one grew before, and to

* *Sunday Independent*, Aug. 22, 1961.

provide employment for two men where one was employed before. In pursuit of these aims he is prepared to press every bell until one rings. He promised that if returned to power his Government would establish a new economic planning authority representative of the Government, employers, and employees, to formulate and carry out a programme for economic expansion designed to meet the challenge of the Common Market. Fine Gael's claim to electoral support was based on future promise rather than on past performance, for it has never had an absolute majority in the Dail. Led by that formidable orator and politician, Mr. James Dillon, T.D., whose father and grandfather were both distinguished national leaders, Fine Gael put forward an attractive programme based on the suggestion that "anything Fianna Fail can do we can do better". Their most daring proposal, which is long overdue, and which gained them many votes, was to substitute a policy of inducement for a policy of compulsion so far as the teaching of Irish is concerned. They also proposed to establish equality of opportunity in education for all children, an opportunity which, to our serious detriment, does not exist at present. The proposal that Irish should be treated as an ordinary subject in education naturally aroused the ire of our fanatical Gaels, who do not seem to realize that Irish has long since ceased to be a language and become a profitable but uneconomic industry. Fine Gael also promised to establish a new health service based on equal contributions from State, employers and employees; to provide for the equitable redemption of ground rents; to make interest-free grants to farmers up to £1,000; and to improve the agricultural advisory service. In short, something for everyone. Although Mr. Dillon protested his abhorrence of "the imperialist aggression of atheistic Communism", he also somewhat illogically announced that if returned to power his Government would take no steps to join N.A.T.O. Labour under its new leader, Mr. Brendan Corish, of Wexford, put forward a plan for greater capital expenditure by the State, and a capital gains tax, while Sinn Fein, the political wing of the I.R.A., that last refuge of iconoclastic extremism, declared that when it obtained control it would at once establish an All-Ireland parliament and resume the war against England! The electors expressed their opinion of this "larger lunacy" by returning none of the Sinn Fein candidates. One of the most interesting features of the election campaign was the fact that hardly any reference was made to Partition. It may be concluded that this reflects the opinion of the electorate, who, like the politicians, realize at last that the existence of Northern Ireland is a *fait accompli*, and that only a policy of friendly and unambiguous co-operation is possible as regards the North.

External Events

PUBLIC interest in the election was, however, completely over-shadowed by external events, first by anxiety concerning our admission to the Common Market, whose Ministerial Council has sent Ireland's application for full membership to its Permanent Commission for detailed examination of "all the problems that the Irish application raises", and later by the dramatic developments in the Congo. Having for many years dodged our

obvious obligations as regards N.A.T.O. on the dishonest ground that such a course would involve recognition of our Northern border, already in fact recognized by the tripartite agreement of 1925, it is rather ironical that we should now find ourselves up to our necks in an African political swamp. The sad truth, which we did not realize, is that the Congo is neither a nation nor a State, but merely an incoherent collection of primitive tribes, united in the past only by Belgian rule. Our intervention as part of the United Nations contingent, while it helped to release our inferiority complex, and make us realize our international responsibilities, only irritated the Belgians, whose help in the Common Market negotiations is essential, just as our vapourings about Algeria at the United Nations have irritated France. As all our principal political parties are involved in the Congo adventure no political capital could be made about it during the election, but had the original, and fortunately inaccurate, rumours concerning heavy Irish casualties at Jadotville proved true the Government would have been in a very unhappy position. As it is the situation is far from pleasant. But the better news from the Congo, which showed Irish losses to be only one soldier killed and a few wounded, and the courageous trip there of Mr. Aiken, the Minister for External Affairs, alleviated the crisis. The position was perhaps best described by the comment of the captured Irish Commander at Jadotville (where the United Nations force was surprised and nearly massacred) that he thought such hostilities had no connexion with the mission assigned to the Irish troops serving with United Nations forces in the Congo, and that he would never have surrendered if he had been fighting for Ireland! There was also much good sense in the remark of another Irish soldier involved to the effect that "We wouldn't like it if they came and started trying to unite us to England, would we?" From the rather confused reports of the Katanga situation it seems clear that the United Nations military command in Leopoldville underestimated the tough mercenary foreign soldiers commanding Mr. Tshombe's legions, and that the United Nations administration attempted to carry out a policy which it was not able to implement. It is clear, however, that Dr. Cruise O'Brien, the United Nations man on the spot, acted in accordance with the instructions he received and the decision of the Security Council. It was the concatenation of these events, in which Irish soldiers and administrators were innocently involved, that led to the tragic death of Mr. Hammarskjöld and its disastrous repercussions.

The Election Result

THE result of the election confounded both the politicians and the prophets for no party gained an absolute majority. The final returns were Fianna Fail 70; Fine Gael 47; Labour 16; Independents 6; and minor parties 5. The first preference votes show that the Fianna Fail vote fell by 80,886, while that of Fine Gael and Labour rose by 47,409 and 24,469 respectively. The minor parties and the Independents all lost ground heavily, Sinn Fein being completely eliminated. In this new situation the Independents and splinter groups have, however, acquired an importance far beyond their numbers,

as later events proved. The increase in Fine Gael's vote seems to have been largely due to the votes of the enraged parents whose unfortunate children are being taught Irish as if it was the vernacular, a perversion which has now poisoned the wells of our educational system for more than a generation. The increase in the Labour vote was due to the improved relations between the party and the trade unions, the fear that Mr. Lemass might seek to impose a wage freeze, and the annoyance caused by the Government's intervention in the electricians' strike. Strangely enough the Labour candidates in Dublin were nearly all defeated, and it was elsewhere that the party gained ground. Most Irish trade unionists seem to be more interested in the fortunes of Fianna Fail or Fine Gael than in those of their own party and vote accordingly. Partition has ceased to be a live issue, as is shown by the elimination of the 21 candidates nominated by the Sinn Féin Party. They held four seats in the last Dail but never attended because they did not recognize its jurisdiction! While this decisive defeat is hardly likely to change the policy of its leaders, who must continue to give value to their Irish-American paymasters, it reduces their political influence to nil. The most recent exploit of the I.R.A., when they held up an excursion train on the Great Northern railway and blew up the engine, no doubt helped the defeat of Sinn Féin for no one could believe that such conduct would hasten the end of partition. As is usual in an election under proportional representation all the leading political leaders were re-elected although for the first time some of the once-famous "heroes" found themselves at the end of the list. So far as democracy can express an opinion through the ballot-box the electorate, by giving no party an absolute majority, asked for a national government composed of the only three effective parties, with Mr. Lemass as Taoiseach, or prime minister, and Mr. Dillon as Tanaiste, or vice-premier. In such a government the ministerial posts could, and should, be allotted amongst the parties in proportion to their strength, thus creating a cabinet in which controversial issues could be threshed out and national policy decided. Such a system of proportional government is the logical result of the proportional representation system and has worked well in Switzerland, but we are not yet mature enough politically to use it here.

The New-Old Government

WHEN the new Dail met on October 11 Mr. Sean Lemass was re-elected Taoiseach by 70 votes to 68. He was opposed by Fine Gael, Labour and the three minor parties, but supported by two Independent members who rightly felt that under the circumstances they had no alternative. Three other Independent deputies abstained from voting. His new government proved to be the old translated and contained all the "old" familiar faces save that of Mr. Traynor, the former Minister for Justice, who had not sought re-election and who has been replaced by Mr. Charles Haughey, the former Secretary for that department. As a new Ministry for conducting negotiations concerning our entry into the Common Market is to be set up the Department of Lands has been merged with that of the Gaeltacht (Irish-speaking districts) so as not to exceed the legal limitation on the number of

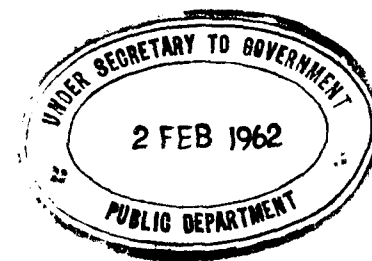
Ministers. For the present Mr. Lynch, the Minister for Industry and Commerce, is to conduct the Common Market negotiations under Mr. Lemass's supervision. Mr. Lemass assured the Dail that he did not intend to bring about a situation which would cause a general election and the debate showed that all parties share his views. The air of sweet reasonableness that pervaded the speeches of Mr. Lemass and Mr. Dillon showed that they had taken the voters' decision into account and considered the possibility of a national government, although Mr. Lemass proceeded to explain that in "normal circumstances" it would in his view be ineffective government to transfer the Dail's divisions into the Cabinet. But he refrained from placing the present position in the category of "normal". The Labour leader, Mr. Corish, objected to a national government on the ground that there would be no opposition, quite forgetting that a national government need not resign if it is defeated and that this would enable our present tongue-tied back benchers in the Dail to exercise their critical faculties and their votes without causing a general election. The truth is that all our parties are so obsessed with British parliamentary methods and principles that they do not realize any more suitable system exists. It is clear, however, that failing a national government Mr. Lemass will have to pay more attention than heretofore to the views of the other parties if he wants his Government to survive. He stated that he would only ask for a dissolution if the Government should be defeated on a major issue of policy, and in circumstances which made it clear that effective government could not be carried on. If he follows this course his Government, failing a serious crisis, may well run its full term.

The Economic Background

THE economic background to these political developments is both interesting and on balance satisfactory. During the first six months of 1961 there has been a sharp rise in our total trade, but an increase of £4 million in our import excess as compared with 1960. Our exports of fat cattle and beef to Great Britain have reached the highest level yet recorded, and bacon exports have also increased. There are several other reasons for satisfaction. Our State transport company, C.I.E., has reduced its annual deficit to £246,174 although the serious decline in the number of its passengers shows that it has failed to meet the challenge of the motor car; afforestation is making good progress and already gives employment to nearly 5,000 men, so that by the end of this century there should be a million acres of trees giving employment to 20,000 forest workers and sustaining a £25 million industry; last year the tourist industry earned £42½ million, representing an increase of £4½ million over 1959 and a contribution of 17 per cent to our external receipts; the bovine tuberculosis eradication so essential to our cattle trade is also making progress. The unemployment position continues to improve as does the rate of increase in industrial production. Another State-controlled factory is to be built at Arklow for the manufacture of nitrogenous fertilizer. It will employ some 500 workers using pyrites from the adjacent Avoca mine. Owing to last year's bad harvest we have imported 250,000 tons of wheat at a cost of over £5½ million in the first half of this

year and at the moment it looks as if a considerable portion of the present harvest has been lost owing to bad autumn weather. This may seriously affect our balance of payments next year. Labour relations in industry are still unsatisfactory. A strike of electricians in August in support of a claim for an increase of 1s. 3d. an hour and shorter working hours lasted for over a fortnight and nearly paralysed both social and industrial life. It was finally settled by the grant of an increase of 10d. an hour with a reduced working week, but only after the Government had taken power to invoke penalties against the strikers. During the strike the electricians showed a complete disregard for their leaders' decisions and advice, the Electricity Supply Board was shown to be inefficient in its labour relations, and finally the Government and the other politicians showed themselves lacking in courage. The increase in wages obtained by the electricians, which our economy can ill afford, is now being applied as a yard-stick for other wage demands in less prosperous industries. The selfish attitude of the trade unions in this and other matters coupled with the stupidity and short-sightedness of many employers makes it doubtful whether any worth-while result will emerge from the current negotiation concerning procedure for wage fixing between the Federated Union of Employers and the Trade Union Congress; and sceptical as to our chance of making any economic advance should we succeed in our application for full membership of the E.E.C. Not to be outdone the National Farmers Union has submitted to the Government a demand for an expenditure of at least £83 million to bridge the gap between agricultural income and that of other sections of the community. It is well that the politicians should be reminded of these facts, but where the money to meet the farmers' claim is to come from is not so clear. It is pleasant to record that an All-Ireland Joint Consultative Committee has been recently formed by the National Farmers Union from the Republic, and the Ulster Farmers Union from Northern Ireland. The object of this new body, which has already held its first meeting, is to provide machinery for consultation and the exchange of views on problems of common interest relating to agriculture. It has of course no political significance. The principal reason for this sensible step is the fact that common membership of the E.E.C. will soon confront all Irish farmers with similar serious problems. Thus economic necessity is once more shown to be more powerful than political theory. Adam Smith, disguised as M. Jean Monnet, rides again!

Ireland,
November 1961.



INDIA

THE PLAN AND AFTER

INDIA's Third Five-Year Plan was introduced in Parliament on August 7 and one might have expected the quarter to be dominated by economic affairs. This, however, has been very far from being the case. Discussion on the Third Plan has been relatively small, partly because it differs so little from the Draft Outline released six months previously, and partly because the new document, with its bulk and detail, was even less readable than the Draft Outline. However, the fact that the final document did not provide any corrective to criticism on three major points which were raised by the Draft Outline has been noted with some force. These three elements are Power, Transport and what is comprehensively described as Administration, largely connected with the slowness with which decisions are made in Delhi and the State capitals. So far as power is concerned, the Government of India has since been responsive and criticism has at least been effective, in that at the end of October it has been announced that the power target in the Plan will be raised by another 500 KW or about 8 per cent. This still leaves an acute shortage in almost every State according to estimates for 1965-66. Currently, the position has become so difficult in many States that industrial production is seriously cramped and confined. A "crash" power programme is even more important, therefore, than a fulfilment of the power targets of the Third Plan.

It is likely that some further upward revision of the power target will take place under the compulsion of events. Similarly, in regard to transport, it has now been realized that the Railways are failing as "common carriers" and are declining to carry an unduly large fraction of the nation's "smalls". The roads have done a remarkable job in the last six months in long-distance hauling, but the gaps in transport remain severe. On administration, it is difficult to be too optimistic in the short period, but the Government of India is now evolving many simplified procedures—one of which happily is in port clearances—which provides some indication that here too things will improve. It is not unlikely that the Ramaswami Mudaliar Committee, which is reviewing India's import and export policy, in order to promote exports as well as to make the best use of limited foreign exchange, will have some substantial contribution to make. All in all, one might argue that the country is now much more alive to the need for evolving suitable procedures for action, and is not content with spacious planning without adequate agencies to bring them to fruition. In this sense, there is a general feeling in the business community that the Third Five-Year Plan starts off under considerably better auspices than did the Second. Pragmatism is much more the guiding rule than ideology. There is also more tangible proof of success. While shortages have been severe in a very large number of items which

occupy commanding heights in the economy—power, transport, steel, coal, fertilizers, for example—there are now, almost for the first time, areas of surplus. The case of sugar, where India has had spectacular success, is a good instance of how ideology is overcome by facts. This industry, completely controlled for a decade, largely for political reasons, was virtually released from control in October.

The Punjab and Peace

THE foregoing might be described as the highlights of a somewhat tame economic quarter. Much the greater portion of interest has centred on political affairs, notably those relating to the Punjab. There was also a string of international events: the Neutral Nations' Conference at Belgrade, the problem of Goa raised by a Seminar on Portuguese Colonies, and then, finally, the pressures on India's relations with the big powers, connected with her passionate objection to all nuclear explosions "always and at all times".

Outside India "the fast unto death" undertaken by Master Tara Singh, the leader of the Akali Sikhs, received rather more publicity than, in retrospect, it deserved. It is quite true that Sikh feeling was considerably aroused and, had Master Tara Singh died, the Punjab would have had a serious political problem, even though the law and order component was consistently underestimated by the Chief Minister, Sardar Pratap Singh Kairon, and his leading lieutenants. In the event the Government of India's determination not to yield on Punjabi Suba (or a separate Gurumukhi State)—and to confine itself to appointing a commission to investigate the grievances of the Sikhs to the extent that they arose as a result of the discrimination against the Sikhs in the application of the linguistic principle—has been rewarded. When Master Tara Singh broke his fast after nearly 50 days—during which there were many doubts as to the extent to which it was genuine—there was a general feeling that his bluff had been called. He complains now that the Government has gone back on an assurance on the membership of the Commission. The Commission, consisting of Mr. S. R. Das, a former Chief Justice of the Supreme Court, Dr. C. P. Ramaswami Iyer and Mr. M. C. Chagla, India's former Ambassador in the United States, has now been appointed. The Prime Minister has reiterated that he gave no promise on membership, and he is unwilling to go beyond his statement in Parliament on enlarging the function of Regional Committees. It is likely that, while the Government of India has secured a victory, it may prove Pyrrhic. This is because the elections, due in March 1962, are likely to be fought on the Punjabi Suba issue in the Sikh areas. It is not unlikely that the Akali Dal will win a very large number of seats in this area. It may be that a Sikh victory in the Akali districts, with the rising strength of the Jan Sangh in other (Hindu) areas, might deprive the Congress of a majority in the Punjab. This would be a far greater blow to the Central Government's policy of integration and unity in this State than is currently foreseen. Master Tara Singh is now busily engaged in devising alliances with other parties—the Praja Socialist, Swatantra and Communist Parties, all of whom, in some form or

other, have been sympathetic to his demand. It would be unwise to conclude that the Punjabi Suba agitation has faded away.

Belgrade

ON the international front, which has unfortunately continuously distracted the Prime Minister over the period, India found few enthusiastic supporters at Belgrade, largely because of her insistence on good perspective in looking at the problems in priority. Surely, he argued, the exercise of restraint in nuclear testing over a short period was more immediate than the longer and somewhat nagging pains of colonialism. Particularly in Africa this maturity of Indian judgment has been misunderstood. The extent of feeling was not adequately seen at Belgrade but, curiously, was exposed by an Indian venture which in retrospect seems to have been singularly ill-timed. This was a conference convened in the last week of October in Delhi and in Bombay to discuss the future of the Portuguese colonies. The sponsor of this particular conference was the new Indian Council for Africa, with headquarters at Delhi. It chose to invite a very large number of "delegates" from Portuguese colonies in Africa as well as representatives from Goa. Somehow or another, the hosts of the conference did not foresee that this would recoil against India with a demand that she should set an example on Goa, the acid test of her good intentions to help subject peoples in Africa. The Prime Minister was somewhat unprepared for this challenge, and replied to it initially in an ambivalent form, indicating that India was not finally committed to non-military methods and would, if necessary, invoke military force for the liberation of Goa. An attempt by the Finance Minister, Mr. Morarji Desai, the following day, to argue that military force was an incorrect method of approach was angrily outvoted, and subsequently adjusted by the Prime Minister himself, who seemed compelled to reiterate his willingness to employ force "if necessary". Naturally he insisted that the time when this should be used would be solely for India to decide. This by no means suited the African delegates, who consider that their destinies have not been committed to India's judgment. The only result thus seems to have been further suspicion, as in Belgrade, that India has lost some of her anti-colonial fervour. The truth that she has acquired a much finer sense of balance in the present international crisis seems to have been disregarded.

Equally unsuccessful have been the Prime Minister's attempts to convince Mr. Nikita Khrushchev in Moscow and President Kennedy in Washington that the proper course is to abandon nuclear testing. An Indian resolution, that the proper course is to abandon nuclear testing. An Indian resolution, that the proper course is to abandon nuclear testing. An Indian resolution, that the proper course is to abandon nuclear testing. The fact that the Soviet Union, seem, endeared the country to either side. The fact that the Soviet Union, the United States and the United Kingdom were all on one side against the resolution is significant, and it is ironical that India has had the singular distinction of placing them in an agreement on at least one point. It is probably that the Indian resolution, notwithstanding its "neutral" majority, was mistimed after the Russian blast of what might have been a 70-megaton bomb. But Indian opinion is fearful of all explosions, and it is probable that the Prime Minister correctly reflects Indian opinion which, as usual, is far more

concerned about its own view than about the likely repercussions of these views on the contestants in the Cold War.

The Shadow of the Hustings

EVEN while these major international issues attract attention, the main interest at the current time is in the elections in March 1962. The shadow of the hustings has already thrown itself across the political life of the country with some unseemly controversies on the grant of "tickets", particularly in the Congress Parties of Uttar Pradesh and Bihar. It is not doubted that the Congress will have a majority, though it might be considerably reduced in the Centre as well as in some States. Much depends on the alliances which, for the first time, are likely to be effective against it. This is particularly true of the Punjab and Rajasthan. It may conceivably affect Uttar Pradesh also. But the spotlight of interest rests on the North-Bombay constituency where Acharya J. B. Kripalani, a former President of the Congress Party, is now standing as an independent against Mr. V. K. Krishna Menon, in a key election in which foreign and defence policies are figuring prominently. The chances are described at this moment as equal, and the election fever on both sides has been heightened by the uncertainty which prevails on the attitude of the Maharashtra Samiti which ostensibly favours Krishna Menon, but might be forced, because of the attitude of the Hindu Mahasabha, to set up a candidate against him. If the Maharashtrian vote is divided, Acharaya Kripalani's chances will be greatly improved. It is undoubtedly true that, if Mr. Krishna Menon is defeated, this will be a defeat for the Prime Minister himself. Mr. Nehru has already taken a hand in the campaign, but his pre-occupations are so numerous that his intervention may not be sufficient to decide. Incidentally, the fact that votes are still estimated in blocks—like language and religion—indicates that national integration, of which much has been heard in the quarter, is still some distance away.

India,

November 1961.

PAKISTAN

RELATIONS WITH AFGHANISTAN

THE rashness with which Afghanistan first sealed its borders with Pakistan on September 3, and then broke off diplomatic relations with this country, is an exercise in brinkmanship to which only an utterly autocratic régime, flagrantly insensitive to its own public opinion, could resort. For in going to such extremes, the Afghan rulers have not only further contributed to instability in an area which has somehow been dragged into the cold war orbit, but have already brought a good deal of hardship on their own people by wilfully denying them transit facilities which Pakistan has always readily provided to her landlocked neighbour. About \$2,800,000 worth of Afghan trade is carried through Pakistan annually, and she is even now prepared to continue according normal facilities irrespective of whether diplomatic relations with Afghanistan are restored or not. Yet irredentism, an anachronism in this nuclear age, has so obsessed the minds of the Afghan rulers as to make them completely blind to realities. They are prepared to cut their own throats to spite another's face.

It would appear that Afghanistan was constrained to resort to such drastic steps because of Pakistan's closure of her consulates at Kandahar and Jalalabad and her demand that Afghan consulates at Peshawar and Quetta and trade agencies at Peshawar, Parachinar and Chaman be closed. But such an assumption is quite untenable. Since 1959 Pakistan had repeatedly protested to the Afghan Government against its persistent harassment of the officials and staff of Pakistani missions and consulates in Afghanistan. Not to speak of according normal diplomatic privileges and facilities to them, they were denied even such utility services as those of domestic servants, electricians, mechanics and plumbers. Even shopkeepers, for fear of incurring official displeasure, hesitated to sell these the necessities of life. Telephones of senior Pakistani diplomatists were disconnected. They were shadowed by members of the Afghan Intelligence and often insulted publicly. Under such conditions Pakistani diplomatic establishments in Afghanistan had become completely paralysed and could not discharge the normal functions for which they were set up.

In sharp contrast to this, Afghan diplomatists in Pakistan brazenfacedly and impudently interfered in the internal affairs of this country. Under cover of diplomatic immunity they operated espionage rings to promote sabotage and to stir unrest. A report published in the *New York Times* spoke of several Afghans arrested in Pakistan who "had confessed that they had taken orders from Afghan officials". Pakistan had, therefore, no alternative but to take the inevitable logical step, which in any case was long overdue, in closing its consulates in Kandahar and Jalalabad and in asking Afghanistan to follow suit. Obviously it did not serve the purpose of the ruling clique at Kabul to see things in their correct perspective. Amidst news of the massing of Afghan

Askaris along the Durand Line came the announcement that Afghanistan would sever diplomatic relations with Pakistan within a week unless she rescinded her decision. Surely the Afghan rulers could not possibly have hoped that Pakistan could ever bow to such an ultimatum. But intent as they were to give a new lease of life to the long-lost cause of Pukhtunistan, they precipitated a crisis with Pakistan which, they hoped, could warrant a U.N. intervention, and brought about the threatened rupture on September 6.

Whether or not Afghanistan can ever bring this phoney issue before the United Nations, she has, nevertheless, succeeded in stampeding America to act in a manner which certainly cannot be characterized as sagacious. In the first instance the Pakistani authorities were known to be under American "persuasion" not to close the consulates at Kandahar and Jalalabad. This looked an extraordinary exhibition of double standards, for America was not known to be "persuading" the Kabul authorities to desist from their pre-meditated and endless provocations against Pakistan. Such persuasion was bound to fail. What was worse it smacked of unwarranted pressure on Pakistan.

A few weeks later, a hand-out issued by the United States Information Services created doubts about America's stand on the Pukhtunistan issue. Quoting U.S. officials in Washington, it referred to the rupture of diplomatic relations between Afghanistan and Pakistan and said that the border between the two countries "was closed after several weeks of charges and counter-charges over long-standing boundary disputes". It added that the U.S.A. "urges Pakistan and Afghanistan to reach agreement on their problems and reopen their common border". The hand-out did not specify "the problems", but said that "the United States is not pressing a specific formula for settlement of old differences", again leaving the "differences" unspecified.

In conducting international affairs such ill-advised and ill-conceived attempts pass comprehension. There is no boundary dispute between Pakistan and Afghanistan. The Durand Line, demarcated as far back as 1893 and affirmed by the governments of Afghanistan and British India in 1905, 1919, 1923 and 1930, is the legal border between them. To suggest or even to imply that it could now be made a subject of discussion is to succumb to international blackmail. Pakistan was, therefore, right to protest to America against this objectionable press release. A Foreign Office spokesman described it as "unnecessary, misconceived and unfortunately worded". He added that in some respects, as for example in their reference to some "boundary disputes", they were factually inaccurate and tended to be misleading.

It has long been the dismay of Pakistan that her friends do not give her the unstinted support she deserves. The patent absurdity and injustice of the Pukhtunistan demand is so far-fetched as to merit summary dismissal. Afghanistan's allegations that the Pathans in Pakistan are not happy are belied by facts. From its very inception Pakistan has striven to bring peace and tranquillity to its tribal belt, a region notorious for its turbulence before 1947. The first move in this direction was made by the founder of Pakistan, Quaid-e-Azam Mohammad Ali Jinnah. Within three months of its coming

into being, he withdrew the country's armed forces stationed at cantonments and strategic areas within the tribal belt. Simultaneously, concerted efforts were made to raise the standards of living of the tribal people. In the short space of time that has elapsed since, hundreds of schools have been opened, hospitals, dispensaries and clinics provided, metalled roads laid and encouragement given for cottage industries. Today the Pathans' traditional concept of subsistence economy is being shattered. They have a new sense of destiny, and are playing an increasingly important role in conducting the affairs of the country. The President of Pakistan, the Governor of East Pakistan, the Minister for Railways and Communications and the Commander-in-Chief of the Army are all Pathans. In the face of all this, one cannot help feeling that apart from their irredentism, the Afghan rulers desperately cling to their Pukhtunistan demand, for fear of repercussions that the prosperity of the Pathans in Pakistan could cause among their downtrodden brothers across the border.

Afghanistan's empty demand to hold a plebiscite among the Pathans of Pakistan could recoil on herself, inasmuch as they have already cast their lot with Pakistan by an overwhelming vote under a free and unfettered plebiscite in July 1947, a month before Pakistan came into being. Would the Afghan Government be prepared to hold a plebiscite among the Pathans living in its territory to determine whether they would like to remain in Afghanistan or secede from it? Further still, if the frontier of the country has to be determined on linguistic and ethnic bases, as demanded by Afghanistan, it could lead to her own disintegration. There are 12,000,000 people in Afghanistan. Of these only 3,500,000 speak Pushto and the rest Persian, Turkish, Tajik and Uzbek. All these non-Pushto-speaking parts of Afghanistan should, on this basis, be integrated with neighbouring countries.

There is plenty of evidence that in Afghanistan itself there is little enthusiasm over the Pukhtunistan project. Recently the special correspondent of *The Times* said in a dispatch:

From the early 1950s observers have been reporting from Kabul that some members of the small ruling circle were ready to write off the cause [Pukhtunistan], judging it not only hopeless but dangerous for the country. One can hear hints to that effect today, but those who know the Prime Minister, Sardar Daud, believe that for him the commitment is unshakable. For Afghanistan the question may become, what will be the consequences of the rulers' commitment to a lost cause?

In all probability Afghanistan could not have continued pursuing the Pukhtunistan demand with the vehemence it does, had it not been for unqualified support from Russia and now, at least indirectly, from India. Addressing a press conference in New Delhi on September 17, the Indian Prime Minister, Mr. Jawaharlal Nehru, said that he did not know what was India's position now or what it should be regarding the status of the Durand Line, for many new factors had come in and it had become a complicated matter. Yet the Interim Government of undivided India, headed by Mr. Nehru himself, had warned Afghanistan in 1947 that any attempt to change

the status of the Durand Line would be an unwarranted attempt on her part to interfere in the internal affairs of India. Perhaps Mr. Nehru did not realize that in thus queering the pitch for Pakistan he was, though inadvertently, creating difficulties for himself in regard to the undemarcated McMahon Line which divides Communist China from India. Significantly, however, in reply to Pakistan's protest against Mr. Nehru's remarks, the Government of India reaffirmed that the Durand Line was the legal boundary between Afghanistan and Pakistan.

At the time of writing, President Kennedy's personal envoy, Mr. Livingston T. Merchant, is busy exploring possibilities of Afghanistan's obtaining transit facilities through Pakistan. It is noteworthy that, after the Afghan Premier had demanded a guarantee by Pakistan for granting the right of "self-determination" to the Pukhtoos as a condition to the restoration of diplomatic relations between the two countries, Mr. Merchant has categorically stated that his mission was confined to discussing the question of transit trade and nothing else.

Pakistan, for her part, is only too willing to facilitate a speedy clearance of Afghan goods, which, in the meanwhile, have congested her sheds and ports and immobilized a large number of her railway wagons. But she will not resume diplomatic relations with Afghanistan unless there are, in the words of President Ayub, "very good guarantees" from the Kabul régime. Nor would she be put under pressure to discuss Afghanistan's irredentist claim on her territory, which a leading Indonesian paper so aptly described as "a criminal one because it would eat into the vitals of the Republic of Pakistan like white ants".

Pakistan,
November 1961.

CANADA

FINANCIAL ANXIETIES

THE Canadian people are approaching another winter in a mood of considerable perplexity about their future. They are being told by spokesmen of their Government that the recession is at an end, that the number of workers in employment is the highest in the country's history and that the march to higher levels of national prosperity has been resumed. But at the same time they note with some alarm the figures about the gross value of national production: they show that in the first quarter of 1961 it was roughly 1·21 lower than in the last quarter of 1960 and that in the second quarter the rise of 1·7 over the figure for the first quarter was small by comparison with the increases recorded for other countries like Japan and West Germany. They have been accused of habitual indolence by Mr. Neil Mackinnon, President of the Canadian Imperial Bank of Commerce, and Mr. George Hees, the Minister of Trade and Commerce, lately shocked an audience in Toronto by saying:

Canadian industry has become soft and flabby. We should be ashamed that Europe is outclassing us. If we do not get into condition soon, our factories will be empty, our people unemployed and this will be a miserable country.

They are disturbed about the state of national finances with a deficit of 750 million dollars forecast in the Federal Budget for 1961-62 and they see no prospect of immediate relief from a heavy burden of taxation. The reduction of the number of unemployed from a peak figure of 750,000 in February to 308,000 in September is very encouraging, but the number of unemployed seeking jobs in the latter month was still 3·5 per cent of the civilian labor force and the gain in employment during the year has been much greater in the servicing and distributing trades than in the productive sectors of the economy. There is also widespread disquietude about the future fortunes of Canada's export trade, always a governing factor in her prosperity, if Britain as the price of admission to the European Economic Community has to cancel the tariff preferences now accorded to Canadian exports in her market. The transformation of the exchange value of the Canadian dollar in relation to the American dollar has been beneficial to the exporting interests, but there has been no real curtailment of her heavy adverse balance in transactions with the United States and the American acquisition of control over Canadian enterprises has been continuing.

Then a deep confusion in the mind of the Canadian public about the merits of their political parties is reflected in the results of a Gallup poll taken at the end of September, which found that 26 per cent of the voters tested were undecided about their preferences. They also showed that the percentage of popular support enjoyed by the Diefenbaker Ministry had been reduced to 38 per cent as compared with 48 per cent in May 1960. The Liberal Party has been greatly encouraged by the revelation of the poll that with a quota of 44 per cent they are now running well ahead of the Progressive-

Conservatives in popular favor and their leader Mr. Pearson has in a series of speech-making tours, which he has undertaken during the summer, shown a marked improvement as a "grass roots" campaigner; but it is still doubtful if he has convinced the country that a first-rate specialist in diplomacy would prove a competent Prime Minister for Canada. There is also considerable criticism among his supporters of his tendency to choose as the inner circle of his advisers men without any practical experience of politics, and it evoked from one veteran Liberal Senator the sour comment that "in running the affairs of the Liberal Party today there is no place for practical politicians, only eggheads are wanted".

The New Party

MOREOVER, both the senior parties have to reckon in the next general election with the challenge of the New Democratic Party, formed by an alliance between the C.C.F. and the Canadian Labor Congress, whose adherents number over a million, and are committed to a radical program, which lays more emphasis upon planning than upon adventures in State socialism. It has in Mr. T. C. Douglas, who has been Provincial Premier of Saskatchewan for 17 years, a very experienced and formidable leader. He presents to the public on television a more attractive personality than either Mr. Diefenbaker or Mr. Pearson and he has a great capacity for the logical and lucid discussion of current issues, reinforced by a fund of wit and humor and a flair for the telling phrase. It is true that the Gallup poll showed that the ratio of popular support, 12 per cent for the New Democratic Party, had only risen 1 per cent above the figure recorded for the now defunct C.C.F. in January, but its organizers explain the slowness of its gain on the ground that Mr. Douglas, having been absorbed in arranging for the transfer of power in Saskatchewan to his successor, has not yet begun to campaign seriously in the Federal arena. They predict confidently that, when he gets into his stride, he will garner many votes from people who are not Socialists and capture at least 40 seats. The Social Credit Party, which at present has no representation at Ottawa, has been supplied with an energetic new leader in Dr. R. H. Thompson and it will probably regain most of the seats in Alberta which it held in previous Parliaments. Accordingly, it looks as if a general election held in the near future would not yield a clear majority for either of the old parties and that the balance of power in the next House of Commons would reside with the junior parties. But few intelligent Canadians would be happy about entrusting the administration of their affairs to an unstable Coalition.

The Federal Parliament was able to dispatch its business so quickly after it reassembled on September 7 that prorogation was achieved in three weeks. The Government facilitated this achievement by postponing a long overdue revision of the Immigration Act and some other measures included in its program, and by deciding not to prosecute any further its quarrel with the Liberal majority in the Senate over the refusal of the latter to arm the Minister of National Revenue with arbitrary powers, from which there was no right of appeal, to make rulings about what constituted "goods of a class or

kind not made in Canada". The parties in opposition co-operated by not insisting upon a severe scrutiny of the estimates of about half of the Departments, which had not been touched at the adjournment in July; and a promise that during the next session serious consideration would be given by the Government to a reform of present antiquated procedure about divorce cases from Quebec and Newfoundland induced Mr. Howard and Mr. Peters (two members of the C.C.F.), who last session had obstructed for weeks the passage of a mass of divorce bills passed by the Senate, to suspend the fulfilment of their threat to renew their blockade.

If the session with the record of 174 sittings was the longest in the history of the Federal Parliament it was also one of the most turbulent and most productive. The parties in opposition, despite their numerical weakness, were able to hold their own with the Government in debate and often drive it into difficult corners. And the debates revealed that by-elections had brought into the House of Commons three young politicians of high promise in Mr. John R. Mathieson and Miss Judy Lamarsh, both Liberals, and Mr. W. P. Pitman, the first elected representative of the New Democratic Party.

During the second half of the session Parliament passed legislation which aimed to provide a long-term solution for the problem of making better use of land which is now unproductive; approved of an increase in the allowance for war veterans; established and endowed with a fund of 5 million dollars a national council, which will encourage amateur sports and try to improve the nation's physical fitness; amended the Criminal Code by changes which provided for a category of crime called non-capital murder to be exempted from the penalty of death; for stricter control over the traffic in narcotic drugs and wider treatment of sex offenders. A new arrangement for the sharing of taxation between the federal and provincial governments, before it was endorsed, encountered bitter opposition from both the parties in opposition on the ground that it was a disastrous retrogression to the anarchy of earlier arrangements, but there was no serious opposition to a Bill which enlarged the membership of the Canadian Tariff Board. There was also established a Royal Commission, whose investigations now begun are intended to pave the way for the inauguration of a national system of health insurance; and the Government has appointed another Royal Commission with instructions to examine the financial structure of Canada and make recommendations for improving its efficiency. The total list of measures passed makes a very impressive catalogue of legislative achievement, but some commentators on the session assert that the work involved could have been accomplished in half the time if members on both sides of the House had been able to resist the temptation to use the floor of the House of Commons as a platform for electioneering in the belief that an appeal to the voters was imminent.

Foreign Policy

THERE were during the session several interesting debates on Canada's policy about international problems. Mr. Howard Green, the Secretary for External Affairs, who enjoys the respect and goodwill of all parties for

his liberal attitude to them and his assiduous advocacy of general disarmament at the sessions of the United Nations, was able to win from the Opposition a general endorsement of his policies; and Mr. Pearson for the Liberals contented himself with mild criticisms of some features of them and advocacy of a strengthening of the political structure of the N.A.T.O. alliance and giving it an economic basis. There was also almost unanimous support for the decision of the Government to support the stand taken by the leaders of the Western democracies about West Berlin, but it was qualified by warnings from speakers like Mr. Mathieson (Liberal) and Mr. Herridge (C.C.F.) that a multitude of Canadians, who recalled the calamities inflicted on the whole world by the German people in two wars, could not understand why the leaders of the West were so worried about the fate of the 2½ million Germans living in West Berlin that they were willing to risk for their sake the horrendous devastation of a nuclear war. The C.C.F. were the only definite supporters of Canada's recognition of Communist China, but the inclination of the Government, of which there have been signs, to give sympathetic consideration to such a move have been strengthened by large sales of Canadian grain to Communist China and by the friendly visit of a delegation of business men from that country, whose objective was an expansion of trade with it, a project which is very popular in British Columbia.

The problem of an adequate program of defense for Canada also received considerable attention and apparently caused a sharp controversy in the Cabinet. Colonel Harkness, the Minister for National Defense, succeeded after a hard battle with Mr. Fleming, the Minister of Finance, in persuading a majority of the Cabinet to sanction a rise in the ceiling for the total strength of Canada's armed forces from 120,000 to 135,000 and an increase in the strength of the Canadian forces now serving overseas under the control of the N.A.T.O. command from 12,000 to 14,000. Mr. Fleming was justifiably fearful that the additional outlays on defense would aggravate his budgetary difficulties, and after the increases were announced the Treasury made public a memorandum which argued that the existing establishments of the armed forces contained so many superfluous men that they could be reduced by 30,000 without any loss of efficiency.

There has also been a division of opinion in the Cabinet about the equipment of Canada's armed forces with nuclear weapons. Colonel Harkness insists that without them they cannot make an effective contribution to the defeat of Communist aggression. Four kinds of armaments, the Bomarc and Honest John Missiles and two types of planes ordered for the Royal Canadian Air Force are designed to use nuclear warheads if they are available; and the launching sites planned for the Bomarcs near North Bay, Ontario, are virtually constructed. But Mr. Green is a firm opponent of Canada's adoption of nuclear weapons and it is hard to imagine that his efforts to persuade the Kennedy administration to give the necessary sanction for their use by Canadian forces have been very strenuous.

The pronouncements on the subject made by Prime Minister Diefenbaker have been distinctly equivocal. When he was questioned by a spokesman of a body called the Canadian Committee on Radiation Hazards he said that

there would be no nuclear arms for Canada in a time of peace; but in answer to a further question whether this ban applied to the Bomarc missiles and to the F-104 G fighter planes now being supplied to the squadrons of the Royal Canadian Air Force now stationed in Europe, he said:

They are equipped so that if nuclear weapons become necessary in the event of war they would be available.

And he added later:

If there was a nuclear war the North Atlantic Treaty Organization would have to have nuclear weapons but they would not be used offensively.

But it is hard to reconcile this statement with the declared strategy of the United States, a member of N.A.T.O., because its Strategic Air Command has its planes equipped with long-range missiles with nuclear warheads for the avowed purpose of bringing retaliatory destruction to the heart of Russia.

Later after President Kennedy had announced that his administration had no immediate intention of supplying nuclear weapons to any of its allies, Mr. Diefenbaker said to a press conference:

I am not telling you something that is a matter of security. I am simply telling you that if there is no extension of the nuclear club, then all other answers are available.

So the Opposition in Parliament with the backing of the *Toronto Globe and Mail* demanded without success from the Government an explicit statement of the Government's policy about nuclear armaments for the purpose of ending the confusion of the public mind, which has been created by cloudy and sometimes contradictory statements made by Ministers.

Great Britain and the Common Market

THE problems that would face Canada as a result of Britain's admission to the European Economic Community have continued to provoke keen discussion and sharp controversy throughout Canada. Undoubtedly there is genuine anxiety in the minds of the Diefenbaker Ministry and of leaders of industry, commerce and agriculture about the adverse effects upon Canada's export trade of the cancellation of the preferences now available to Canadian products in the British market. Mr. R. D. L. Kinsman, the President of the Canadian Exporters Association, on the pessimistic assumption that no real modification of the existing tariffs and quotas of the E.E.C. will be secured by the British negotiators, has estimated that Canada might well suffer the loss of 40 per cent of her export trade with Britain, whose value in 1960 was 915 million dollars, that another 370 million dollars worth of trade would feel the impact of the new arrangements and that certain other markets in Europe might become unprofitable, as the new agricultural tariffs and quotas became effective.

But there is widespread criticism in Canada about the bellicose attitude adopted by the Diefenbaker Ministry towards Britain's new trade policy. The pronouncements of Mr. Fleming and Mr. Hees at the Commonwealth

Conference held in Accra were attacked in Parliament by leaders of the Opposition, as tantamount to an ultimatum to the Macmillan Ministry that it must choose between the Commonwealth and the E.E.C. But the Prime Minister as well as Mr. Fleming and Mr. Hees repudiated this charge as false, and later Mr. Fleming in a speech denounced the Liberals for employing what he called the "tactics of the big lie" to distort the attitude of the Government towards British trade policy.

However, the independent *Toronto Globe and Mail* has refused to accept the ministerial attempts at exculpation and condemned them in a critical editorial, part of which ran as follows:

It is doubtless true that Britain has not been explicitly threatened with the dissolution of the Commonwealth. It is also true, however, that there have been thinly veiled threats that this is a possibility. Mr. Fleming, the Minister of Finance, warned at the Conference of Commonwealth Ministers at Accra that if Britain made the move, the Commonwealth would never be the same again. The official communiqué issued after the meeting and regarded as a triumph for the Canadian group declared that the entry of Britain into the Common Market would fundamentally alter the relationship between Britain and the Commonwealth. And yesterday Mr. Howard Green, the Secretary for External Affairs, suggested that, if Britain did join the trade block, she might sacrifice her claim to leadership of the Commonwealth.

The concluding verdict of the paper was that, while Canada might well lose some trading advantages in the British market, the loss might well prove less painful than was supposed in some quarters and that in any event, until Britain's proposals for entry and the reaction of governments adhering to the E.E.C. were known, "it would be advisable to halt the present spate of clamant opposition in Canada".

The problems which would be created for Canada by Britain's entry have been exhaustively discussed at meetings of the Canadian Chamber of Commerce, the Canadian Exporters Association and other bodies, and at them powerful voices have been raised in criticism of the Government's attitude. Mr. E. P. Taylor, one of Canada's leading tycoons, declared in a speech that after the United States, Canada's best market,

Our priority in growth potential should be the 180 million people in the Common Market who are now buying 8 per cent of our exports. If one adds Britain and other countries of the Outer Seven, our stake in western Europe increases to 27 per cent of our exports. This vigorously growing area should provide in the years ahead substantially increased markets for many of our industrial raw materials and some fabricated products.

Mr. Norman R. Crump, President of the Canadian Pacific Railway, has suggested that while the short-term interests of Canada might be damaged by Britain's entry to the E.E.C. there were in it long-term possibilities for expanding Canada's trade with Europe; Mr. Francis Cleyn, Director of the Primary Textile Institute of Canada, has spoken of the possibilities of Canadian investments in Europe, which might lead to new markets for exports; Mr. Eric Kierans, President of the Montreal Stock Exchange, has argued that

Canada should apply for associate membership in the E.E.C.; and Mr. John R. Bradfield, the President of Noranda Mines, one of Canada's largest mining companies, has expressed the view in an address to the Toronto Branch of the Canadian Institute of Mining and Metallurgy, that a union of the two European trade blocks would give a great stimulus to world trade by raising European standards of living, that large tonnages of raw materials would be needed to meet the expanded demand in Europe and that Canada would find herself in a good position to expand her export trade by supplying ores, metals and semi-fabricated products.

The Canadian Chamber of Commerce at its annual meeting in Halifax passed a resolution calling on the Canadian Government to examine possible new opportunities which should open up in Europe as a result of Britain's move. In the Canadian Manufacturers' Association there is apparently a sharp division of view; the pulp and paper companies and aluminium interests and other primary producers are ready to support any moves which will save Canada from economic isolation, but most of the secondary industries dislike the idea of any curtailment of their present scale of protection, which entry into a wider trading block would remove. When the ten provincial Premiers of Canada held in mid-August a conference at Charlottetown, P.E.I., a question paper addressed to them produced replies in which there were variations and shades of opinion about the trading problems now confronting Canada, but none of the Premiers supported the attitude of the Diefenbaker Ministry. For example, Premier Frost of Ontario thought that Britain's entry to the E.E.C. would involve major adjustments for Canada, but Canadians were adjustable people and they must take cognizance of the fact that the expansion of trading areas was a feature of modern life. Premier Lesage of Quebec held that, while the effect on Canadian trade might be adverse, Britain had no alternative but to form some association with the E.E.C., and Premier Douglas of Saskatchewan favored Britain's entry to the E.E.C., provided Canada's markets in Europe could be preserved, and held that their retention could best be assured by Canada's joining the E.E.C.

Undoubtedly, the Diefenbaker Ministry has been impressed by the volume and formidable nature of the criticism which has been directed against its hostile attitude to British trade policy and there are signs of a modification of it. Certain journalists friendly to the Government have been disseminating the theory that it always had an open mind on the subject and that the motive behind its opposition was a desire to strengthen the hands of British negotiators with the E.E.C. Mr. Hees continues to argue that it would be impossible to tear down Canada's protectionist structure and expose her industries to the unregulated competition of countries with lower standards of living and wages. But at the same time he has announced that the economic and financial experts of the Government are being set to work to study the implications of the E.E.C. and the probable consequences of Britain's admission to it for Canada. There is also to be an investigation of ways and means of expanding Canada's trade with other members of the Commonwealth and of the possibilities of the creation of an Atlantic trading area. This last inquiry would represent a complete *volte-face* on the part of the

Government. When Mr. Pearson last March made the first of his numerous pronouncements in advocacy of an Atlantic trading block, Mr. Fleming for the Government rejected his proposals curtly on the ground that they would violate the principle of multilateral trade, to which the Government was firmly committed.

Socialism in the West

IN August the Social Credit Ministry now ruling British Columbia made a completely unexpected move when it suddenly by a special act of the legislature expropriated and brought under public ownership the properties not only of the British Columbia Electric Company, the largest private power corporation in Canada, but also of the other power companies operating in the province. This extraordinary action on the part of a Ministry which about a year ago had received a fresh mandate as a defender of the system of free enterprise naturally secured the support of the Socialist opposition, who had campaigned during the election for the expropriation of the B.C. Electric Co., but it evoked bitter protests from the officials and shareholders of the expropriated companies, from organizations of financiers and business men and from influential newspapers, the chief grounds of complaint being that the compensation in provincial bonds offered to several classes of shareholders was quite inadequate and that a damaging blow had been dealt to Canadian credit abroad.

Included in the "takeover" was the interest of a group headed by Mr. Axel Wenner-Gren, a Swedish capitalist, in a huge power development on the Peace River in the northern section of the province, which Premier Bennett had encouraged, and he has announced that work on it as a State enterprise will be started immediately and claimed that it will produce enough power to meet the needs of British Columbia for a good many years ahead at a cheaper price than the alternative power project on the Columbia River could.

But since the Diefenbaker Ministry is firmly committed by a treaty signed at Washington to a partnership with the United States for harnessing the waters of the Columbia to produce power, which is urgently needed in the Pacific states, it is seriously embarrassed by the drastic action of the Bennett Ministry. The Congress of the United States has ratified the treaty for partnership, but similar action could not be taken at Ottawa until a dispute about financial terms and other matters with the Bennett Ministry, whose co-operation is essential, was settled. Mr. Fulton, the Minister of Justice and the chief negotiator of the Treaty, has revealed that the Kennedy administration is pressing strongly for Canada's ratification of the treaty and the implementation of its terms, and has given warning that the exhaustion of its patience by a further delay may result in its withdrawal from a satisfactory bargain, which was reached after prolonged negotiations.

But apparently Premier Bennett, freed from any immediate need for power from the Columbia, will only co-operate for its production on his own terms. The treaty provides that Canada, in whose territory the storage dams are to be built, will get an equal share of the benefits of the power produced in plants downstream in American territory and Mr. Bennett insists that he

must be allowed to sell to the United States for cash on a long-term basis the Canadian share of the downstream benefits from the Columbia scheme. But Mr. Fulton has declared that his Government will only sanction their sale on a short-term basis so that the power thus sold can be recovered whenever it is needed in Canada. Accordingly, a complete deadlock about the power project on the Columbia has been reached and relations between the Diefenbaker and Bennett Ministries are much strained.

Canada,
November 1961.

SOUTH AFRICA

GREAT BRITAIN AND E.E.C.

IN so far as South Africa has paid any attention to the European Economic Community at all, it has been to regard the Common Market with vague benevolence. Even now, when urgent discussions are being held between Great Britain and the other members of the Commonwealth over the safeguards for inter-Commonwealth trading interests which Britain is to try to embody in the conditions for her accession to the Community, nobody seems perturbed that the ex-member of the Commonwealth, South Africa, is left on one side. Whether, in fact, consultations between Pretoria and London are being held, despite the omission of South Africa from the itinerary of the British Ministers, is not known; and if they are being held, it is not known at what level they are taking place nor with what attention to practical detail. The South African Government is quite capable of refusing to give such information to the public, so marked is the attitude of personal proprietorship over the nation's affairs which its leading members assume. It is, however, a rather astonishing fact that even in the course of an election campaign there has been virtually no demand for any such information to be given.

An explanation may be that South Africans feel either that it does not affect them or that there is nothing that can be done about it.

A reason for the first attitude can be discovered from glancing at the composition of South African exports. Of the ten most important items in 1960, six (viz. atomic materials, wool, diamonds, asbestos, hides and skins and copper) will be imported into the countries of the European Economic Community free of duty. The effect of the loss of British preferences which are granted at present on asbestos, copper and certain hides and skins would be insignificant. These six commodities formed nearly 40 per cent of South Africa's merchandise exports in 1960.

The other four major export commodities are fruit, maize, fish and sugar, which together accounted for 14 per cent of South Africa's total exports in 1960. Of these, fish exports are unlikely to be much affected by Britain's joining the Common Market, but fruit, maize and sugar exports probably would be. The most important of these is fruit (fresh and canned) which at £34 million was South Africa's fourth most important export, coming just below diamonds. Unfortunately, although the loss of British preferences would be a hard blow to the South African fruit industry, the prospects for canned fruit are now none too favourable, even if Britain were to remain outside the Common Market, as a result of the removal of Britain's restrictions on dollar sources of supply. In the case of sugar, South Africa has already been excluded from the Commonwealth Sugar Agreement; and though British preferences on imports outside the Commonwealth quotas will presumably remain, export prospects for the South African industry seem rather bleak, whether Britain joins the European Economic Community or not.

In the case neither of fruit nor of sugar can South Africa hope very much for a compensating growth of exports to the E.E.C. In the long run this may not be true of citrus fruit; but it depends largely upon the possibilities of greatly increased consumption as personal incomes at the disposal of Europe's inhabitants increase. Thus a second reason for the lack of interest shown in South Africa over Britain's application to join the Common Market is a certain fatalism about the export branches upon which the adverse readjustments are likely to be concentrated.

Yet there seems to have been insufficient reason for the complete exclusion of South Africa from the round of ministerial visits by Mr. Hare, Mr. Sandys and Mr. Thorneycroft. One of their objects was to reconcile the interests of participants in the Commonwealth preferential customs tariff system with the new obligations which Britain would have to undertake as a member of the E.E.C., which involves acceptance of its common external tariff. But even if the Republic of South Africa is no longer a member of the Commonwealth, it is still a participant in the Commonwealth preferential system by virtue of a number of bilateral treaties which are still in force. If we have not been misled in the assurance that South Africa's participation in the preferential system is still enshrined in these arrangements (particularly those with the United Kingdom), the absence of formal consultation is regrettable.

One of the disadvantages of a loss of Commonwealth membership which was foreseen by those who thought about these matters arose from a belief that Great Britain might be forced by circumstances to pay more attention to Europe and would have to be prepared to disturb some of the existing Commonwealth trading patterns, either as a condition of joining the E.E.C. or as a concession to fellow members of the European Free Trade Association. If the Commonwealth link had been snapped, as, in the event, it has, it was feared that South African interests would be the first to be sacrificed in any such readjustment and that the extent to which they would be safeguarded might largely depend upon whether they coincided with similar interests on the part of other countries still within the Commonwealth. For example, South Africa still might benefit from whatever arrangements can be made to soften the impact of Britain's joining the Common Market upon the Australian or Malayan fruit-growers or Australian wine-producers. Yet there is the danger that where interests coincide they also diverge, since this indicates some degree of competition. If readjustments unfavourable to any branch of Commonwealth production are unavoidable, there may well be an attempt on the part of the producers concerned to concentrate them upon those who are no longer in the Commonwealth. That is one reason why some are perturbed over the absence of South Africa from Commonwealth discussions. The eagerness with which South African sugar producers' competitors seem to have jumped at the opportunity of re-partitioning South Africa's quota under the Commonwealth Agreement may provide a foretaste of what is to come.

This somewhat apprehensive view is not shared by a rather more vocal section of the small minority of people who have as yet begun to take these problems seriously.

Amongst the various public attitudes which have been taken up since the loss of Commonwealth membership became known, is a pose on the part of some politicians and economists that this is a blessing in disguise, because it will leave South Africa freer to abandon participation in the Commonwealth preference system. Thus, it is argued, South Africa will be unhampered in negotiating more favourable trading terms in separate bargaining with the European Economic Community.

Even the generally cautious recent trade mission to Europe, led by Dr. J. E. Holloway, a former South African High Commissioner in London, goes rather out of its way to report on opinions expressed in Italy, that the break with the Commonwealth would improve the opportunities for Italian-South-African trade. The report also suggests that if Britain has to choose between the Commonwealth and the Common Market, which "is far more important than the Commonwealth markets", it will choose the Common Market and hints that South Africa ought to do the same. It puts out the tentative proposal, said to be based on discussions at the Brussels headquarters of the Community, that South Africa, which would balk at abandoning protection against European competition, might undertake to lower its tariffs according to an agreed programme after the lapse of agreed periods, which might be fairly long. Such an agreement would presumably be in terms of Article 238 of the Treaty of Rome.

Others, less cautious, have put forward ideas of joining the Community itself, which, on the part of a State outside Europe, is impossible; or have suggested that France and Belgium, disillusioned by the behaviour of their own former colonies in Africa, would jump at the opportunity of acquiring on the African continent a new associated territory, which was politically and economically stable, into which they would pour capital in place of investing it among the ingrates. This is so palpably at variance with the plans for Africa worked out by the Commission of the European Community and announced last August, that it probably deserves mention only as an indication of the flights of fancy of which the South African "political economist" is capable when he leaves the more usual introspective preoccupation with the uniqueness of his country's racial problems for an equally unrealistic final solution of the problems of its external economic relations.

The General Election

ON October 18 the White voters of South Africa went to the polls in a general election, the fourth appeal to this electorate in four successive years. In 1958 the Nationalists in a general election won two-thirds of the parliamentary seats; in the provincial elections of 1959 the performance was substantially repeated, although there was some sign of recession in some areas; and in 1960 the Nationalists won the republican referendum with a majority of about 70,000 votes in about 1,600,000 cast. In this general election the Nationalists have strengthened their position, increasing their seats in the Assembly by two and, for the first time in a general election since coming to power in 1948, producing evidence that the party has a small majority of the total votes.

In many ways it was a curious election. In the ordinary course of events an election was not due for another three years and, in terms of the parliamentary position, there was no cause for Dr. Verwoerd to make an appeal to the electorate. The Prime Minister himself has not clearly explained why he wanted this premature test of strength; his political opponents have suggested that he was playing for safety, fearing a marked deterioration in South African affairs in the next year or so and possibly concerned with evidence that in some parts of the Nationalist Party doubts are beginning to be felt of the practicability and morality of *apartheid*. In the event, the governing party did not put up candidates in 46 of the 156 parliamentary seats and there was no appearance for the opposition in 50 Nationalist-held seats. The election contest therefore boiled down to a United-Party-Nationalist battle in not more than about ten seats plus a United-Party-Progressive-Party struggle in a little more than a dozen seats.

The Nationalist Party appeal to the electorate was much the mixture as before—*apartheid*, not very rigorously defined, as a guarantee of the maintenance of White supremacy; an eventual partition of the country to provide the Africans with a means of fulfilling their political, social and economic ambitions; and vague expressions of benevolence towards the Coloured people and Indians and a total lack of explicitness about how *apartheid* will fit these communities into the South African pattern. This appeal, reinforced with appeals for White racial solidarity against internal and external threats from Black nationalism and with emphasis on the need for a "strong" government, brought home the parliamentary bacon in all the constituencies where the Nationalists made a full-out effort.

The main opposition came from the United Party in an electoral alliance with the National Union Party, the organization founded by Mr. Japie Basson* and led by Ex-Chief-Justice Fagan. The United Party rejected *apartheid* in principle and proposed a middle way—enlightened administration, consultation with all racial groups, full parliamentary representation for the Coloured people, some representation in Parliament for the Africans and a final but not too closely defined constitutional objective of a racial federation which, it was claimed, would give real and adequate representation to all South Africans while ensuring that control of the administration would remain firmly in civilized hands.

The Progressive Party contested about twenty seats, eleven of them the seats represented in Parliament by the former members of the United Party who hived off a year or so ago. They proposed to the electorate (on a substantial scale and for the first time) an explicit rejection of race discrimination, placing their faith in a franchise qualified by education and economic position but not by race to ensure the survival of civilized standards.

The United Party was thus forced to fight on two fronts, both in terms of the deployment of men and money and of ideology. The party strengthened its parliamentary position compared with that at dissolution by eliminating all but one of the Progressives, in spite of losing Queenstown in the Cape and a Pretoria seat to the Nationalists and giving up a safe seat to Mr.

* See THE ROUND TABLE, no. 204, Sept. 1961, p. 422.

Basson. Otherwise it fared badly, most seats showing substantial falls in the majorities compared with the referendum and the 1958 general election. The alliance with the National Union Party failed to produce any spectacular results in terms of votes.

The Progressives fought energetically, and candidly faced the implication, shocking to a South African audience, that their policy could conceivably result in a Black Prime Minister. On the whole they did better than could be expected in a South Africa where conservatism has been strengthened by what has been happening in the Congo, Kenya and the Rhodesias. In one respect they made history—for the first time a South African all-White constituency has returned a member of Parliament on an explicit policy of rejecting race discrimination. In other Rand and Natal constituencies the Progressives put up a remarkable fight, coming within a few hundred votes of victory in a number of seats. In all about 70,000 men and women voted for the advanced ideas of the Progressive Party which, taking into consideration the seats where the party did not stand, means that a substantial minority of the South African White electorate has made a marked advance in political thinking and that the Progressive Party is now a permanent factor in our affairs. The Progressives themselves claim to have been vastly encouraged and are throwing themselves energetically into the tasks of organization and propaganda.

This, then, was the outcome of the election, with the position at dissolution in parentheses:

Nationalist	105 (102)
United Party	49 (42)
National Union	1 (1)
Progressive	1 (11)

There are four members representing the Coloured people (elected on a separate roll and at a separate election) and the Nationalists thus have a majority of 50 over all parties. This is impregnable and guarantees a Verwoerd administration for the next five years unless the Nationalist Party precipitates a crisis by disagreement within its ranks.

The face of Parliament, at any rate on the Opposition side, has been substantially changed. The major loss is Mr. Harry Lawrence, a first-rate parliamentarian who for more than 30 years has played a prominent part in our affairs. The loss is the graver because he has been one of the very few English-speaking South Africans who in this generation have taken any real part in political public life. With the other Progressives there have also gone from Parliament a number of able and energetic young men whose talents can be ill spared. The balance promises to be redressed a little with the appearance under the United Party banner of a number of young men with good reputations. But they are new-comers and the final balance sheet must await the next session of Parliament.

South Africa,
November 1961.

NEW ZEALAND

NEGOTIATIONS WITH THE EUROPEAN ECONOMIC COMMUNITY

THE New Zealand attitude to the possible entry of the United Kingdom into the Common Market has been set out in two recent issues of THE ROUND TABLE: December 1960 and September 1961. The proposed agricultural policies of the E.E.C. are the main factor with which this country is concerned. If Britain were to join the E.E.C. without amendment of these policies (as they are at present understood), primary products from the E.E.C. Six would have duty-free entry to the United Kingdom and primary products from New Zealand, now enjoying unrestricted duty-free entry, would be subject to tariffs or quotas or a possible combination of the two. The Prime Minister, Mr. Holyoake, has described this as "disastrous" for New Zealand, and primary producers' organizations have used even stronger terms; for Britain is the Dominion's traditional market, and by far the largest. Mr. Duncan Sandys, Secretary of State for Commonwealth Relations, came to New Zealand in July and discussed the issues with Cabinet Ministers and the chairmen of the primary producer boards. The joint communiqué issued after the talks affirmed that the British Government fully understood the dependence of New Zealand agriculture on the British market and in negotiations for joining the Common Market "would seek to secure special arrangements to protect the vital interests of New Zealand and other Commonwealth countries and Britain would not feel able to join the E.E.C. unless such arrangements were secured". It was further undertaken that, if negotiations were opened, the New Zealand Government would be fully consulted at every stage. The Government has since arranged for a delegation to be in Britain to facilitate this consultation on what Mr. Holyoake has termed a "next-room basis" while negotiations are in progress. Until it is known what concessions can be obtained, or are possible, no estimate can be made of the effect on New Zealand and the country, already facing the problem of a serious scarcity of overseas funds, waits anxiously as the talks proceed.

A "Safe Driving" Budget

THE guiding principle of the National Government's fiscal policy in meeting its financial and overseas exchange problems had been stated by the Prime Minister, Mr. Holyoake, long before the Budget was presented. It was summed up in the phrase "No panic measures". The first Budget of the Minister of Finance, Mr. Lake, followed this pattern. It gave less than the optimists had hoped, but it demanded less than the pessimists had feared in view of the Dominion's balance-of-payments difficulty. It was an adaptation of the road-safety slogan: "Take it easy"—a call for safe driving when, as now, there are many blind corners ahead. This moderation won the Minister little praise. Some critics thought he was taking it too easy, and

many thought the Budget too negative, but views of what positive steps were called for largely cancelled each other out.

Nevertheless the Budget, while stating that the financial position did not permit substantial concessions, removed "certain anomalies and discriminatory forms of taxation" of which farming and business interests had complained, saying that they hampered the provision of finance for production. Chief of these were the higher death and gift duties imposed in 1958. It was argued that these compelled many businesses, and particularly farming, to keep a large proportion of assets liquid to meet duties, rather than employing them in the business, with consequent skimmed funds for maintenance, improvements and expansion, and this at a time when there is urgent need for increased returns. Under the new scale the duties in force before 1958 will be restored for estates over £80,000, and below that figure there will be a reduction on the pre-1958 scale. Another "disincentive" removed was the excess retention tax imposed in 1958 upon companies who retained more than 40 per cent of their profits after company dividends became taxable. This was modified last year, and this year Mr. Lake announced that it would be abolished, except for companies of a defined proprietary type. The Government also abolished the ready-money-making provision for prepayment of death duties. This had been sharply criticized as an inequitable gamble with death and few people were sorry to see it go.

Of definite incentive value were: extension of the tax-deduction allowance for farm developments; an initial depreciation allowance for farm-workers' houses and other employer-built homes; extension of the £30 exemption of interest from income tax to apply to all forms of interest, whereas previously it applied only to interest from Post Office, National Savings and Trustee Savings banks deposits and government loans. The total value of all concessions is estimated at £5,000,000 for a full year, and much less for the unexpired part of the current year. It appears that Mr. Lake has been careful to make his frugal sowing of concession seed only on good ground from which he may expect a crop of increased production and saving.

Before Parliament met, the Government and the Reserve Bank began action to restrain the high flow of imports and bank credits, and to tighten the hire-purchase system.* In the Budget the Minister stated: "These measures are steadily taking effect, but should they prove inadequate further action to reduce demand will be needed." A further measure of credit restraint has since been imposed. The Budget disclosed action in other spheres which should tend to reduce inflationary pressures. Government trading undertakings would be expected to meet their costs, including interest, and, where possible, make a reasonable contribution from their earnings for capital expansion. In accord with this principle, higher charges for bulk electric power (provided for four years ago, but suspended for three years) were reinstated, and charges for postal, telegraph and railway services were raised. A start was made with a long-overdue adjustment of rents for State houses. Rents are being increased to equate them broadly with the outgoings of other people in similar income groups who build their own houses with the help of 3 per cent State Advance loans. Later the Government will

* See THE ROUND TABLE, Sept. 1961, p. 432.

review the rents of tenants who have substantial incomes and are well able to pay an economic rent or build or buy a home. From these higher charges for rents and services the Government expects to collect £6,757,000. A cut in expenditure of approximately £2,000,000 has been requested by the Government from the National Roads Board.

The decision to raise State house rents is interesting in the light of a reference in the Budget to the need for directing a higher proportion of capital investment to directly productive undertakings. The Budget quotes comment from the Economic Survey for 1961 on the slow rate of economic growth in New Zealand as compared with other countries. "Part of the explanation for this", states the Budget, "lies in the amount we have invested in social capital such as houses, hospitals, and roads, which, while desirable and necessary, do not directly increase our output." The government contribution to this aim lies in a series of decisions to ease housing construction, to prune the works programme by deferring many projects, to offer inducements to increase primary production, to hold social security expenditure to present commitments so far as this is possible, to encourage saving by various means, including the issue of a new type of development bonds carrying tax concessions and premiums on maturity. The Government appears prepared to act in directing investment into directly productive channels. A joint report by the Treasury and Works Department has just been published recommending far-reaching measures to check spending, particularly in the construction industry in which demand exceeds capacity, with consequent heavily weighted costs. The Minister of Works, Mr. Goosman, has stated that this report will be implemented and the Government is considering the recommendations. The effort to increase productive investment will require to be sustained, for the obstacles are formidable. For example, expenditure from the Social Security Fund is estimated this year at £124.5 million, compared with £78.9 million in 1957-58. The Government is committed to maintain these expenditures, and the Budget notes: "... the relative burden can only be reduced by increasing the national income, thus widening the base on which they are charged". Again, works expenditure, after pruning to essentials, is estimated at £93.9 million. The estimate last year was £96.5 million, but the expenditure was £93 million because the building and construction industry could not meet demands made upon it. This, however, left the present Government with a legacy of uncompleted works. The Ministers of Finance and Works in the National Government are, unfortunately, the victims of an inversion of the Biblical parable of the man who began to build a tower without counting the cost, and was mocked by his neighbours because he could not finish it. Labour began to build the tower and National must count the cost while Labour looks on critically.

The core of the problem the Government faces is that standards have been set in welfare, public facilities and all forms of social progress, and commitments for further advances remain. How can this be done with lower earnings? The Minister of Finance sees the challenge facing New Zealand in this decade as the achievement of a faster rate of economic growth. For this it is essential that all should save more and invest more.

The Budget, he says, marks the beginning of the Government's programme to encourage this development.

An Economic Prescription

SINCE the preceding comment was written, the Monetary and Economic Council set up in April* has published its first report in a fifty-page brochure expressing its views and recommendations on the current economic situation. The Council regards the outlook as increasingly serious. The basic problem, the report states, is that the community is trying to sustain a level of spending which is too high in relation to the volume of goods and services. The serious deficit in the balance of payments and the danger of further inflation demand firm action, beyond that indicated in the Budget, to reduce consumer spending without delay. The report recommends: (1) Prompt introduction of a supplementary Budget to increase taxation by about £15 million in a full year, unless the Government feels able to reduce expenditure to an extent that will have an equivalent effect in decreasing consumer spending. A substantial proportion of the tax should be on wages and incomes and the remainder on commodities or services, especially those which require overseas exchange. (2) Further internal loans should be raised to supplement this restraint on spending. (3) The qualifications for capitalizing family benefits and 3 per cent housing loans should be reviewed with a view to reductions. (4) There should be continuing pressure to reduce trading-bank limits and advances. (5) The co-operation of the dairy industry should be sought in reducing the basic butterfat price for the current season by 5 per cent. (6) Restriction of import licences should be continued. (7) To ensure adequate finance to cover the 1961 deficit in overseas exchange, the Government should promptly request the right to draw £22.4 million from the International Monetary Fund and should early seek a long-term loan of about £15 million from the World Bank—to avoid too drastic a cut in imports in one year. The report states that New Zealand lived beyond its overseas income by £56 million in the last financial year and imports continue at about one and a half millions a week more than we can pay for from overseas earnings. Without further internal borrowing there may be a deficit of £30 million on the current year's Budget.

The Prime Minister, Mr. Holyoake, who had himself set up the Council and assured its independence, made immediate and lengthy comment on the report. There was substantial agreement between the Government and the Council on the corrective measures needed, he said, but differences on the nature and extent of some. He considered the Council had not attached sufficient weight to the measures already taken. The Government favoured a gradual approach in correction and did not favour "shock" measures such as the abrupt imposition of higher taxes. The Government would not introduce a further budget but would keep the position under review. The suggested tax on wages and incomes required detailed study. A further loan issue was being planned. The Council's recommendations for bank credit control conformed closely with present policy. The Government would

* See THE ROUND TABLE, Sept. 1961, pp. 432-3.

confer with the dairy industry to lessen the inflationary impact of the industry's deficit. Income limits for family benefit capitalization would not be altered. Only urgent or essential import licences would be granted in addition to those already approved for this year. Tentative arrangements, other than drawing from the I.M.F., had been made to cover the year's deficit in exchange; and negotiations had been started to borrow from the World Bank. With further internal loans and reduction of expenditure, there might be a small surplus and not a deficit on the current budget.

International Finance

ONE brief reference in the Budget provoked debate more heated and opposition more strenuous than that raised against all other financial proposals of the Government. This was the decision to join the International Monetary Fund, the World Bank and the International Finance Corporation. The Government had previously brought down a White Paper on the proposal and begun negotiations for membership of the Fund. The case for joining as stated in the Budget is that New Zealand "stands to gain considerably from access to short-term borrowing from the Fund, and from the availability of long-term capital through the World Bank for productive purposes". New Zealand's gold reserve (at the time pledged as security for a New York bank loan, but due for release on August 1) would provide for payment of the subscriptions to the three institutions and in this way the gold would be put to work more effectively. New Zealand was assessed on a quota of £44.6 million, of which about a quarter would be in gold and the balance in government securities bearing no interest. On this quota the Dominion would have drawing rights of £56 million of which up to £22 million could be obtained at relatively short notice. The cost, especially for short-term loans, would be substantially less than has been paid recently to strengthen our overseas reserves.

On the practical side, there appeared to be no argument against membership, save the wish that New Zealand should join as a helper rather than as a leaner. The opposition of the Leader of the Labour Party (Mr. Nash) seemed, indeed, to be based mainly on this sentiment. He attended the Bretton Woods conference and returned to New Zealand fully approving the aims of the organizations it brought into being. In opposing membership now, he told the House that in 1945 he would have been found fighting to join the Fund because of its objectives, though he did not know if his colleagues would have agreed; but New Zealand could not join then because Britain had not joined. He added that the Fund had set out to help hungry nations, but had not achieved that aim. Other protests from the Labour benches included the charge that the country was being "put in pawn" and that the proposal to join was "a black and infamous document ushered in by a Government wanting to go back to the good old days of boom and slump". Less emotional, but somewhat vague, objections were that the country's sovereignty would be impaired and particularly its control of internal economic policy, and it would be compelled to adopt policies causing unemployment. These objections the Government declared to be groundless.

As a member of the Fund, New Zealand could still control its rate of exchange if this were necessary to deal with a decline in overseas reserves, and control of imports was the concern not of the I.M.F. but of G.A.T.T. which New Zealand joined when Labour was in power.

The Reserve Bank and other expert advisers of the Government have for long advocated membership of the Fund and the Bank, yet the parliamentary battle raged for almost four weeks with many late sittings, much use of the closure and the presentation of petitions sponsored by the Labour Party and with 61,000 signatures praying that the issue be subject to a referendum—though Mr. Nash had earlier stated (as a plea for leisurely consideration) that he doubted if 500 people could be found who knew the complications of the Fund and the Bank. In the end the Bill was passed and the Minister of Finance hurried away to attend the annual meetings of the Fund and Bank.

The battle of the Fund was not noteworthy as a reasoned discussion of international financial organization. Indeed, in some quarters it was regarded as an unedifying play of politics, with international financial bodies as an ogre, or at least a bogymen. Adherents of Social Credit have so presented it; and both the Labour and the National parties have had dissident members, inclined to shudder in sympathy at the fear of a Wall Street invasion of our Welfare Utopia. Because both parties had doubts of the effect of Social Credit propaganda, they hesitated to join the Fund. Mr. Lake, with his Prime Minister's firm support, took courage and convinced National Party doubters. Labour, it appears, now hopes to profit by telling Social Credit sympathizers: "Codlin's your friend, not Short."

A Modern Knight Errant

AS the "Wall Street Bogymen" retired to the wings (until next election), the Government's own "unknown" was waiting to make a hesitant entrance. This was the Ombudsman, or Parliamentary Commissioner for Investigations, as he is billed for this appearance. The National Party promised in its election programme to set up an Ombudsman; and in a country over-populated by government and semi-government bodies, the promise had wide appeal. There are few people who have not at some time experienced the frustration of entanglement in controls, licences, permits, regulations and bylaws, interpreted, perhaps, by an unhelpful and bureaucratic officer. The unorganized common man, in such circumstances, feels that he is indeed the "odd man out". A Consumer Service has been set up to help him in his consumer role; but the Ombudsman is expected to do more—in fact to be a regular knight errant. The Bill to set up the office is, however, worded cautiously, and the powers, though as wide as those possessed by the Scandinavian Ombudsman, are less than some people expected; and these people are beginning to wonder if they have been told a story of the Wizard of Oz.

The Commissioner will have power to investigate complaints of administrative action by forty-four government departments and by specified boards and other organizations, including the armed services, police, social security commission and others. He may not investigate ministerial decisions as such,

but he may call for the file containing that departmental recommendation and the ministerial decision based upon it. If he believes the decision wrongly based, he will report to the Minister, and if the Minister takes no action, to the Prime Minister and then Parliament. He is to be an officer of Parliament at a salary equalling that of the Controller and Auditor General, but whether his comments will be accepted as so authoritative as the Auditor-General's has yet to be seen. He cannot be removed from office except by Parliament or the Governor General when Parliament is not in session, and then only for disability, bankruptcy, neglect of duty or misconduct, but his term of appointment is only for three years, though he may be reappointed. "This officer could embarrass the Government of the day. He's a parliamentary representative", the Attorney General naively explained when the limitation of the term to the life of one Parliament was noted.

The Commissioner will have wide investigating powers, but no power to act—only to report. The hope of action lies in parliamentary debate on the report. The weaknesses that have been seen in the Bill are that it does not cover the actions of local bodies, nor of some of the boards or semi-government bodies concerned with forms of licensing or control that are often proved irksome, the licensing of imports, transport licensing, sterling control and capital issues control. Further, one clause in the Bill removes from the Commissioner's jurisdiction any case where there is statutory provision for appeal, objection or review. This may cover a whole multitude of complaints, where the appeal lies to the department itself or its Minister.

These seeming defects may, however, be corrected when the Bill is before the House. For the moment it errs on the side of caution in providing a quick and simple means of redress for the citizen with a grievance. The Government may, of course, be feeling its way, waiting to see its Ombudsman at work. Even limited powers in the hands of the right man may be effective in warning the officious and bureaucratic (a small minority in the service). If that is so, the people will be able to say of this apparently narrow Bill, as Mercutio said of his wound: "'Tis not so deep as a well, nor so wide as a church door, but 'tis enough, 'twill serve."

New Zealand,
November 1961.

RHODESIA AND NYASALAND

DISSENSION WITH WHITEHALL

OVER recent months tension has increased between the white people and governments of the Federation and Her Majesty's Government in the United Kingdom. The Federal Prime Minister has spoken for the majority of Europeans in Central Africa when he has roundly attacked the British Government for its African policy. In June Sir Roy Welensky said, "I realize that pressure has been brought to bear on Britain to change her colonial policy—pressure from both western and eastern countries—but a succession of tragic examples has proved that Britain's policy has failed to achieve steady and real advancement of the colonial peoples towards competence and integrity in their independence." In August the Federal Prime Minister caused embarrassment to Her Majesty's Government by openly backing the cause of Mr. Tshombe, President of Katanga, against the United Nations. Sir Roy Welensky stated that the United Nations had no legal justification for their action in Katanga and went on to state that if the situation deteriorated, the Federation "will do what is necessary and legally possible to give support to its friends". The Federal Government dispatched troops to the Northern Rhodesian border of the Congo, and the Prime Minister stated that his Government could not remain aloof from what was happening just across the borders. What happened in Katanga was a matter of vital concern. The time for equivocation was past and the Federation could no longer remain silent. "Considerations of our own security as well as considerations of principle now compel me to say frankly and openly what I think." Later, however, our High Commissioner in London, on behalf of the Federal Government, made a clear statement saying that there was no difference of views on essential matters, such as the desired unity of the Congo, between the Federal Government and the British Government. It still remains a matter of deep concern to many people within the Federation that Ministers of Mr. Tshombe's Government have been received in Salisbury, and also that the Federal Prime Minister has had dealings with Mr. Tshombe himself. This was revealed in September when Sir Roy Welensky stated in the Legislative Assembly that he had tried to influence President Tshombe to support the setting up of a Federation in the Congo.

Since last report each of the territories of the Federation has been involved in a major act of politics. In Southern Rhodesia the electorate voted with a majority of two to one in favour of the new Constitution. In Northern Rhodesia the terms of a proposed Constitution have been announced and in Nyasaland there has been an election.

Referendum in Southern Rhodesia

IN the Southern Rhodesian referendum, the Prime Minister received an overwhelming vote of confidence from the electorate. Sir Roy Welensky said that it "was a plain fact" that the new Constitution would make Southern

Rhodesia "virtually completely independent" within the framework of the Federation, free to legislate as it wished without reference to the British Government and free from the possibility of having any legislation imposed upon it by Britain. Sir Edgar Whitehead said that he foresaw a time when Europeans and Africans with similar interests would combine in political parties. They could prove that, freed from outside political influence, they could solve all their difficulties and make it clear to all men of goodwill of any race in this country that they could build a great future. The leader of the Opposition said that the referendum was "a put-up stunt" which offered the electorate a "phony independence". Sir Robert Tredgold called upon the electorate to vote against the referendum since it provided no solution to the deep problems of race and of the franchise. The Zimbabwe National Party said that a vote in favour of the proposals would mean a complete breakdown of law and order in the Colony, because the African people would have to resist "a near-South-African situation". The National Democratic Party held its own referendum to demonstrate the will of the unenfranchised two and a half million Africans. Estimates of the number of people who went to the polls at the unofficial referendum vary from 90,000 to 372,000, but however many went to the polls no one disputes that the vote was almost unanimously against the constitutional proposals.

Before the referendum, troops of the Federal Army moved into certain African townships to maintain law and order and to make it impossible for the National Democratic Party to persuade the people to take strike action. Other security forces were mobilized and 24,000 armed men were on duty. The Prime Minister of Southern Rhodesia stated that National Democratic Party leaders would not be able to shelter behind their followers if they organized strike action. The National Democratic Party replied that "any misguided action" against African leaders would immediately spark off a violent mass reaction beyond anybody's control. The National Democratic Party assured the Government that allegations that the party would deliberately create civil disturbances to achieve its aims were false. Police reserves, guns and arms were not the answer to the problems facing Southern Rhodesia, they said.

Following the successful referendum the Southern Rhodesian Government used its powers under the Law and Order Maintenance Act to ban all public political meetings for two months. A statement issued from the Prime Minister's office said that during the six weeks of the referendum campaign the whole country went through a period of serious stress and strain, and it was apparent that a holiday from politics and controversy was needed. This desire, the statement continued, might be thwarted by public meetings which could excite bitter feelings. It was further stated that until the British Government had passed the necessary legislation for a new Southern Rhodesian Constitution in October, new electors could not be registered. Nothing would therefore be lost by leaving August and September free of political strain. A comment to that statement could well have been: "nothing, except liberty". Dr. Ahrn Palley, co-founder of the New Africa Party, immediately petitioned the High Court, holding that the Government

was not acting in good faith. The Law and Order Maintenance Act was designed for use in emergencies, not for the granting of holidays. The leader of the National Democratic Party stated that the ban was imposed so that the British Government might be led to believe that there was peace and calm in Southern Rhodesia. The Minister of Justice lodged a sworn affidavit in reply to Dr. Palley's petition stating that the real reason for the ban was not to provide a holiday but because the Government had reason to fear serious insurrection in the country.

Future of Nyasaland

DURING the referendum campaign for Federation in 1953, one of the incentives used to persuade the more reactionary European voter in Southern Rhodesia to vote in favour was the possible future of Nyasaland. It was suggested that if Nyasaland were not brought into a strong relationship with the Rhodesias it would become a "black" state on our borders and that this would have a disturbing effect upon Africans in the Rhodesias. Eight thousand whites in Nyasaland would not be strong enough to keep Nyasaland under control but, as part of a Federation in which there were a quarter of a million Europeans, she would be kept under "responsible" Government. The new Nyasaland Constitution spelt disaster to this theory, but the Federal Prime Minister did his best, in a broadcast on the eve of the election, to persuade the voters to take a "responsible" line, which meant to renounce Malawi and all its ways. The press reported that Sir Roy Welensky had spoken to a crowded hall of more than 500 Africans who were United Federal Party supporters, and that he had said that "one of the basic principles in any democracy was that a man or woman should be allowed to express his or her views without getting into trouble. This is not the position in Nyasaland at the moment", he continued. "I regret very much to see a situation where people cannot express their views without the fear of having their homes burnt down or being badly injured." A meeting of 500 Africans who were said to have openly given the Prime Minister "an enthusiastic reception" is difficult to explain if wide fear of intimidation actually existed, and the results of the election prove conclusively that the people of Nyasaland, in secret ballot, have rejected the United Federal Party and Federation in favour of Malawi, Dr. Banda and secession. Malawi obtained 22 of the 28 seats and gave support to a successful independent candidate, and the remaining five seats, on the higher franchise, were won by the United Federal Party.

In the Federation it has been customary to say that Africans are not really interested in having a vote. In Nyasaland over 100,000 Africans registered when fair opportunity was provided, and more encouraging was the fact that, of those who had registered on the lower roll, more than 95 per cent cast their votes.

Northern Rhodesian Constitution

THE new Constitution for Northern Rhodesia seemed at first as if it would be reasonably simple, in broad outline designed to meet an interim period between a white majority in the Legislature and the arrival

of a black majority. There were to be fifteen African seats, fifteen European seats and the remaining fifteen were to be National seats voted for by an electorate so adjusted as to value of votes as to balance racial power. No one liked the proposals but Africans were ready to accept them. The United Federal Party recognized that the Legislature elected under the new proposals would probably have a majority of Africans plus white liberals, and this would mean the end of the United Federal Party in Northern Rhodesia as well as in Nyasaland. Also there was little doubt that the majority would be against the continuation of Federation, at least in its present form.

The reaction of the Federal Government was so strong that Her Majesty's Government was persuaded to make "minor adjustments". These adjustments turned out to be so significant that they would almost certainly give Northern Rhodesia a United Federal Party government. The new Constitution becomes increasingly complex with much argument as to its real meaning, but the African people are quite convinced that it is now Sir Roy Welensky's constitution and Kenneth Kaunda has led a non-co-operation campaign which has flared into violence in the Northern Province of Northern Rhodesia. The British Government recently announced that the Northern Rhodesian Constitution has not really been made final and that adjustments can be made right up to the day of promulgation. When violence stops in Northern Rhodesia Her Majesty's Government will be ready to consider other amendments. The Federal Prime Minister's reaction to this statement has been violent and European reaction in general has been highly critical.

Central Africa is no doubt a stimulating place in which to live, but most of us who have acquired land or business interests here would be glad to exchange the excitement for signs of a growing understanding between the races. Nyasaland is now the quietest spot in the Federation and Northern Rhodesia has been most unsettled. In the Northern Province of Northern Rhodesia widespread disturbances followed the changes made in the suggested Constitution. A number of people have been killed and some hundreds of arrests have been made. Most of those arrested have been found to be members of the United National Independence Party. During the disturbances many schools have been burned down, bridges have been destroyed and roads have been blocked. In some areas Africans have followed the lead of Mr. Kaunda, leader of the United National Independence Party, and have burned their identification cards. Mr. Kaunda himself has stated that the civil disobedience campaign will continue even if he is put into prison. An indication of how serious the situation has become is seen in recent statements in the Federal House. On August 3 the House accepted a private member's motion calling on the Government to make strong representations to the Territorial Governments regarding the necessity for the strict enforcement of their laws relating to high treason, sedition and subversive activities. The representations should expressly include utterances and activities designed towards the overthrow of the Federation or the engendering of hostility between any of the races in the Federation. While the Federal Prime Minister in a broadcast to the electorate of Nyasaland said that "one of the basic principles in any democracy was that a man or woman

should be allowed to express his or her views without getting into trouble", the members of the Federal House showed themselves eager to define rather narrowly what a man or woman should be permitted to say. The Federal Minister of Law also did not show a very liberal attitude and said that he agreed with much contained in the motion. His doubts were not concerned with the restrictions suggested, but there were certain technical difficulties in accepting it as it stood owing to the constitutional position of the Federation and the three territories.

The New Africa Party, which has recently been formed in Southern Rhodesia, announces that its objectives are to abolish the colour bar, to extend the franchise and to establish a joint African-European government. The leader of the party is the ex-Prime-Minister, Mr. Garfield Todd, and the co-founder is Dr. Ahrn Palley M.P. Mr. Todd said that the party had been formed to assist the cause of the African people, "If we do not like African nationalism," he said, "then the cure is in our own hands . . . let us forsake policies of white supremacy. Until the African people are fully integrated into the political life of the country, we will not achieve that degree of stability which must precede confident investment."

Outside Party Politics

IN the earlier years of Federation the figure for European immigration rose until it topped 20,000 per annum; but this figure has steadily fallen over the past three years and the latest figures from the Federal Office of Statistics show that for the past four months 1,382 more people left the Federation than entered.

Fund-raising for the new medical school has brought in a firm total of about £600,000 to date. The local University is to work in close liaison with the University of Birmingham and the first four appointments of staff are now being considered. Several members of the faculty of Birmingham have already visited the Federation. The medical curriculum of the new medical school will make a number of departures from usual practices, including the system of dividing subjects by years. The student will meet patients in the early part of his studies, and will carry on with the "pre-medical" subjects right through his student career. Miss Vida Mungwira, the first African woman from the Federation to qualify as a doctor, received her degree from Bristol University in July. Although several men have also qualified in the past few years, we await the founding of our new school of medicine to make possible the training of doctors in sufficient numbers to care for the needs of a fast-growing population whose present total exceeds eight millions.

Agreement has been reached between the Aminol and Shell Oil Companies for the construction of an oil refinery in the Federation. The Minister of Commerce and Industry has stated that economic consultants had reported that the scheme was "economically, technically and financially sound and well-suited to the Federation's purposes". The project is to cost £13,000,000 and the plant should be in production by December 1963. It is stated that adequate supplies of crude oil will be available and that the scheme

will be of particular benefit to the Federation in taxation and foreign exchange savings.

An interesting survey of the agricultural situation in the Federation has recently been issued. It shows that in the seven-year period since federation the number of cattle has increased from 4,400,000 to 5,100,000 while at the same time slaughterings have increased from 335,000 per annum to 416,000. The gross value of all agricultural production, including tobacco and maize, rose from £85,000,000 in 1954 to £111,000,000 last year.

The chairman of the Rhodesian Iron and Steel Company, in his annual review, stated that the company had made a loss on the year's workings of £142,000, bringing the accumulated loss to £300,000. The chairman stated:

As neither our sheet mill nor the new Lancashire Steel Company's rod mill is likely to be in full production much before the end of this year, coupled with the considerable falling off of local demand for our products, there will be surplus steel available for some time. Unless we are able to find export markets to absorb our full capacity, curtailment in certain of our operations will become necessary. . . . Because of the low level of world steel export prices the company has so far been unable to quote prices sufficiently attractive to secure export business.

Southern Rhodesia's mineral output steadily increases in value and for the first six months of 1961 the total value of production was £13,600,000, an increase of 7 per cent over the output for the same period of 1960. Asbestos showed the largest single increase, namely 22 per cent.

Territorial Budgets

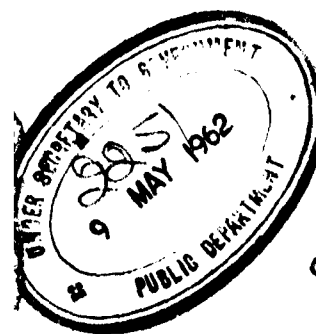
A DISTRESSING feature of the four budgets for 1961 was the cutting down of development plans due to the difficulty of raising external loans, and the increase in expenditure on security votes, because of political unrest throughout the Federation. Taxation in Nyasaland will not be greatly increased, though the tax on petrol will be raised by 3d. to bring the price to 3s. 6d. per gallon. The total tax increases are designed to raise an extra £100,000. The only confident budget was that of Northern Rhodesia, where a vital four-year development plan was outlined by the Minister of Finance. The plan calls for an expenditure of £30,000,000, of which £5,000,000 would go towards African education. The sum of £22,000,000 would be devoted to economic development, more than half of it in rural areas. Present reserves, totalling over £6,000,000, would be put to the scheme and special tax provision would also be made. A further £7,000,000 would have to be raised on long-term loans over the period, but the Minister believed that this could be done. Together with the development plan would go special tax concessions designed to attract industry. The Minister stated that investors had no cause to fear that the Government would place unreasonable burdens on industry and private enterprise. The Government has recently conducted an intensive economy drive, which in six months has resulted in a saving of £889,000; the net result of which has been to turn an estimated deficit of £400,000 into a surplus of £537,000. The one regrettable thing about the Northern Rhodesian budget is that conditions in the territory are still so

unsettled that almost 19 per cent of the total expenditure of £19,000,000 will be for the maintenance of law and order. Education comes second with an expenditure of 16 per cent.

Southern Rhodesia's budget was described by the Minister as "hard". From 1896 until 1960 no life was lost in Southern Rhodesia in any public disorder. The unhappy events since then have highlighted the change of attitude which has taken place between black and white, and the danger which now threatens the country from widespread African discontent with a political system designed to keep the majority of the people in a minor political position. The Government has made strong efforts, short of meeting the political demands of the African people, to relieve tensions. The worsening situation is now mirrored in the financial moves which the Government has found it necessary to make. The Minister of Finance did not minimize the seriousness of our trouble but blamed the wrong causes. He said that the crisis in the Belgian Congo in 1960 had affected our economy, "sparking off a wave of withdrawals from funds of building societies and other financial institutions". He suggested that South African manufacturers may suffer a reduction in their share of the African market in the north and suggested that Southern Rhodesian industries should attempt a planned entry into this market to supply what was previously purchased from South Africa. Industry in the Federation has always recognized that its market would lie to the north, but it does not take a very lively perception to recognize that the very same reasons which have killed South Africa's trade with African countries to the north, would also make our goods unacceptable. Southern Rhodesia's economic plight in figures is seen in the raising of the petrol price from 4s. to 5s. of which 2s. 1½d. is tax. Expenditure on capital development from loan funds has been slashed from the 1960 figure of £8,000,000 to £4,000,000. The new petrol tax is estimated to bring in £2,000,000, but despite this expenditure is still expected to exceed revenue by £400,000. If this figure proves to be accurate it will bring the total deficit by June 1962 to approximately £2,500,000.

Central Africa,
November 1961

THE
ROUND TABLE
A Quarterly Review of
**BRITISH
COMMONWEALTH
AFFAIRS**



Contents of Number 206

AN UNCERTAIN THAW
MIGRATION IN THE COMMONWEALTH
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UNIVERSITY OUTLOOK
PORTUGAL OVERSEA
SOUTH-WEST AFRICA
A NEW KENNEDY ERA
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March 1962

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THE ROUND TABLE

A QUARTERLY REVIEW OF
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AN UNCERTAIN THAW

NEW ASPECTS OF COEXISTENCE

SINCE the equivocal Rahab gave harbourage to Joshua's agents in Jericho all governments have been spying upon the defences of their adversaries in cold and their potential adversaries in shooting war. They make use of both intrepid adventurers of their own like Joshua's men, who will risk their lives in penetrating the opposing lines in disguise, and perhaps even more intrepid sympathizers within the hostile camp who, like Rahab, are prepared to hazard the penalties of treason. Every government knows that the other side is doing these things; every government denies doing them itself. When a spy is caught, there is a fine display of high-toned wrath by the captors: for righteous indignation, always a useful diplomatic weapon, has double its value in an age of mass-propaganda. Occasionally there occurs what fencers call a *coup double*; points are scored so nearly simultaneously by both sides that righteous indignation is suddenly deflated. It is necessary to disengage and start again. But inferences can be drawn from the temper in which the disengagement is conducted.

The temper of the Russo-American disengagement, represented by the exchange of the American spies Powers and Pryor for the Russian spy Abel, is on the whole reassuring. That Mr. Khrushchev did not for some time admit to his own people the very existence of Abel, but represented the release of Powers as an act of pure magnanimity, is part of the routine of totalitarian rule; righteous indignation, like other weapons, can be used to maintain domestic authority even when it has been parried in foreign policy. What matters is that the exchange has been so timed, and so linked with other gestures of conciliation, as to encourage the hope that both the United States and the U.S.S.R. wish to do something, and can do something, to broaden the precarious basis of coexistence. No exaggerated optimism was engendered by Mr. Khrushchev's proposal to raise the level of this month's Geneva conference of eighteen nations on nuclear disarmament to the level of a summit meeting—too many meetings on less crowded pinnacles have broken down. Nevertheless, the proposal itself, coming so soon after the deadlock between the Great Powers on disarmament in general, was evidence of intent to renew the search for a *modus vivendi*, the less to be distrusted by reason of the indications that have been noted that Mr. Khrushchev's position at home is not so stable that he might not profit by a *détente* abroad. The immediate reaction of the State Department, in the form of a broadcast by Mr. Dean Rusk, reminded the world that there had been some approach to agreement on principles of disarmament last September, which had stopped short as usual at the obstacle of inspection, and reiterated the long-standing American view that what is required is "some systematic, serious, hard, determined and quiet negotiation to translate these agreed principles which have been endorsed by the U.N. General Assembly into

reality and fact". Such negotiation is work for Foreign Ministers and diplomatists, and the function of heads of Government, as seen by the Secretary of State, is to intervene at a late stage to resolve such differences as their subordinates have failed to overcome. The further exchanges on the subject could be watched, from a purely Western point of view, for yet another test of Mr. Khrushchev's sincerity, or, more dispassionately, for evidence of some mitigation of mutual distrust. Though they still seemed to stand far apart, both sides had adumbrated the idea of a "summit", whether eighteen international grandees assembled there immediately, or two, or three, or four at a later date. The later simultaneous offer that, if the eighteen Foreign Ministers would start defining the issues, the American President and the British Prime Minister would stand by to intervene when their participation may remove obstacles to final agreement, has further defined the Western contribution to closing the gap. When at last Mr. Khrushchev accepted the main lines of the Anglo-American proposal, for a conference of the eighteen Foreign Ministers, preceded by conversations between the three, and with the heads of government in reserve for the conclusion of final agreements, the test seemed to be yielding a hopeful result.

Certainly an impression is abroad in the world that the stresses of the cold war have grown less tense than they were, say, last summer at the building of the wall across Berlin. Our correspondent in the United States* has the sense that in his country "the crisis atmosphere has evaporated a bit". This is not wholly due to any visible signs of relaxed aggressiveness in the Kremlin. Mr. Kennedy and his Ministers, at the end of their first year in office, are less nervous, less eager to score quick debating points against the Russians, more resigned to accept the realities of a world that has to be shared between two radically different systems of human society, always in rivalry, always in some degree of mutual fear. There are indications, which may not be delusive, that the mood of acceptance is spreading in the opposing camp. The festering sore of Berlin has passed from an acute to a chronic phase. Mr. Khrushchev probably likes to have it so. It suits Soviet policy to have a perpetual grievance, which can be left in the background most of the time but be inflated to threatening dimensions, as in last month's demonstration in the air corridors, when a tactical diversion is required. But each time it is thus tactically used the feeling grows that the dispute over Berlin is a sham issue, not one for which either side would seriously risk a world conflagration.

It is possible that there were moments when Stalin would have taken the risk on that issue—he was near to it at the time of the Berlin blockade and the air lift. But we are learning by experience that in Mr. Khrushchev we confront a more sophisticated, more subtle, and probably more intelligent mind. He has renounced the Stalinist dogma of inevitable war; and we need not hesitate to take the renunciation as genuine, seeing that for its sake he has incurred the breach of Marxian unity with China, where the dogma is still professed. Tactically, no doubt, he remains a "brinkman"; but strategically he does not intend to go over the brink, and he is the kind of commander whose strategy firmly controls his tactics.

* See p. 163.

The course of Soviet diplomacy over the last six months, less dramatic, less openly menacing than for some time, suggests at least the possibility of a change of heart. It may admittedly proceed from the consciousness of a recent and long leap forward in the race of nuclear discovery, the suspicion of which has caused the United States to contemplate an end to the truce in atomic testing. Wariness on the Western side is properly being maintained—the Christmas Island tests, the desire to avoid which may have helped to induce Mr. Khrushchev's acceptance of the American programme for Geneva have not as yet been called off. But a new sense of military security in defence does not necessarily portend a new recklessness in aggression. It could be a factor in disposing Mr. Khrushchev to play, as he seems now to be playing, a longer game, to rely more on the deeper Marxist teaching that the secular process of history guarantees the eventual diffusion of Communism over the world, and in that faith to contemplate the settlement of immediate conflicts on the basis of the existing division of power, and for the present to allow the other side to make the pace. Whether this is or is not a correct reading of Mr. Khrushchev's mind, this is, of course, no time for the West to relax its vigilance. We have to maintain our material strength, and, if apparently left with the initiative, to be careful to make no false moves. But if the adversary shows any overt sign of wishing to move away from the atmosphere of impending horror in which the East-West competition in apocalyptic armaments has so long immersed the world, he should, within the limits of necessary caution, be given his head.

The international stress that the Khrushchev régime inherited has no doubt inhibited the extension of de-Stalinization into the field of foreign policy. But behind the leadership there begins to be discernible a new temper in Russia, of which the revulsion against Stalinism is rather a symptom than a cause. The obscure and tortuous dealings of the ruling faction with the most eminent survivor of "the old gang", Mr. Molotov, have shown that opposition to official policy is a possibility, little as it is likely to prevail. Nearly half a century has elapsed since the revolution, and the intoxication, the fanaticism, have evaporated. The long effort to create a fully literate nation has reached a stage when the rulers of Russia will realize the truth of Brougham's dictum that education makes a people easy to rule but impossible to enslave. A younger generation has become articulate, and the habit of discussion has gained upon the duty of declamation. Though for the majority the debates may be carried on within the limits of the established orthodoxy—as indeed they are in much less authoritarian countries than the U.S.S.R.—they engender a psychological trend that cannot be reversed. The critical does not consort easily with the militant temper. The domineering attitude of the mass gives way to the questioning attitude of many individuals. The new Russians no longer shrink from asking "is there perhaps somewhere in the world a system better than our Utopia?"—even though it takes a daring spirit to reject the dictatorial answer. It is not that these questions are likely to lead the younger generation to accept the Western view of politics; but the fact of wishing and being able to ask them means that the crusading spirit of the revolution is abated. These new Russians accept the

global situation; they are conscious of no mission to march to the conquest of the world.

If this is a true estimate of the decline of explosive fervour behind the Soviet leadership, Mr. Khrushchev may be expected to be increasingly reluctant to force an issue where the choice will be between atomic war and recantation. It goes without saying that the West will not wish to force such an issue upon him. Each party, trusting in the rational cogency of its own principles, believes for different reasons that time is on its side. If neither wavers in that confidence, time is on the side of peace.

MIGRATION IN THE COMMONWEALTH

THE UNITED KINGDOM BILL

IN the controversy about the Commonwealth Immigration Bill, there is one point on which most competent people are agreed, that the statistics available are unsatisfactory and insufficient. One reason for this is that the entry of Commonwealth citizens by air or by short sea routes from the Continent is unchecked; we count only those who come by the long sea-routes and for the others we have to make estimates. Nevertheless, there are certain figures which within certain limits are trustworthy, and it is essential to bear these in mind for any discussion.

The *Economist* Intelligence Unit* has published information which covers the period from the end of the war to the end of 1959. In this period, the total net immigration to the United Kingdom from the Commonwealth and Ireland is estimated at approximately 700,000 persons. ("Net" in this context means "after deduction of those who go back to their country of origin". It is not a balance against United Kingdom emigrants.) Of this, Ireland has contributed 352,000 or just over half. Net immigration from the Commonwealth was 303,000—well under half the total—of whom one-third came from the West Indies, and one-fifth from Australia. India and Pakistan contributed 45,000 or 15 per cent of the Commonwealth 300,000 and Cyprus came fourth with 20,000. These estimates are useful as far as they go but they do not deal with 1960 or 1961, during which there has been a sharp increase, particularly from Ireland and the West Indies.

There are two general points to be made. First, until 1958, more people appear to have left Britain as migrants than came in. For 1957 the net outward balance was 72,000; in the next three years, for 1958, 1959 and 1960, the net inward balance was 45,000, 44,000 and 82,000 respectively. These are estimates published by the Overseas Migration Board. Secondly, the figures for India and Pakistan are much more doubtful than the others. There is fairly general agreement that they are an underestimate, on account of unauthorized entry by various means. For Ireland, the British estimates of total or gross entries is about 70,000 a year; the Irish Government consider that the figure should be much less, perhaps not much more than half this. The British estimates of Irish immigration for the first six months of 1958 were 48,000 and for the first six months of 1961 65,000; the total for 1961 will thus certainly be more than 70,000. Persons from Eire entering National Insurance in Britain were:

1959:	58,316	1960:	72,962	1961:	67,598†
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* The *Economist* Intelligence Unit. *Studies on Immigration from the Commonwealth*. 1, Basic Statistics, 1961.

† Ministry of Pensions and National Insurance Data.

We can speak of movements from the West Indies for the last few years with a greater degree of certainty. All large parties that leave the islands are known and are now met in the United Kingdom by the West Indian Migrant Services Commission; isolated arrivals may not be recorded if they come by air or if they make their first landing on the Continent. In 1951, 1952 and 1953, taken together, only some 5,000 migrants are believed to have come to the United Kingdom from the West Indies. In 1954, the figure rose to 10,000; in 1955 to 24,000 and in 1956 to 26,000. There was a drop below this figure for the next three years, a sharp rise in 1960 and a further rise still in 1961. The figure for 1960 was about 50,000 and the total expected for 1961 was at least 70,000. There are now probably something under 250,000 West Indians in Britain. A point of some interest is that until 1956 the men coming into the country considerably outnumbered the women, but since 1956 the number of women and children has steadily grown and in 1957 and onwards was approximately equal to the number of men.* It is said that the recent increase has been swollen by fears of coming restriction; it cannot, however, safely or even plausibly be argued that if the prospect of restriction was withdrawn there would be any reduction in the flow.

From these figures, unsatisfactory as they are, certain broad points emerge. No one has yet suggested that the total number of immigrants from the West Indies, India, Pakistan and Africa together are so many as 500,000 or 1 per cent of the population of Great Britain. Until quite recently half the net immigration into Britain was Irish. But the pace of immigration has increased sharply in the last two years, particularly from Ireland and the West Indies. The West Indian flow is probably now as great as the Irish. The increased proportion of West Indian women seems to indicate an intention to stay some time.

Arguments for Control of Immigration

MANY arguments for the control of immigration exclude mention of the words "colour" and "prejudice". They seem to the present writer not only less frank but less cogent than those which do, but let us deal with them first. It is said that in this overcrowded island there is a comparatively high standard of living, that in the whole apparatus of the welfare state there is no room for an unlimited flow of people from lands where the standard of living is lower and where there is no provision for social security. This argument depends on a number of assumptions which do not seem to have been fully discussed. For example, one of the benefits of the welfare state is a pension on reaching the age of 60 or 65 according to sex. But we do not know how many of the immigrants will still be in this country when they reach that age; some of them say that it is their intention to return to their own country when they have saved enough money. Whether this will happen, of course, no one knows, but if in fact they do go back they will have contributed through their employment insurance to the old age pensions of those who remain.

Again, we know that the net cost of the Health Service falls on the

* Migrant Services Division, West Indies Commission.

taxpayer. It does not follow that an addition of, say, 1 per cent to the population of the country increases that burden; newcomers make contributions to the credit side of the service, and so small an addition presumably does not increase its overhead costs. It seems doubtful whether an addition of 1 per cent will constitute a burden unless they make, in proportion, greater demands on the service than the rest of the population. Again, there may or may not be justification for the popular reaction of assuming that every West Indian who is drawing unemployment pay is an unwarrantable burden on the taxpayer. There is always some unemployment, due to labour turnover and movement; since the end of the war, the total number of jobs seeking men has usually exceeded the number of men seeking jobs. Contributions to the insurance scheme must have been calculated by actuaries in such a way that, at some point short of there being no person unemployed at all, the contributions balance the outflow; where that point occurs ought surely to be discussed in connexion with immigration. If there was heavy unemployment, the addition of every unemployed person to the labour force would clearly be a burden on the taxpayer. But where there is a shortage of labour, it seems far from clear that this is the case. It is true that the average percentage of West Indians unemployed is usually twice or three times the national average, but if, as seems likely, this is mainly because of the time taken in obtaining work on first arrival, and so long as the total figures still indicate a labour shortage, this does not affect the point. Again, the percentages for the whole population have usually been twice as high in the north and west as in the south and midlands; it is in the areas of high employment that immigrant labour is found.* Irish labour, of course, is considerably more fluid than West Indian because of the shorter and less expensive voyage back to the home country, and a tribal reserve on the doorstep is as advantageous to Britain as to South Africa. In severe unemployment, a number of the Irish would go back and cease to be a burden on the system to which they had contributed when in full employment. Is this not so to a lesser extent in the case of the West Indians?

There is a contrary argument, that the existence of such a reserve keeps down wages and delays the introduction of labour-saving devices. In its crude form, that "they" are cheap labour and undercut "us", this is untrue, for there have been no cases reported of Irish or West Indians who have accepted wages below standard. But they do prevent a labour shortage, to which the remedy would otherwise be rising wages. This argument, however, must, if one is to be honest, be considered in relation to England as well as South Africa, to the Irish as well as to the West Indians.

In Australia and Southern Rhodesia, countries where the problems of immigration have been studied much more carefully than here, the inflationary effect of large numbers of immigrants is always borne in mind. It depends, however, on the age of the immigrant, the family status and the number of children. The young bachelor may be a credit, a married man with children a liability. It can also be argued that the country that has brought up the immigrant and has educated him has spent capital sums of which the

* John Macgregor. *Immigration and Europe*, Crossbow, New York, 1962.

advantages are now being enjoyed by the host country. The whole question is thus one of considerable complication and one that deserves more attention than has yet been given it.

Movement of Skilled Workers

CONNECTED with the welfare state argument is another that seems to need closer examination. It is argued that by emigration to the older dominions (this of course is a polite way of saying the white dominions), we are losing skilled persons who are being replaced by a flow of unskilled persons from the more recent dominions (this again is a polite way of saying those in which people have skins of a different colour from ours). This may be so, but is not conclusively proved by the figures published for the year 1960 by the Overseas Migration Board.* These show in the professional category a net loss to Britain by the long sea-routes. The loss in teachers is 120, in doctors 190, in nurses 536, in professional engineers 196, in "scientists" 158. But it is cogently argued (by the Board themselves) that not only are the figures in themselves misleading, because in these categories a great many people travel by air and by the Continent, but also that the implied inference needs to be looked at with caution, because our professionals are often short-term exports and will return with wider experience, while we do correspondingly gain by the imports of professional persons from overseas. In fact, there can be little doubt that, if the argument were confined entirely to the professional classes, a verdict would be given in favour of free trade.

The ground is much more uncertain when one comes to the distinction between skilled and unskilled migrants. This is notoriously difficult, because the qualifications for skill vary in different categories. But surely it is possible that in the highly skilled artisan categories the same kind of considerations apply as in the case of the professionals, though perhaps to a lesser extent. We should certainly not want to prevent the export of skilled fitters to, let us say, Nigeria for a period of three years to give instruction, but it is hard to distinguish such men statistically from those who have sought employment in another country. This is a matter in which Britain stands in a special position, and where again, at a guess, the advantage probably lies in free trade. Of the migrants who leave this country for permanent settlement in Australia, New Zealand and Canada, it may, as alleged, be true that many are moderately skilled and are being replaced by unskilled labour coming into this country. But it does not seem likely that the numbers are great. Males of 15 years and more who emigrated from the United Kingdom by long sea routes in 1960 numbered altogether 27,768. Of these, 5,756 were "professional and managerial" and 4,490 were "clerical distributive and non-industrial". Under the important head "Engineering Industries" the Overseas Migration Board lists only 2,336.* Surely a careful inquiry is needed before we can cast up a balance sheet. What does our economy need? Is it in fact suffering by these transactions? Automation may not change the total figure of our labour

* Overseas Migration Board. Seventh Report, December 1961.

requirements but it will surely change the distribution as between skilled and unskilled. Again, are hours of work likely to be reduced in the sixties? If so, we shall need more labour.

Disease, Crime and Slums

THE arguments regarding health are rather similar to those regarding crime. Both contain an element of prejudice and of alleged facts which prove on examination to be fictitious. Both contain a hard core of reasonable propositions which would be acceptable to most people. Few would regard it as unreasonable that judicial officers should be empowered to deport to their country of origin persons convicted of a serious offence for the second time. Again, few would question the desirability of some check, preferably at the port of exit, on immigrants who are suffering from diseases which are infectious, contagious or incurable. But when health and crime are used as general arguments for the restriction of immigration it is often implied, and sometimes stated explicitly, that the average incidence of crime and disease among immigrants is higher than for natives. These general assumptions are not always supported by the facts, nor are the remedies suggested always rational.

One may, in the first place, treat with some scepticism suggestions that diseases such as leprosy and bubonic plague are being introduced into this country by immigrants to any significant extent; there is simply no evidence to support such ideas. Indeed, in the five years since 1956, there were 17 fewer cases of leprosy than in the previous five years.* There is a smallpox scare at the time of writing, but the obvious remedy is compulsory vaccination for all entrants to the country†—and why not for all entrants to the health service, native or immigrant? With regard to tuberculosis, an inquiry in Birmingham in 1956 has shown that while the incidence among the Irish is markedly higher than among citizens of the United Kingdom, among West Indians it is lower.‡ Proportions cannot be exact (because the total numbers for each category are estimates), but notifications for the native population of 1,100,000 were 1,620 or 1.4 per 1,000, while for the Irish they were about 4.5 per thousand, for the Asians about 12 per thousand and for the West Indians less than one per thousand. On the other hand, at a number of clinics, it has been found that the proportion of West Indians treated for venereal disease is considerably higher than for native-born United Kingdom persons, if the population is treated as a whole. It has been stated in the House of Commons that immigrants acquire this disease after reaching the United Kingdom, but it is hard to see how this can be known with certainty (although one inquiry does suggest that it is often the case). There is, of course, a tendency for V.D. to be high in a community of males who have no women of their own community with them, and the information is insufficient

* Ministry of Health, quoted in *The Times*, November 21, 1961.

† But see also p. 181.

‡ J. A. G. Griffith. *Coloured Immigrants in Britain*, O.U.P. for the Institute of Race Relations, 1960.

to show whether this high incidence has been reduced since the West Indians began to bring their own women to Britain in larger numbers. One British study, undertaken in 1955, showed that more than one-third of male patients reported were from "itinerant" professions.*

With regard to crime in general, in the course of an inquiry conducted by the Institute of Race Relations in 1959, the police in most centres outside London said they did not consider that the West Indian, Indian or Pakistani populations presented a special problem; indeed, they usually reported that they were on the whole law-abiding communities. The allegation most frequently made is that "coloured men" are more prone than others to live on the immoral earnings of women. The latest figures available, which are for convictions for this offence in the Metropolitan Police district during 1959, show that the countries of origin of those convicted were: United Kingdom 52, Malta 39, West Indies 27, West Africa 8, other areas negligible. Proportionately the figures for Malta and the West Indies are high. Absolutely, however, they are small and the remedy would appear to be deportation for this offence; it is surely irrational, on account of 27 convictions, to suggest restrictions on the whole community from which the offenders come.†

The last of the arguments that do not explicitly relate to colour concerns housing. There is a serious shortage of houses in Britain. This applies particularly to young married people whose incomes approximate to those of the unskilled labourer. All the evidence shows that the immigrant from the West Indies, Africa, India or Pakistan, who is distinguishable by the colour of his skin, has greater difficulty in obtaining housing or lodgings than a white person. If a man wants something more permanent than a lodging, his difficulties are even more acute. The general pattern is well established and well known. The immigrants can find houses only in areas which other people are moving out of and where the value of property is already dropping. Their arrival sets a stamp on the area and accelerates the process. The immigrant is charged a high rent, which he has to pay because he has nowhere else to go; because he has to pay a high rent he will crowd in as many people as he can to a given area. Other people see that here are immigrants living in crowded and squalid conditions, and they assume that that will always happen when immigrants are given a foothold; they therefore resist letting them in elsewhere. So the sorry story goes on in one vicious circle after another.‡

But once again, is the remedy proposed the right one? Housing, surely, cannot sensibly be discussed apart from employment; if we really need more labour, surely we must find the housing for it. A sensible policy is surely to plan our employment needs over a period of years and at the same time to plan our housing programme; to control immigration in such a way that it

is related to these two estimates is reasonable, but none of the three can be considered in isolation.

Arguments founded on Colour

NEXT come the arguments which are based on colour. There is the straightforward objection of those who feel, if they do not always say, that non-white races are inferior and who frankly say, as well as feel, that "mongrelization" is to be deplored and avoided. That this argument is not scientifically or morally respectable is less important than the two facts, that it is expressed by a small and often noisy minority, and that there is a good deal of tacit sympathy for a milder form of it in a much wider public.

These two facts lead to the most cogent argument for control of the flow of immigration. It is clearly established by all observers that immigrants who are visibly different meet with prejudice, usually mild, and sometimes with discrimination. This is a subject with which it is impossible to deal at length in a short article, but, compressing heavily, it may be said that so long as there is full employment and if there is in any given area a reasonable supply of housing, the British are reluctant to display open discrimination against newcomers; in time, provided the numbers in a given area do not exceed a certain proportion (not easy to determine), they may become assimilated. There is a dislike for the idea of a colour bar but in practice an aloofness which looks very like one. The process of digestion and assimilation is taking place, but it is slow; if too many visible strangers arrive in an area where housing is short they will be crowded into squalid conditions and strong feelings will be roused. If the process continues indefinitely, there is a danger of demonstrations of hostility; in less extreme cases, there is a real danger that a convention may grow up that the immigrant lives in the United Kingdom as a kind of second-class citizen who is condemned to pay high rents for living in poor accommodation, who is employed only in certain kinds of occupation, and who, when there is unemployment, goes out before the native-born. If, on the other hand, the flow of immigrants to any given area is reduced to numbers which can be assimilated, then these dangers may be avoided.

It should perhaps here be added in parenthesis that it is misleading to speak or write as though all objections to the arrival of large numbers of immigrants were irrational. In the areas affected, there will probably be people who have struggled to "better themselves" by an effort to get higher wages, a better house, a better standard of living. Crowding brings with it all the "slum" evils that such people have felt all their lives as dangers; this would be so whoever the newcomers might be. But *these* newcomers may well bring such dangers closer in a special way; noisy parties, different ideas on sanitation, different ideas on reticence and friendliness, constitute serious threats to all that "respectability" which has been so laboriously built.

This danger of establishing a permanent second-class citizenship is, surely, the cogent and over-riding argument for control. But it is an argument not merely for control but for direction; control of the total numbers entering the United Kingdom will hardly affect that concentration which produces

* R. R. Willcox. Failure in the Treatment of Gonorrhoea in Ethnic Minorities, *Bulletin of the World Health Organisation*, 19, 1958.

† Home Office.

‡ James Wickenden. *Colour in Britain*, O.U.P. for the Institute of Race Relations, 1958, and many other authorities.

ill-feeling. And direction is surely much further than anyone in this country would wish to go; it would involve machinery that would be at once expensive and humiliating.

Arguments against Control

ONE argument for unrestricted immigration has of course already been implied. It is that we need more unskilled labour and that it is really to our benefit to have a reserve of such labour outside the United Kingdom. Labour today is sensitive to the needs of industry and will flow where it is wanted. In a severe recession it will flow back to where it came from. It has been to our advantage to have a tribal reserve on our doorstep in Ireland; with quicker communications, the West Indies has become a second labour pool and we need it.

This argument has some support from the United States: Puerto-Rican labour does show a tendency to go back to Puerto Rico in a recess.* But it cannot be argued with certainty that West Indian labour will go back. And, like all *laissez-faire* arguments, this ignores the fact that there is a time-lag involved in the flow of labour, capital, or whatever it may be, to where it is most needed and that this time-lag may involve human misery. Some estimate of the probable effects of increased automation and reduced hours of work appears necessary at this point in the discussion.

A second argument is that the tenuous links which hold the Commonwealth together are matters of habit, association, and ultimately emotion. The mother country of the Commonwealth holds a proud position amongst the nations of the world in that she alone admits immigrants of independent states without restriction; if this link is snapped, the whole fabric will be in danger. To this the answer is that one must balance one kind of danger against another. It is true that to impose a control on the entry of Commonwealth citizens is to endanger something which the other members of the Commonwealth value; on the other hand, it would surely be worse to set up within this country a body of second-class citizens and establish a precedent of riots and disturbances. This would create a resentment in the parent country of the migrants sharper than any that would follow control.

In the third place there is immigration from Canada and Australia. It is often assumed that control will not in practice affect this, but if it does not control will be clearly seen to be racist, while if it does a strong tie of sentiment will be seriously affected, a result which no one in Britain wants.

Finally, one argument is particularly applicable to the West Indies. We in Britain are morally responsible, it is argued, for the fact that the present inhabitants of the West Indies are where they are; their ancestors were carried there in slave ships from Africa or as indentured labour from India. We have besides in the past made a good deal of money out of the West Indies. We have therefore a double responsibility towards them and if we are not going to let them come into this country we ought to provide employment for them in their own. Mr. Butler, the Home Secretary, answers this by the simple

* Clarence Senior. *Strangers then Neighbours: from Pilgrims to Puerto Ricans*. New York, Freedom Books, 1961.

statement that it costs £2,000 to create in Jamaica a factory job for one man and that the population is increasing by 30,000 a year.

There is obviously room here for wide differences of opinion, and not all these arguments are convincing. We in Britain, for instance, are not responsible for the Jamaican birthrate. But one question remains to be answered. Can we simply divest ourselves of rule and stand by indifferent while Jamaica starves?

Summary of Arguments

IN general terms, the arguments for some kind of control are valid. How severe the controls should be depends on a much fuller consideration than has yet been published of the three related factors—housing, employment and growth of population. Such a consideration needs to be related to the cost to our economy of admitting a full-grown adult and would also involve consideration of the number of immigrants who are expected to live here as old-age pensioners.

The Government would have been wise to have introduced machinery two years ago for the registration of Commonwealth citizens on entry to the United Kingdom, together with controls so light that they would not have been noticed. On entering the Federation of Rhodesia and Nyasaland, a citizen of the United Kingdom receives a permit to remain in the country for a limited period; if he does not return to the United Kingdom within that period, he must apply for an extension of permission or take out citizenship papers. This is not a serious burden upon a healthy and law-abiding person. It might easily have been introduced in this country, in the first place with no upper limit to the numbers who would be admitted. The period of admission might well have been as high as three years. It might have been provided that on the expiry of that period the permission would normally be renewed in the case of those who were of sound health and good behaviour. Meanwhile, a Commission might have inquired into the points already indicated and their report should have been available by now.

Instead the Government, having long resisted any proposals for check or control, mainly on the grounds of administrative difficulty and of Commonwealth objections, appear to have given way suddenly to pressure from within their own ranks, and from persons whose utterances have in some cases been inspired by racial prejudice. To introduce this measure at the Conservative Party Conference may have been well advised from the point of view of the internal affairs of the Conservative Party, but could hardly have been worse from the point of view of the Commonwealth, not to mention world opinion. Mr. Butler had always said that if such a measure were introduced it would not be on the basis of colour; it was therefore his intention that it should apply to the Irish as well as to Commonwealth citizens. But, having introduced a Bill which did legally apply to both, he almost immediately admitted that in the case of the Irish the controls would not operate. This stripped away what Mr. Gordon-Walker in the House of Commons has referred to as the fig-leaf of racial impartiality. In the eyes of most people in

the Commonwealth and in foreign countries, the Bill is now bound to be regarded as an instance of racial discrimination.

It is said that control of immigrants from Ireland is administratively impossible. This is because the land frontier between Southern and Northern Ireland is lightly guarded and it is possible for the citizens of the Irish Republic to cross into Northern Ireland. As no passport is needed for the short sea journey from Ulster, it is thus easy for the Southern Irish to enter Britain. But is it really out of the question to institute passport control on this sea journey? Those holding passports issued in Northern Ireland or the United Kingdom would merely have to show them. Those with passports originating in the republic of Ireland would be treated as immigrants. This no doubt would be a pity and no doubt the citizens of Northern Ireland would protest. But is the hardship to them so great as to outweigh the disadvantages of offending India, Pakistan, the new African dominions and the West Indies and demonstrating to most countries of the world—to their satisfaction at least—that we are guided by racial prejudice?

In any case, the Government have neatly knocked the bottom out of their own case by admitting that if Commonwealth citizens landed in the Irish Republic in large numbers and came to the United Kingdom by this route, they would have to be stopped. "In other words", as an article in *Crossbow* puts it, "control from Ireland would be introduced not for the Irish but for the Commonwealth citizens."*

The question of immigration to the United Kingdom is not so vital to either India or Pakistan as it is to the West Indies. To them it is the principle of prejudice and discrimination that is of the first importance, and this matters more than the actual numbers admitted. Indeed, there is much to be said for the solution put forward in *The Economist*,† that we should exempt from the operation of any controls we introduce citizens of the West Indies and of Ireland; this would provide us with the reservoir of labour that we need and would assist the two areas to which emigration is of vital importance.

The Bill before the House of Commons is thus ill-timed because it gives the impression of being a concession to opinion often couched in definitely racist terms; the contemplated exemption of the Irish gives it a still more strongly racist look; apart from this, it is open to objection because it gives very wide powers to the Government without making it clear how these powers are to be used and, in particular, without insisting that use of the powers shall be related to the situation regarding employment or housing. In the original Bill, as introduced, it was left open to the Government to fix a quota from year to year by administrative decision and without consultation with Parliament; it was not contemplated that the instructions issued to immigration officers should be published; the circumstances in which an immigration officer might refuse a person admission were couched in very wide terms, and the same was true of the circumstances in which a person

* John MacGregor. *Immigration and Europe*, *Crossbow*, New York, 1962; and daily press *passim*.

† *The Economist*, November 25, 1961.

might be refused admission on the grounds of health. No doubt many amendments aimed at curing these faults will be successful.

The Common Market

THE whole question is further complicated by the question of the Common Market. The Treaty of Rome clearly envisages a much greater eventual freedom of movement of labour between the member countries than exists at present. It is, however, intended that the mobility of labour should be increased, gradually and step by step.* During the first year of membership, there will be, after the occurrence of a labour vacancy, a three-week period during which it can be filled only by the existing means. After three weeks, if the vacancy remains unfilled, it will be notified to the equivalent authority in other countries and thrown open to their nationals. But an immigrant to Britain from Europe will in every case have to obtain a labour permit for entering the country to fill a specified vacancy; this, of course, is what is contemplated by the present Bill in respect of Commonwealth immigrants, except that a certain number will be admitted additionally without specific jobs to go to. After the first year of membership of the Common Market, the three-week interval would be abolished except in certain areas. It would then seem that the procedure will be identical for an immigrant with a job to go to, whether he comes from another country of the Common Market or from the Commonwealth; he can come when he has a voucher that the job is available. The position of a Commonwealth immigrant to Britain who might wish to obtain employment in France is still obscure, also the question of whether an immigrant from the Common Market will be able to come here to look for work.

How does the Government's present Bill fit in with this picture? Has the introduction of the Bill any significance in connexion with the bargaining which is at present in progress? Is there any advantage in taking these powers in advance of any necessity which may arise under the provisions of the Treaty of Rome? The reverse seems to be the case; it would appear wiser to retain full freedom of action in this respect until agreement was reached, but it is unwise to form a firm opinion without detailed knowledge of the negotiations.

Can the Government undo the harm they have done by the timing of this measure and by the form it has taken? Not entirely. It has been denounced, particularly in the West Indies, as racist, while what has seemed, at one stage, a firm intention to exclude or exempt the Irish has driven this point home all over the Commonwealth. The image of Britain is tarnished in many minds. The attitudes of the immigrants themselves are said to be hardening against hosts who show themselves unwilling. But something could be saved even now if the Government had the strength frankly to acknowledge that the measure had been ill considered and withdraw it, substituting entirely different arrangements which would merely establish passport controls and

* John Franklin. *The Commonwealth Immigration Bill and the Common Market*, *The Institute of Race Relations Newsletter*, December 1961, and current supplements to the *Newsletter*.

make it possible to assemble trustworthy statistics. At the same time, a small commission should be instructed to report urgently on the statistical, actuarial and economic aspects of immigration. And if the Government really wished to undo some of this damage, they would introduce a measure providing a quick and easy remedy for discrimination on racial grounds in public places. This is a subject beyond the scope of this article and requires full discussion. Here three points only need to be made. Although it is impossible to legislate against prejudice, it is possible to provide remedies for discrimination, and there is some United States experience to draw on. The common law may in theory provide all that is needed but in practice manifestly does not. And finally there is a considerable and growing body of young British opinion that would be encouraged if it found the law behind it.

N.B. This article was sent to press before the second-reading debate in the House of Commons and the publication of the Draft Instructions to Immigration Officers (Cmd. 1640).

GENEVA AND AFTER

THE UNITED NATIONS, PEACE AND DISARMAMENT

ARTICLE 1 of the Charter of the United Nations begins with the words: "The purposes of the United Nations are: 1. To maintain international peace and security, and to that end: to take effective collective measures for the prevention and removal of threats to the peace, and for the suppression of acts of aggression or other breaches of the peace, and to bring about by peaceful means, and in conformity with the principles of justice and international law, adjustment or settlement of international disputes or situations which might lead to a breach of the peace. . . ."

The prolonged agonies of the Congo since the summer of 1960 have tested the United Nations' ability to carry out this first purpose so rigorously that some people have despaired of its ability ever to function effectively. It had been proved in Hungary in 1956 that it could do nothing to stop one of the very greatest powers in an act of aggression (though the UN was able to restrain two not-so-great powers in Suez). Now the feeling has grown up that for a variety of reasons it is essentially ineffective even when the greatest powers are not directly involved in an international problem. In particular, it is argued that the so-called double standards applied by the Afro-Asian countries mean that the scales will be weighted against the members of the West in any dispute in which they are involved. Many people also feel that, in its increasing tendency to intervene in the internal affairs of certain countries, the UN is not merely prone to apply subjective judgments but is also breaking the rules on which the whole institution is based.

If the Congo has raised the question of how effective is the UN as an instrument of world security, the disarmament talks due to begin in Geneva on March 14 pose even more directly the problem of how the world can avoid the thermonuclear catastrophe, the threat of which hangs over any international crisis in which the great powers are involved. Does any systematic approach to the problems of disarmament and world security make sense, or must we simply hope that somehow or other disaster will continue to be avoided? Is the balance of deterrence between the two great power blocks to continue to be the main element in preserving peace? Or is it conceivable that some sort of World Security Authority could do this in an otherwise disarmed world?

As a background to a consideration of the prospects of world security and disarmament, there is something to be said for an atmosphere of gloom. Just as it is an error to consider disarmament and defence policy in separate watertight compartments, so it is a mistake to allow disarmament prospects to become too subservient to the prevailing mood at any given moment. Admittedly, the classic view that disarmament can only follow a political *détente* has not yet been disproved; but it may well be that the arms race has become so much a cause as well as a reflection of tension that political *détente* must necessarily include a slackening of that race. Anyhow, disarmament or arms control measures are only worth considering if they are capable of surviving the normal downs as well as the ups of our manic-depressive world.

In some ways then, the surge of comparative optimism which was generated in the middle of February could actually prove a drawback. Fortunately, however, the Western statesmen have not been lured into wishful thinking. It does not follow, of course, that the new Geneva talks are especially likely to succeed where so many others have failed; but at least out of the disillusionment of the period since the abortive Paris Summit meeting a greater realism may have been born. Not merely the Congo and Berlin crises, but also the Soviet demand for a *troika* and the Soviet resumption of nuclear tests may do much to remind people of the facts of international life.

What are those facts? One is that a country like the Soviet Union is simply not going to entrust its security to anybody else: it prizes its sovereignty above everything. This has been shown alike in the demand for the *troika* and in the test ban negotiations. Another fact is that the United Nations—now dominated by the General Assembly—is not likely within the foreseeable future to provide any sort of World Government or World Army. The basic reason for this is that the Assembly is too unbalanced and haphazard a body to control a great deal of power. There is no need to lay stress on such anomalies as the fact that the largest nation in the world is not even a member of it or the way in which the negro countries with only a twentieth of the world's population (and much less of the world's experience of government) have over a fifth of the seats in the Assembly, with the prospect of more to come. It follows that if power were vested in the Assembly there would certainly be a struggle to dominate it which would be far more likely to increase than diminish world tensions.

The third fact, which arises out of the other two, is that it is highly improbable that we shall know complete, controlled, comprehensive disarmament in our time. It is just possible that the NATO and Warsaw Pact powers could shed all aggressive intentions towards and fears of each other; but it is incredible that a world that includes both China and the rising nationalism of Africa and other areas can do away with arms.

In some ways it can be argued that disarmament negotiations and discussions do positive harm. They may arouse false hopes, which those taking part in them know cannot be fulfilled; while, as well as being somewhat dishonest, they may also breed weakness where strength is desirable. They might be an actual cause of suspicion, in that one side will constantly suspect the other's motives, while if some measure of disarmament or arms control is actually introduced there may always be the fear that the other side is cheating. They could also, paradoxically, actually serve to maintain existing levels of arms or forces, in that reductions which would logically be made for military, economic or emotional reasons may actually be delayed because of failure to include them in a formal agreement.

The Nuclear Menace

SO far, then, there are all sorts of reasons to justify cynicism about disarmament: yet there is one other fact that counter-balances them all—the simple, unutterable horror of nuclear weapons. In a sense, there is no need to describe the effects of nuclear warfare: the facts are well enough known.

And yet it is extremely important that we should never for one moment forget what is involved. Those who work in defence ministries scarcely need reminding, but those who do not have to think constantly about these problems may easily be tempted to push them to the back of their minds. Whatever else we may think of Lord Russell and his fellows, at least they have done their share in ensuring that the appalling risks that lie in the existence of nuclear weapons are not forgotten. It must be the aim of any responsible policy for world security to put an end to the increasing proliferation of these weapons.

The dilemma posed by these four facts of international life is that the fourth is diametrically opposed to the first three, and the disarmament problem is essentially how to reconcile them.

It is because there are beginning to be signs that all four facts are capable of being understood by both Russia and the West that there is some faint ground for hope, if not at Geneva at least within the next few years. But whether this hope comes to anything may depend on whether the West is prepared to yield at all on the principle of controlled, inspected disarmament at every stage. Indeed, since the Russians in the course of the test ban negotiations actually made certain concessions towards the idea of inspection (which they have normally tended to regard as out of the question, except in a condition of total disarmament) it may be argued that the West should press ahead with the aim of securing arms control and inspection of partial disarmament measures. But if we do make this the overriding aim, it seems inherently unlikely that we shall get any sort of agreement at this stage. While in theory inspection and control are a means of averting suspicion, in practice they are all too likely to increase it, so long as the parties concerned are basically at loggerheads. This is not an argument against *ever* basing disarmament measures on inspection or adopting arms control. It is simply that if we make of them a *sine qua non* at this time, we are likely to be disappointed. The Russian view was made clear last September by their refusal to accept in the joint Soviet-American statement on disarmament the clause which said that "verification should ensure that not only agreed limitations or reductions take place but also that retained armed forces and armaments do not exceed agreed levels at any stage".

The Americans, on the other hand, regard this clause as vital—as, indeed, does Britain; and yet we must realize that the Soviet fear of espionage and, indeed, of being exposed to foreign view is so strong that progress in matters in which inspection is the crucial element is certain to be, at best, extremely slow. Certainly the Russians will not put their safety in the hands of neutrals, and it is doubtful whether we should, in view of the pressures to which neutral bodies are inevitably subjected. It follows that the best hope for progress in the near future seems to be in measures which are not completely dependent on inspection.

The present American administration seems to be both serious and realistic in its approach to disarmament, and it is unlikely that Britain at least will take a substantially different attitude. The Russians, of course, are subject to moods which reflect the varying pressures internally and in the country's

relations with China and the other communist states. But it may well be wise for the West not to press the Soviet delegation too hard on the points on which it will be most sensitive, of which control is the outstanding one. There is something to be said for allowing the internal process of de-Stalinization to have a chance to show itself in Russia's external relations, and a moderate approach at Geneva might just conceivably help in this way. Of course it may not and the West must not weaken its position *vis-à-vis* the Russians. But Mr. Khrushchev appears to have a basic grasp of nuclear realities, and hence a readiness to accept co-existence of a reasonably peaceful kind which the extremists in the communist world do not; and it would be foolish to force him back unnecessarily into their clutches.

If a realism born of successive disillusionment is in many ways a better background to disarmament talks than is euphoria, it is also worth noting that there are several reasons why the world in general and Britain in particular should press for some degree of disarmament now—quite apart from the overriding need to avert disaster. The first of these is that the number of nuclear powers is still restricted to three, with France not yet fully qualified to make a fourth. Anything that can be done to prevent the further spread of nuclear weapons is clearly desirable, for although it may be true that war would be less likely if every country possessed its own nuclear force it is hard to deny that the risk entailed in this situation would be far greater than the possible advantage. The second reason is that there is much to be said for achieving some degree of restraint on the arms race before anti-missile defence becomes a probability. Not only will anti-missile measures be enormously expensive, but if they seem trustworthy they are likely if anything to increase the possibility of nuclear war, since a power that possessed them might feel tempted to launch its own rockets in the belief that such rockets as its enemy could fire back would be largely destroyed by defensive measures. While anti-missile defence would be most unlikely to reduce the damage from a full salvo to an amount considered "acceptable", it might make an aggressor ready to suffer the amount of damage that would be inflicted by the very limited number of reprisal rockets which it would estimate to be capable of surviving both the first-strike and the anti-missile force. Since anti-missile defence would tend to increase the chances of nuclear war, and since it would certainly not give complete protection, it appears that its evolution would make the situation worse rather than better. The present balance of terror would become more precarious.

The Balance of Power

THE other, and in some ways more significant, reason for pressing for some measure of disarmament now is that the essential precondition to successful disarmament negotiations is a rough balance of strength between the two sides. Unless one side is so superior to the other that it can impose disarmament on it, it is essential that neither side should feel that it is putting itself in a weaker position in relation to the other by disarming. Equally, if one side is already weaker than the other, it will not readily accept a perpetuation of that situation; while conversely the stronger side will always be

reluctant to give up its superiority. Although it is impossible to be categorical about such things, it does seem at the moment that there is an approximate equality of strength between East and West. At least it can be said that neither side would be capable of winning a war, in any realistic sense.

So far, some reasons have been considered why we should not expect too much from disarmament talks and why we should be realistic rather than Utopian in our approach. It now remains to analyse in slightly more detail the contribution that the United Nations could make towards achieving peace and security in the world, and then to look at particular forms of disarmament and arms control with a view to suggesting which offer hopes of progress and which do not.

This article started by pointing out the despair that some people feel about the ability of the UN to play a constructive role in these matters, and later on it suggested that a World Government or World Army based on the United Nations is effectively out of the question. It is a commentary on the UN that although the present disarmament talks are being held at UN's prompting, they can scarcely be described as being UN disarmament talks. The eighteen participating nations may include eight that are not aligned; but it is the five western and five communist powers that count—or rather it is the United States and Russia, with Britain and France playing a not inconsiderable supporting role to the former.

Curiously enough, the framework within which these talks are being held resembles to some extent the framework in which the authors of the UN Charter envisaged that talks about keeping the peace should be held—that is to say, the Security Council. The eighteen-nation commission has much in common with the eleven-nation Council—not least in the fact that the Great Powers hold an effective right of veto in each. This suggests that one way in which the UN might be strengthened is by entrusting the Security Council with the disarmament question, rather than by handing it over to a body which is analogous to the Security Council, and which has no very substantial advantages over the Security Council.

But this would imply some reversal of the trend which, since the 1951 "Uniting For Peace" Resolution, has emphasized the General Assembly at the expense of the Security Council. The trend was started by the West, because of the Russians' sabotaging use of the veto; but its unforeseen effect has been to give the Afro-Asian block its present predominance. In some respects "One Nation One Vote" is a reasonable formula; but in the matters of life and death with which disarmament negotiations are concerned it is clearly ridiculous that Dahomey and Guinea should have as much say as Russia and America. A return to the powerful Security Council envisaged by the Charter would seem logical and acceptable to those powers themselves; while the fear that we should be back to the bad old days of the constant veto may be countered by the fact that disarmament talks will always be subject in reality to some sort of great-power veto. The "Uniting For Peace" resolution may still have its uses in overcoming a Security Council deadlock, but its value in disarmament is solely as a propaganda tool.

But if the Security Council is to be more active in this field, its com-

position may have to be adapted to present realities. China, for instance, can scarcely continue to be represented by Formosa: global disarmament agreements will never make sense so long as Red China has no hand in them. It also seems reasonable that India should be given a permanent seat.

The second contribution of the UN to world security which is capable of being strengthened is its ability to provide emergency police forces of the type which have made their appearance in Gaza and the Congo. The idea of the UN as possessor of an enormous army or as the sole nuclear power is a chimera. Quite apart from the extreme improbability of its ever being achieved, it would offer all sorts of opportunities for violent political argument. It might even be subject to a *coup d'état*; and since it would hold a monopoly of power this would be enormously dangerous. It also seems morally very doubtful whether the UN should equip itself with nuclear weapons, and practically very doubtful whether even if it did own them it could ever use them. But a police force is a different proposition, and though the experience in the Congo may often have been unhappy, it has not disproved the potential value of such a force. The important thing is to learn from the mistakes made there. In particular, it seems essential to establish a system by which different nations guarantee to hold some of their forces available over a fixed period of time. Once called upon, these forces would come solely under the UN, and a code of military law would ensure that they took their orders from the UN rather than from the government which provided the forces. The United Nations would probably need to develop permanent military staffs capable of taking over the higher command of these forces when they were required.

One other useful UN activity in disarmament could be to extend the group of its officials who work on the problem so that they could form a more effective cadre for the study of the subject, and for the execution of such measures as might be found practicable. If big-scale inspection seems a remote possibility at the moment, there can be no need for a large International Disarmament Organization; but at least the UN could sponsor work of the kind carried out at the moment by Harvard and the Rand Corporation. Such work could include the provision of models and war games, as well as both scientific and historical studies of the problem. (In passing, it may be argued that some of our illusions have stemmed from the scientists' having predominated in this field lately, at the expense of the historians.)

The United Nations as Peacemaker

THE UN, then, is capable of some development both as a means of keeping peace among the smaller powers and as an auxiliary to the Great Powers in attempts to reach agreement. In the former capacity, it has already achieved something in Palestine, Greece, Indonesia, Syria, Korea and Suez; and though it may or may not ultimately succeed in the Congo, at least some valuable lessons should be learned from its experiences. In the latter capacity it has less to show, but it may play a useful part in some of the possible forms of disarmament or arms control which are now to be discussed.

For some time now, the fashionable approach to disarmament has been through three-stage plans which lead eventually to a completely disarmed and inspected world. In many ways, this approach makes sense: it gives the feeling of progress towards a desirable objective, and, theoretically anyway, it provides an alternative to the all-or-nothing approach to which the Russians would otherwise tend. Although these plans have never yet produced an agreement, they give a form to the negotiations which serves to isolate the points on which disagreement exists, rather than to allow them to be obscured in a general fog of distrust. They are, in fact, a useful device worth preserving; but if a fresh impetus is to be given to the new discussions it may be necessary to take certain topics in isolation, in the early stages at least.

The first question to be settled is whether any kind of test ban agreement is still possible. Without information which is simply not available to the lay public, it is impossible to judge whether the United States needs, in military terms, to carry out tests. If it is really essential militarily, in the light of the results of the last Russian series, then they presumably will; but to do so for any other than the most pressing military reasons would be a major error. Ideally, the US and Britain should restate their desire for a nuclear test ban treaty without carrying out further tests; but if tests seem absolutely necessary, then they should be carried out rapidly as a prelude to negotiation. The Russians could hardly accuse the West of hypocrisy in view of their own conduct last year.

Secondly, the West should, if necessary, consider whether it might drop its insistence on control as a feature of a test-ban treaty. This would be a big step to take, and should not be done unless there seems to be no chance of reaching an agreement that includes control. It would also mean that the treaty would only cover tests above ground—that is to say the tests that can be detected without the aid of on-site inspection. The treaty would consist quite simply of a renunciation of such tests; the only sanction would be simply that the treaty or agreement would come to an end if one side broke it. Underground tests, which cannot be detected so easily, would have to be excluded from the agreement.

The reason for being prepared to drop control is that which has been already suggested: the doubt whether there is any serious likelihood of its acceptance by the Russians, at least in the present state of things. No doubt it will be felt that it is a mistake to dream of giving way to the Russians on so vital a point; but the West would not weaken itself in any practical way by doing so, while the risks to innocent people implicit in atmospheric tests would be ended.

The second step that might be taken is one that has been advocated by Professor Schelling, among others. This is to make sure that a line of communication exists between East and West which will ensure that in the event of the release of a nuclear weapon by accident the other side could be at once notified. One single bomb can, of course, do enormous damage; but since the chance, however slight, of such an accident exists, it seems rational to minimize its consequences if possible. The UN's disarmament section might play some part in organizing this.

The third, and much the most important, possible area of progress is that of limiting both the number of nuclear powers and the size of the nuclear forces held by those powers. Neither part of this will be achieved easily, but at least there is much that is worth discussing in the basic idea that each side should possess the minimum nuclear force that is adequate to deter the other. The case for restricting the possession of nuclear weapons to America and Russia has been argued especially persuasively by Albert Wohlstetter in the American magazine *Foreign Affairs*. He believes that on purely realistic grounds the diffusion of nuclear weapons will tend to diminish the credibility of the deterrent; and that the firm American guarantee to Europe would be sufficient to deter Russia from attacking us. It is quite likely that if a really effective non-nuclear club could be achieved as a result, the British Government would be prepared to renounce its own nuclear weapons. France, in spite of the General's ambitions, might follow suit. The great problem would naturally be China, which seems certain to possess nuclear weapons before long; but at least it would be worth trying to discuss the matter with her now, rather than at a time when she has manufactured her own bombs.

The other prong of this approach is to establish in the minds of both America and Russia that the capacity to over-kill is meaningless. All that each side requires is an adequate force to deter the other from attacking or threatening it with nuclear weapons. This implies that such weapons as each possesses must be invulnerable to surprise attack (or indeed any attack): fixed-site Thor rockets would not meet the case, but mobile Polaris submarines might. It also implies that these forces would not need to be inspected, thereby removing a source of friction.

The merit of this as opposed to complete nuclear disarmament is that, if all such weapons were nominally abolished, the side which broke the agreement would be master of the world; and because that is so, each side would live in constant fear that the other was cheating. The drawback is that it would be hard to make sure that weapons were reduced to the agreed levels. Obviously, the agreement would involve a handing-over of stocks, and perhaps of means of launching them; but inspection of those that were left might invalidate their invulnerability. On the other hand, it would not be disastrous if one side did cheat.

The other and perhaps more serious snag is that technological innovation might upset the whole balance on which the system would depend. It is hard to see how this could be overcome, and the technological arms race checked; but the great powers seem able to keep pace with each other in innovation, and at least under this sort of balance the situation would not be worse than it is at present. Moreover, once some sort of arms agreement had been put into successful operation, others might be expected to follow.

At this stage it may be objected that we are straying from the attitude of realism that is our desire; but the basic idea of reductions in armaments that do not alter the general balance is the only approach that combines both reality and hope. In talking about disarmament and the security of the world it is at least worth being sure that our premises are sound.

UNIVERSITY OUTLOOK

THE NEED FOR EXPANSION

IT is by now generally accepted that more university places must be provided in Britain. There are, it is true, a few Jeremiahs who assert that such an increase must inevitably be accompanied by a decline in standards. But they are a small minority, and it must now be taken as established government policy that expansion should be undertaken.

Various different reasons are advanced as the grounds for this policy. First, it is argued that by comparison with other countries the smallness of the proportion of our population which goes to a university is a national disgrace. In the U.S.A., Canada and some of the countries of Western Europe the percentage of the relevant age-group which attends universities is substantially greater than ours. Here it is important to compare like with like, for a simple overall comparison of bare statistics may be very misleading. For one thing, a good many forms of professional training which in other countries are provided in universities are pursued, in Britain, at professional schools outside the universities. In Britain, many solicitors, engineers, architects, accountants, have never been to a university, whereas in some other countries a university would be the normal place for their training. So if comparisons are to be made this difference in practice must be taken into account. Further, it is well known that in the U.S.A. and the Dominions the "wastage rate" is very much higher than it is here. In some American universities it is the normal expectation that between 45 and 50 per cent will disappear at the end of the first year and, at the end of the second year, between 20 and 25 per cent of what remained. This would be regarded as intolerable in Britain. But apart altogether from theories about the purpose of a university education, from the point of view of comparison of statistics this factor also should be taken into account. Perhaps a more informative comparison would be not between total university populations in different countries but rather between their numbers of students graduating each year.

However this may be, the argument from the comparative sizes of university populations carries great weight in some quarters, and leads to the second main argument, which is concerned with specific national needs rather than with overall totals. As a nation we are gravely handicapped, in a highly competitive world, by a shortage of men and women, especially in the technological field, who have had a university training. Our top-flight scientists and inventors, it is agreed, compare favourably with those of any other country; but at the level of the technological skill needed to translate scientific invention into practical performance we are deficient both in quantity and in quality. It is expected that the greater part of the acknowledged shortage will be met by the development of the Colleges of Advanced Technology. But it will remain necessary for the universities to make their contribution also.

The third argument is derived from the terrible twin-brethren Bulge and Trend. "Bulge" is the inelegant short description of the consequences of the great increase in the birth-rate which occurred after the end of the war. This bulge has now almost reached the top of the secondary schools and will hit the universities in full strength in 1964. There will then be, as a matter of simple arithmetic, many more young men and women "of university standard" than there have been before, for there is no reason to suppose that the "bulge" children are any less intelligent than their predecessors. Indeed, there is every reason to expect that there will be in each annual age-group a higher percentage of young people suitable for a university education. For this is where "Trend" comes in, the tendency on the part of each year's children to stay longer at school and qualify for admission to university. The combined effects of Bulge and Trend undoubtedly mean that there will be more candidates for university places by 1964 than there have ever been before. Further, it is not expected that this demand will fall off in the years that follow; for it is to be assumed that the trend will continue or increase and it is known that there are other big population years now moving up the schools.

All these arguments taken together establish a formidable case for university expansion. And they are buttressed by the increasing readiness of central government and local education authorities to provide the necessary funds for properly qualified students. There can be very few young men and women in Britain today who are denied a university education on financial grounds alone, and those are they whose parents' income disqualifies them for assistance from public funds.

The Scale of Expansion

GRANTED, then, that there must be more university places, how many more is it reasonable to provide?

The total number of university places in Britain has never been decided by anybody. It has been an unplanned, haphazard, accidental figure, determined simply by the individual wishes and plans, expansionist or restrictive, of each separate university institution. There has never, until quite lately, been any intentional matching of the national need against the provision made by the individual universities. From one point of view, this fact is a splendid tribute to the scrupulous determination of the University Grants Committee not to impose its will on any institution and not to interfere with each university's autonomous planning of its own future. From another point of view, it represents an attitude of *laissez-faire* which in the middle of the twentieth century indicates an almost incredible heedlessness about the proper investment and use of national resources. At all events, there has hitherto been no national policy or doctrine about how many university places there ought to be. There simply are as many as the universities have provided. The only doctrine has been that there should be no doctrine. So when the question arises of the proper amount of expansion, we are left with a starting-point which is itself a sheer accident; and for the first time we are

driven to a consideration of what the total university population ought to be in an industrialized country of Western Europe with a total population of some 50 millions in the middle of the twentieth century.

In Britain, by tradition and history, a university education has always been regarded as something which was reserved for a minority. Whatever the basis of selection, universities have been confined to an élite, so that admission to them has always been a privilege, won either in hard and competitive contest or by the power of father's purse. The whole principle has been restrictive, selective and (if the word may be allowed) aristocratic. There has never been any centrally determined assessment of what the number of vacancies ought to be; each university has done what was right in its own eyes. The resulting total, reached by pure accident, was, at the beginning of the Second World War, 50,000. In the U.S.A. and many of the Dominions, the underlying attitude has been entirely different. There, a university education has been regarded as the right of any young man or woman who reached a recognized qualifying standard at the end of high school. Just as primary and secondary education are a guaranteed part of the educational system, so is tertiary, or university, education for any who can profit from it. On this theory, which is inclusive rather than exclusive, receptive rather than restrictive, "democratic" rather than "aristocratic", the number of university places provided by the State or the Province represents the number of young men and women regarded by the legislature as capable of deriving benefit from a university education in the light of the needs and standards of the community.

Both these very different methods of deciding the size of a country's university population are perfectly legitimate. Neither has any divinely derived authority. The one or the other will appeal, on grounds of social justice, intelligent planning, safeguarding of academic autonomy, preservation of proper standards, or sheer political preference. Each has its advantages and disadvantages. The British system (or lack of system) has resulted in the national shortage of trained persons which has made the present expansion necessary; but it has protected the currency of university degrees from devaluation and has left each university free to work out its own plans in its own way. The American system has ensured uninterrupted access to a university for any reasonably intelligent child; but it leads to the wasteful "casualty rate" to which reference has already been made, and it results sometimes in a direct influence on universities by the legislature which in Britain would be highly unwelcome. The increasing dependence of British universities on public funds transmitted from the Treasury by the University Grants Committee may well mean that the overall British pattern must come closer to the American and that individual universities must be prepared to surrender, to some degree at least, their anarchic freedom of action. Already there is growing up, in the minds of young people (and their parents), the idea that if they reach a prescribed standard at "Advanced" level in the examination for the General Certificate of Education they are entitled to a place in a university; local education authorities, at the instance of the Ministry of Education, are prepared to subsidize them to go to a university

if they reach the agreed standard—does that not imply a right to a university place? In fact, we are moving over from the “exclusive” tradition to the “inclusive” principles of the U.S.A. and the Dominions. There is no harm whatever in doing this, if we realize that this is what we are doing and if we frankly and openly say so. If we do not say so, we are deceiving ourselves and the young people themselves, for we are purporting to offer to them the competitively gained privilege of the few whereas in fact we are providing what is open to all who reach a qualifying standard—and that, for better or worse, is a very different thing.

What, in the light of all these considerations, ought the number of places in British universities to be? It is often discussed in terms of “doubling” the existing number. But the existing number is purely accidental, and doubling it will not make it more rational. The figure which is currently fashionable is 170,000 by the early 1970’s. This figure has never been officially sanctified by the Government, but in their overall planning the universities are taking it as their yardstick or target. Many people think it is much too low. One recognized authority has roundly declared that it ought to be doubled; and there is reason to believe that the University Grants Committee would prefer 200,000 as a target. Again, it is not clear what the statistical basis of any such figure really is; but even at the level of 170,000 the problems which confront the university world are considerable. The present university population is approximately 110,000. This is more than twice what it was immediately before the Second World War. So in twenty years the universities have more than doubled themselves; and now they are invited to add at least another 50 per cent to their population in ten years. This, on any reckoning, is a formidable operation.

It is complicated by a further quite separate factor. So far we have been discussing expansion in terms of the population of Great Britain. But the British universities have for many years enjoyed an increasing flow of students from overseas. This welcome invasion contains many diverse elements—Rhodes Scholars coming to Oxford, students from the West Indies or from Africa, government officials seconded from the developing countries, aspiring lawyers and doctors from practically everywhere. The levels of the studies which they pursue are equally various. Some come for first degrees, some for one-year graduate courses, some for long-term research leading to higher degrees, some to work in the laboratories of world-famous scientists. A large proportion of them live and work in London; of the rest, individuals and groups are attracted to those particular universities which offer the particular courses or facilities they are seeking. In total, overseas students, of all kinds, account for rather more than ten per cent of the present population of British universities. Are we to assume, in the planning of our expansion, that this proportion will increase, decrease, or stay approximately the same?

The answer to this question must depend in large measure on the policies of the universities, and the governments, of the developing countries. They themselves are confronted with a difficult dilemma. On the one hand, the government of a developing country will seek, especially for its scientists

and technologists, the best education and training they can get; and that will very often be found at present in some foreign country, whether Britain, the U.S.A., the U.S.S.R. or Germany. On the other hand, that same government will be anxious to build up the standards and prestige of the universities in its own country, and that will not be done by sending abroad for their university education all the brightest and best of its young people. It is therefore, for each country, a tricky problem to decide at what stage in its development it can properly, in its own interest and theirs, reduce the exporting of its ablest students and deal with them appropriately inside its own borders.

If a generalized guess about the future may be permitted, it would be that the total demand from overseas students is likely to remain at about the same overall figure, though the kinds of studies pursued may gradually change. It seems likely that more and more of them, as the universities of their own countries grow and develop, will take their first degree at home and will then come to Britain for higher degrees and specific research. This in turn will lay upon the British universities the obligation of making much more precise provision for such higher studies than some of them have made in the past. Indeed, this is part and parcel of the general development of graduate studies in this country, and of a gradual shift of emphasis in this direction. Undergraduate teaching must obviously remain the prime concern of most university teachers; but we must expect, as a consequence of any expansion of it, a corresponding increase in the demand for higher studies.

There is another consideration which must be mentioned, embarrassing though it may be. The flow of students from overseas, especially from the developing countries, is genuinely welcome to the universities of Britain. But in the present shortage of places it has to be recognized that each student who is admitted from overseas, at any rate in undergraduate courses, is keeping out a student whose home is in the United Kingdom. So far, happily, no serious objection has been raised to this state of affairs. But if the proportion from overseas increases, and if the pressure on vacancies is not relieved, the British tax payer may soon ask why the universities of Britain, largely financed from his pocket, are admitting so many students from the West Indies or Nigeria to the exclusion of deserving young men and women from Wigan or Scunthorpe. This is clearly a further argument for expansion.

The Machinery of Expansion

IN any large-scale expansion such as that which is now contemplated three important conditions must be fulfilled if the operation is to have any hope of success. (i) The necessary students must be forthcoming in the right numbers and of the right quality. (ii) There must be enough money, from somewhere, to provide the buildings in which students are to live and work. (iii) There must be forthcoming in the right numbers and the right quality the necessary additional members of the academic staffs of the universities.

(i) Enough has, perhaps, been said on this point already. If this condition is not fulfilled there is no point in the expansion proposals at all,

unless we are openly intending to adopt the American "open-to-all" practice. It is reasonable to assume that this condition will be fulfilled. Certainly it is widely felt that the increase in numbers which has already taken place has not resulted in any disastrous fall in standards. Let Brother Bulge and Brother Trend look after this element in the plan.

(ii) But somebody else will have to look after the second condition. Expanding universities is an expensive business, and the country must face the issue without misunderstanding. The official report of the University Grants Committee issued in September 1961* states categorically, "The requirements of the universities to meet an expansion to 170,000 students by the early 'seventies and to make good the backlog of past years were stated to be about £175 million (at costs prevailing at the beginning of 1960), of which almost one-half could be attributed to past under-provision, backlog and obsolescence and over one-half was necessary to meet further expansion." In other words, the universities are, on their present population, some £80 million behind in sheer capital investment, before any provision is made for the expansion which they are being asked to undertake. These are solemn figures. And practically all of this will have to come from the Exchequer, because the sums involved are far beyond the reach either of private benefaction or of local authorities. What is more, the money must come soon and quickly. Indeed, it is already too late to meet in full the impact of the bulge in 1964. It takes two years to plan and build a hall of residence, and as long as that to build a fair-sized laboratory. But this simple fact seems not always to be recognized. There are indeed building programmes for years ahead, on paper, worked out with considerable labour inside the universities and approved by the University Grants Committee. But they are constantly being revised because building costs are constantly rising and because Governments seem to be unable to realize that a degree of guarantee is no less necessary in the field of capital investment than it is accepted as being in the field of annual income. A university is not an object which can be expanded overnight simply by putting up a few huts. If its development is to make sense careful and detailed planning is necessary; improvisation, on which the universities have perforce existed throughout the past ten years, is both inefficient and, on a long view, expensive. There appears to be every prospect that once again we shall hear the cry "too little and too late".

This is the main objection to the founding of so many new universities in the past couple of years. Of course there must be new universities. In the overall expansion plans, Oxford, Cambridge and London have, for all practical purposes and for very intelligible reasons, contracted out. So have some of the provincial universities which regard themselves as being already quite big enough. So the major part of the expansion is bound to fall, with disproportionate impact, on the smaller provincial universities. They cannot possibly carry the whole of it. But they would be in a far better position than they are if they could have been given the money to reach quickly the optimum size which they have, in agreement with the University Grants

* Cmnd. 1489, pp. 12-13.

Committee, set for themselves. It is not easy to understand why their expansion to their target-figures should be delayed, for want of capital funds, long past the critical year 1964, while at the same moment money is being spent on establishing new universities now which cannot possibly come into anything like "full production" for many years to come. Of course there is a rate of expansion which no society can exceed and remain healthy; but that argument applies even more forcibly to brand-new institutions than to those which already have an organic life and pattern of growth. Granted that we need both to expand existing universities and to establish some new ones. If we cannot find the money to do both these things simultaneously, it would seem to be economic common-sense to plan to bring the existing institutions to their full size with all possible speed as a first charge on the available money, and then see how much can be afforded for new ones. It strikes many observers as an odd choice of priorities to lay down the infrastructure of several new institutions and simultaneously to starve the existing ones of the funds which would enable (or would have enabled) them to meet the demands of the bulge and of the years which must elapse before the new ones can reach their own target figures. No Government yet seems to have grasped the size of the capital expenditure which will be necessary. But from the side of the universities the situation is perfectly clear. Given the money the expansion could be done; throughout the past fifteen years the universities have been engaged on exactly this enterprise. If the money is not forthcoming there simply will not be the places available—and that will not be the fault of the universities. If money, then places: if not, then not.

(iii) But in the opinion of many the gravest problem of all is the provision of university teachers of the right quality in the right quantity. In some fields there is already a shortage, especially where the needs of the universities conflict with those of industry and of government-sponsored research. Over the next decade, while the universities are expanding, there will be a parallel expansion in the Colleges of Advanced Technology and in the Teachers' Training Colleges. There is in fact every prospect of severe and even brutal competition, with all that this implies—bigger classes, less individual attention, reduced amenities and, inevitably, battles about salary scales.

All this, if it happens, will jeopardize what we have in Britain hitherto regarded as a university education. A young man is not given a university education simply by physically bringing him to a university town, even though that be Oxford or Cambridge. What he gets once he has arrived depends almost entirely on the quality of the influences which are exercised upon him by those who lecture to him, those who teach him, those whose research is going on round about him, and those who share his life in the environment of a college or a hall of residence. It is still the case—or should be—that the prime influence of a university is the sharing by the older and the younger of the life of learning and scholarship. This cannot happen if the number of "the older" of the right quality is insufficient. This is the real danger in the contemplated expansion. There are many who think that the risk of not having an adequate number of teachers is greater than the risk of not having an adequate number of students of the right quality; if that fear

turns out to be justified then the currency of university education will have been devalued.

Conclusion

THESE are gloomy thoughts. But the universities of Britain are not gloomy places. Nor are they desperately weighed down with care about either the present or the future. They are lively, vigorous and resilient. Both in Oxbridge and in Redbrick and in Norchester (or whatever is going to be the generic name for the new foundations) there is a forward-looking spirit which will blow away these threatening clouds. It is depressing to be kept in ignorance of one's quinquennial fate until it is too late to do anything about it; and it is frustrating to have the annual task of revising (downwards) one's building programme for the next five years.

But throughout all the indignation which this apparent lack of national policy produces two permanent satisfactions remain. The first is that all the time there are present, actual, living, students. They are there, here, thronging round the lecture-rooms, the laboratories, the Students' Union; they come from every country in the world, and they are going, eventually, to every possible variety of life's work. So long as they are here the demands which they make keep the universities alive, buoyant and practical, with their eyes on the ball of today.

The second is that in their calmer moments university teachers in Britain recognize their great good fortune by comparison with their academic colleagues in other countries. When feelings of frustration are particularly rampant everybody curses the Government, the Treasury, the University Grants Committee and all their respective works—not always, it may be, without reason. And everybody pines for a tidy and water-tight plan, which would at least enable them to know where they are and where, in five years' time, they may expect to be. But then they reflect that their own situation, maddening as it sometimes is, is better than being subject to a State legislature in the Middle West or than spending three-quarters of a working life touting for funds from alumni. The universities of Britain are not yet a tool of Government policy. And for that freedom it is worth paying quite a considerable price.

PORTUGAL OVERSEA

A STRUGGLING EMPIRE

PORTUGAL in this century tried to isolate herself from the rest of the world; she succeeded in some measure. Now, the outside world will not leave Portugal alone in either its internal or external affairs. The immediate effect of foreign pressure has been to strengthen her belief in herself and in the logic of her policies. The Portuguese argue that they have not been proved wrong. If they have failed, they have done so because of outside interference.

The speech delivered by Dr. Salazar before the National Assembly in Lisbon on January 3, 1962, showed clearly the width separating Portugal from even her closest ally. Dr. Salazar then summed up the Portuguese view of the fall of Goa in these words: "For Goa to have been Portuguese for 450 years and now to be occupied by India is one of the greatest disasters in our history and a very deep blow to the nation's moral life. . . ."

The possession of Goa was a constant reminder to the Portuguese of the greatness that was once theirs, not as a military but as a civilizing power, assuming that Western civilization had a message to take to the East more valuable than any which India, China or Japan could offer the West.

Portugal maintained not only that she had every legal right to the possession of Goa, but that she had a mission to fulfil and a duty to the West that could not be surrendered. There was never any possibility of compromise. Goa was to the Indian no more indisputably Indian territory than it was Portuguese to the Portuguese mind. Portugal might have considered its conversion into an autonomous province; the granting of independence to a Portuguese colonial area had a historical precedent; but she could never have entered into negotiations that might have led to the cession of one whit of sovereignty over the area to another established power.

With the loss of Goa the Portuguese empire in Asia is reduced to the outpost of Macao and half the Island of Timor. Timor will doubtless be claimed eventually by Indonesia. Macao's present position is advantageous to Communist China. It provides an outlet for refugees who then become the problem of other countries. Much of the business is in Communist hands, and there are Communist schools and welfare centres preparing a future generation for the change in overlordship which Peking does not at present appear to desire, or to press.

With these two exceptions, what remains of the Portuguese empire is in Africa: the Cape Verde archipelago, with a quarter of a million inhabitants; Portuguese Guinea, with some 400,000; Angola, with a population of 5 million; and Mozambique, again with 5 million inhabitants. Mozambique and Angola together constitute an area roughly that of the Congo. In all, Portugal holds in Africa some 800,000 square miles with a population of some 11 millions, an average of roughly 7 persons per square mile.

Senegal has laid claim to Portuguese Guinea. In Mozambique the small European population includes a number who are agitating, with a minority of Africans, for independence. In Angola the rainy season interrupted in November 1961 months of a guerrilla conducted by Angolans wishing to sever all connexion with Portugal. They operated from bases in Guinea and the Congo, countries bordering on Angola and anxious that the Portuguese should emulate the example of the French and the Belgians. But it has been in the United Nations that Portugal has been most harassed by the Afro-Asian group, to whom her continuing presence in Africa and her policies there are an affront.

Pressure in the United Nations

SINCE her entry into the United Nations in 1956 Portugal has come under pressure, exerted principally by India, to submit information about these territories under the terms of the relevant paragraph in Article 73 of the Charter. On November 12, 1960, a Committee of the General Assembly approved a resolution sponsored by the Afro-Asian powers formally asking Portugal to comply with those terms. Its endorsement in plenary session was overtaken by the approval of a more sweeping declaration on the granting of independence to colonial countries and peoples. Several of its African sponsors asserted during the preceding debate that the wider resolution was directed chiefly against Portugal and Spain. Pressure was intensified during 1961, particularly when the news leaked not only that serious riots had taken place in Luanda, the capital of Angola, on February 4 and 5, but that guerrilla bands were operating over an extensive zone in Northern Angola. On February 20 Liberia asked the Security Council to look into the situation. In April the General Assembly established a sub-committee to investigate conditions there at the instigation of 42 powers, mainly Afro-Asian. Reports that the Portuguese authorities were dealing ruthlessly with such of the rebels as they captured began to multiply. Missionaries of Protestant persuasions spoke publicly of atrocities committed by Portuguese troops. There were also numerous accounts accusing the rebels of atrocities against Negro Angolans unwilling to join their side, and there was evidence to support the suggestion that what was happening was not only a war of independence but a civil war. Nevertheless, the facts conforming to the popular concept of Portugal as a colonial power and of a subject nation rebelling against it were the more publicized abroad and proved the more acceptable. Portugal was at least partly to blame. She made difficult the task of investigators, even those well-disposed towards her. In May the Security Council called on the Portuguese authorities in Angola to put an end to their "repressive measures" and to extend every facility to the sub-committee set up by the General Assembly. This body reported in November. The United Nations again instructed Portugal "to desist from military repressions and respond to world opinion on the right to self-government of dependent territories".

Attacked from both within and outside her territories, the survival of what remains of the Portuguese empire poses for her a problem which she must face by re-examining the principles on which she has based her actions and

the logic of the arguments she has used to justify them. This reassessment can be done only by Portugal herself, but her willingness to do so will be conditioned by what other countries say about her in the United Nations. The more comment there is patently or emotionally inspired, and the more ill informed it is, or appears to be to the Portuguese, the more the Portuguese will be convinced of the falsity of all arguments advocating the end of her rule in Africa.

Colonialism has become a word of abuse almost everywhere in the world, but only in this century. It is a word which has no equivalent accepted by the Academies of either Portugal or Spain: "colonización" and "colonização" are respected concepts. Whether language influences and conditions thought or vice versa, colonization, and "colonialism" (in so far as this neologism has crept into Portuguese and Spanish), still signify the maintenance by the mother country of a benevolent and civilizing tutelage over peoples who would be lost to barbarism without it. As Portugal sees it, she was called close on five centuries ago to undertake the civilization of vast areas of Africa and South America. Her task in South America was completed a hundred years ago, but there is still work for her to do in Africa. The Portuguese is still taught* that "empire is a splendid achievement, conducted for the good of nations".

Prince Henry's Doctrine

THE expansion of Portugal oversea has its parallels in British colonial history but it also has unique characteristics. The reconquest of the motherland from men of alien religion who had crossed from Africa was logically followed by interest in that continent. The nature of that interest was best summarized in Prince Henry the Navigator's command: "explore, trade, convert". The defeat and subjugation of foreign nations or tribes and the acquisition of territory were subordinate to these three objectives. Portuguese colonization in the first place was to follow the pattern more of Carthage than of Rome. It was maritime. There were no population pressures in Portugal demanding outlets. Christendom was as yet undivided and there were no groups of Portuguese anxious to escape persecution. It was content with the establishment of trading posts garrisoned with mere handfuls, which Christian missionaries, as frequently as not non-Portuguese, were invited to use. The line of these posts was to stretch round Africa to the Far East. It was to be invaluable to the Spanish St. Francis Xavier in his eastward journey of conversion. This was to be when Portugal was no longer satisfied with Prince Henry's three principles. For Spain, mistress at long last of her whole territory, had begun the conquest of the new world. Spain's ideal was Rome: she was herself the first area to become a Roman Province outside Italy, and her idea of Empire was of territorial expansion, of subjugation of barbaric nations over whom *Pax Hispanica* would be cast. Prestige demanded that Portugal should herself seek territorial gains. She moved inland in West and East Africa; she took possession of an area in South America almost as extensive as the whole of Europe.

* So was the Roman. So should be the Englishman.—*Editor*.

In the first place then the love of exploration drove the Portuguese; exploration led to the expansion of trade; the expansion of trade required the protection of routes; but with the entry of a rival the acquisition and domination of extensive inland territories became a matter of national prestige. Portugal was ill suited to the task. Her small population of under a million could poorly provide the armies, navies and settlers which the full development and defence of her possessions required. She was in no position to compete with her neighbour where the land-power of Castille had united with the naval traditions of Aragon and Catalonia: Spain had the manpower, and that manpower had the will not only to undertake major wars to the north and east of her in Europe, but to overpower two empires in America and to people, however sparsely, and to establish her will over, half the whole continent. Portugal could not attempt the like. If there was to be colonization in the sense of establishing her own sons oversea, and of encouraging them to settle and develop conquered territory, she had to choose between her holdings in Africa and those in South America. South America offered the less difficult alternative. Brazilian wood and gumlac were easy to exploit and profitable to export. The land was fertile. The climate was more hospitable than that of Africa. There was less disease. Later, gold was to be discovered. It was more accessible than that found earlier in Portuguese Guinea.

Accordingly, what little man-power was available for the exploitation and development of her oversea territories went principally to Brazil. But even then it was inadequate both to defend it and to reap a full harvest from it. Conscience had prohibited the extermination of the natives but their conquest was held to prove their inferiority. Here was a source of unskilled labour which could release men for defence and provide settlers with the standard of comfort to which in their imagination they had been accustomed in their mother country. The natives, however, did not readily accept servitude. They would not work for Portuguese masters without sanction or corporal punishment; but when their Portuguese masters used force too blatantly they ran against the zeal of missionaries who had the ear of the Court. Churchmen proved their case that the Amerindians were no less human beings than the Portuguese and that they were to be treated as such, to be converted to the true Faith and schooled in civilization. They did so with arguments typical of the orthodox philosophy of the time, even when these were cloaked in the phraseology still current in propaganda. St. Thomas Aquinas had long reconciled Aristotle with Christianity. Some of his successors had subsequently sideslipped into the use of Aristotle's writings almost as if they were a fifth gospel. Fortunately for the Amerindians Aristotle had not known of them, but he had seen the Negroes of Africa and he had judged them "inherently unfit to rule and intended by nature to be governed".

The transfer of slaves from Africa to Brazil began. There cross-breeding was inevitable. Whites had freely mated from the first with Amerindians. The gap between the subject-race status of the Amerindian and the slave status of the African was not, in practice, unbridgeable. The Portuguese might hold that nature had intended the Black to be governed; but so, in his view, had nature intended wives. They extended paternal piety to their

half-caste children. Colour frontiers gradually grew blurred. The sons of Portuguese returning to Portugal were accepted unquestionably, however mixed their origin.

In Brazil, therefore, a new Portugal developed, so like the mother country that when Napoleon threatened the Court of Lisbon it transplanted itself easily, so easily that it did not return until Waterloo was long past and Rio had been considered as the permanent capital of the Portuguese Empire. In the event it was the Portuguese Crown that divided, the father returning to Lisbon, the son with his father's consent establishing himself at the head of the Brazilian Empire. Thus Brazil grew up into a fully independent country without the upheavals and wars of independence that created the United States of America or what have often been called the Dis-united States of Spanish America.

It is a source of pride to Portugal that under her tutelage Brazil developed from a colony into one of the larger nations of the world. It was undoubtedly a magnificent achievement. Here negroes and Amerindians, primitive in beliefs and civilization, were not only raised to the levels of Western culture but were fused with Europeans to become a new and powerful nation.

Portugal in Africa

GOA was the one point in Asia where the Portuguese most extended themselves. To the original holding captured by Albuquerque in 1510, a further area, as large as the original, was added in 1795, bringing the total to some 1,400 square miles. The early history of Goa shows Portuguese colonialism in all its glory and ignominy. The acquisition of the old city, which for a thousand years had been a centre of Hindu learning and wealth, and then in the hands of Muslims a principal market and point of assembly for thousands of pilgrims to Mecca, was essential for the expansion of Portuguese trade. Albuquerque captured Goa with a handful of men. He was no doubt a zealous converter of pagans, but even more so a realistic business man; his religious policy, as that of the early Portuguese empire-builders, was that summarized by João de Barros in his famous *Decades da Asia*: "the Moors and Gentiles are certainly rational creatures and so potential converts to Christianity, yet since they show no will to be converted, we Christians have no duties towards them". This was a principle combated by St. Francis Xavier and the Jesuits who followed him. Their accounts of Goa in the sixteenth and seventeenth centuries give a picture of Portuguese policy and its results very different from that painted in official documents. Their expulsion from Portugal and her dominions in 1759 removed a brake on the exploitation of the Indian. That year the original city of Goa was abandoned to the mosquito, and New Goa, or Panjim, became the capital. Yet the banished Jesuits and the shrine of St. Francis Xavier in the old city began to exert a liberalizing influence. Goanese began to be considered, if not as equals, at least as human beings who could send their representatives to Lisbon, and they did so for the first time in 1822. By 1900 some two-fifths of the inhabitants were Christians, and most of these were Portuguese in all but race. But the greater opportunities that Bombay offered tempted many

thousands away. There some became subject to the sentiment of Indian solidarity and a desire spread among them, particularly after 1947, to be part of India rather than "an oversea province", as by then Goa had become under the Portuguese constitution, of a far-away land. India made no secret that she intended to annex Goa sooner or later. When, in 1955, she sealed Goa, Portugal undertook the rapid development of the iron and manganese ore industry and converted the port of Mormugão into one of the best in Asia. At the time of the annexation last December Goa was virtually self-supporting. Portugal and its other oversea territories took only 10 per cent of Goa's exports and supplied only about 3 per cent of its imports. There was only a handful of Portuguese administrators. It had a force of 900 Goanese soldiers. At the time of the Indian attack metropolitan Portuguese troops, though reinforced to defend the territory, did not number more than 3,500.

Goa could have been declared an independent nation. In this way the character of the land and its people—formed under its 450 years of Portuguese rule—and certainly distinguishable from that of the new occupying power, might have been preserved.*

Such an outcome would not have been to the people of Portugal one of the greatest disasters in their history nor a blow to their national pride. They would have pointed to Goa as they point to Brazil. For the fact of Brazil permeates Portuguese thinking on colonial policy at official level and provides the basis for the popular argument that colonialism is intrinsically good, that she has a task to complete in Angola and Mozambique and that she should be left at peace to do it. What Portugal appears not to realize is that the factors which enabled her to create Brazil in the past are not to be found in the present in Africa. There are no Amerindians to provide racial diversion. The time factor is absent. The evolution of Brazil into a country able to look after itself and in which a man's racial origins were no bar to his advance took 300 years. Portugal cannot be said to have begun the development or civilization of Africa until recently. She had to neglect them till Brazil had come to full maturity. During the remainder of the nineteenth century and into the third decade of this she was in serious economic decline, caused and in turn aggravated by the political upheavals which characterized Portugal until Dr. Salazar came to power. She was in no position to carry out her high ideals of acting as teacher and tutor, even if these high ideals had been unsullied by mundane considerations of self-interest. It is in fact only since about 1950 that she has been able or has attempted to fulfil what she herself considers her obligations.

Under the 1935 Constitution Angola and Mozambique became "provinces of Portugal". They were to be developed as such. More pressing needs nearer Lisbon prevented for a further twenty years any practical change in the policy which had previously been pursued. This was to regard the areas as sources of raw materials to be exploited by Portuguese or foreign interests. To encourage investment or settlement in them "contractual labour" was made available. The District Officer would provide mines and plantations with native labourers paid minimum wages and not free to escape the tasks

* For Indian and Pakistani views on the seizure of Goa see pp. 192-3 and 196-8.

allotted them. There was a surplus available for work in South Africa and the Rhodesias. The system allowed a multitude of abuses, and even if much that has been written is discounted, evidence remains that the position of the *shibalos*, as they were called in Mozambique, or the *serviçais* of Angola, could and did degenerate into semi-permanent servitude. These abuses were illegal, but the Government of Lisbon, for all its authoritarianism, was no more able to prevent them than Philip II those in any of his Spanish or Portuguese viceroalties. This system is to end. Since 1952 Portuguese families have been settled in Angola as smallholders who are to work their own land and look after their own capital without African labour. Their example and good husbandry is to encourage their African neighbours to make the best of their own land. Angola and Mozambique were incorporated into the first five-year development plan for Portugal which ended on December 31, 1959, and they have a fair share of the schemes for the current five-year plan which began on January 1, 1960. They are to have their own industries. They are no longer to be a source of income and exploitation. Complete economic integration is intended. The African territories will continue to be a market for home-produced consumer goods, but this happens as between one province of metropolitan Portugal and another. Already the degree of interdependence achieved is such that separation would seriously affect the economy not only of Portugal but equally of Angola and Mozambique. In 1960 they took about 22 per cent of Portugal's exports. On the other hand the home country took a similar proportion of Angola's produce and underwrote the heavy deficit in Mozambique's balance of payments. Those advocating separation argue that Portugal buys at below world market prices; but the commodities so purchased are materials of which there is world over-production and for which alternative markets would not readily be found even at the prices Portugal is paying.

The Reverse of Apartheid

AS Portugal sees it her task is not to create new nations different in race and culture from herself, but so to project herself until Angola and Mozambique become like her in language, culture, religion and traditions. It denies the possibility of native civilizations; but a European civilization cannot be imposed: it can come only through a prolonged period in which civilized and uncivilized would live together. Gradually the power of example would work among the "natives", and they, "assimilating" the Portuguese way of life, would themselves be Portuguese, whatever their racial origin. This therefore is the diametric opposite of *apartheid*: whites and blacks should mix, the black rise to the level of the white, and in the end, a new society come about in which pigmentation of the skin should no more debar a man from any activity as a citizen or private individual than the colour of his eyes does now. It might well be asked how long such a process could be expected to take. If in fifteen years 1 per cent of the inhabitants have become *assimilados* and the proportion were to rise by the most favourable geometric progression, the process would take at least seventy years. It is doubtful whether the Afro-Asian group in the United Nations can wait so long as that.

Portugal's colonial history in South America has much of which any nation could justly feel proud. Her record in Africa up to the end of the eighteenth century may have been no better, but was certainly no worse, than that of the other European colonial powers. She fell behind in the second half of the nineteenth, and what she has been able to do in the last eight years has not closed that gap. Admittedly the fault was not so much in colonial but in home policy, or the absence of policy while governments followed each other in rapid succession. However admirable her work in Brazil, which would not be the powerful nation it is but for its Portuguese past, however defensible may be her goal to make Angola or Mozambique a second Portugal, the question remains whether she is in a position to do it. She herself is economically poor; her own peoples are in need of the schools and hospitals whose absence in Africa her enemies criticize. Rapidly though her own population may now be expanding, it is still not equal to that in her oversea provinces, and few are willing to be transplanted, or are wisely transplantable, to act as an example to Africans who are now the target of propaganda from other quarters much more agile than ever originated in the Iberian Peninsula. However unjustified may be the claims of African nationalists that "all human ills are European-made", this is a simple slogan appealing to the simplicity of the mass of mankind. Portugal can no longer remain in isolation from the rest of the world. In this world outside Portugal there is a new colonial power extending its empire by posing as the arch-enemy of colonialism. It is the arch-enemy of all that was good in Portuguese colonialism. There is no time nor do the means exist to make Angola or Mozambique new Portugals. It may still be possible to accept them as they are, and to educate them accordingly to self-government. If so, it is the only hope that they will not become new Soviets.

SOUTH-WEST AFRICA

THE CRISIS AND ITS BACKGROUND

THE extension of the frontier of the Cape Colony into the territory now known as South-West Africa might well have taken place during the last two decades of the nineteenth century, had it not been for the astuteness of Bismarck's diplomacy in 1884. Even after the occupation of the country by the Germans, and rather more rapidly after the conquest of South-West by Union forces and the establishment of the mandate, considerable numbers of white people from South Africa moved in—as rebel refugees in 1902, as farmers in search of land, as poor whites under government rehabilitation schemes, and in various other ways. Today a considerable proportion of the 70,000 white people in the territory are still of German extraction, but Afrikaans is at least as widely spoken as German. The whites remain, however, a small minority among nearly half a million Coloured and African people, whose roots in the territory go back much further in time.

Although Smuts failed to secure the incorporation of South-West Africa in the Union at the time of Versailles, the terms of the "C" class mandate, entitling "His Britannic Majesty for and on behalf of the Government of the Union of South Africa" to administer the territory "as an integral portion of the Union of South Africa . . . subject to such local modifications as circumstances may require", came as near to incorporation as was possible without offending Wilsonian scruples. The mandatory power was to "promote to the utmost" the well-being of the inhabitants, guard against various listed abuses such as the exploitation of labour, refrain from militarizing the territory, report annually to the Council of the League, without whose consent there could be no modification of the terms of the mandate, and agree to the hearing of any dispute concerning the mandate by the Permanent Court of International Justice.

The Union Government strictly observed the letter of its obligations under the mandate, though it cannot be denied that the unequal spending of public funds between the various racial groups, already so much a part of South African domestic policy, also characterized the administration of South-West. The Government, though disposed to integrate the administration of South-West Africa more closely with that of the Union than the Permanent Mandates Commission liked, invariably pulled in its horns when required to do so, for the Commission was firm that incorporation was not permissible under the mandate agreement. It was not happy about the inequalities in the administration's budgetary policy, but under the League this issue never came to a head.

The desire to incorporate South-West Africa in the Union remained unaltered, and the demise of the League in 1946—intestate, according to the Union Government's theory—seemed to indicate that the moment to achieve this had arrived. General Smuts maintained before the United Nations

Trusteeship Committee in December 1946 that South-West Africa, on account of its contiguity with the mandatory power, which carried important implications for the Union's security, and its close relationship with the Union, stood in a class by itself. Mandated status, he urged, had retarded the growth of the South-West African economy, for it discouraged both outside investment and government expenditure, while incorporation, he continued, could be brought about without the loss of political rights by anyone. (In fact only white people elected the territorial legislature.) He told the committee that both the whites, through their elective legislature, and the non-whites by a different kind of interrogation, had come out strongly in favour not only of the retention of Union rule, but even of incorporation itself. The method used to sound non-white opinion by presenting a three-pronged affirmation to chiefs and headmen for acceptance or rejection *in toto*, and by computing the result on the assumption of unanimity within the tribes they represented, has rightly had its critics; but it should be added that in the absence of a proper system of representation an accurate referendum would have been virtually impossible to arrange.

For all Smuts's eloquence and ingenuity, the Trusteeship Committee rejected his case, which admittedly had serious flaws. But the United Party Government accepted the position, and while still refusing to sign a trusteeship agreement in respect of South-West Africa it agreed to submit reports to the Trusteeship Committee for information only, and in 1947 submitted one.

The Nationalist Government, on achieving power in 1948, passed on replies drafted by its predecessor to a United Nations question paper; but, provoked by criticisms in the United Nations of its *apartheid* policy, in which the leading spokesmen were from the start representatives of the Afro-Asian states, it followed up a plea for patience and trust in the Union Government's good intentions with a decision (taken in July 1949) not to transmit further reports.

Reference to The Hague

THIS stand by the Union Government on the letter of its legal rights was hard to harmonize with the perennial insistence of the Trusteeship Committee that South-West Africa ought to be placed under the trusteeship system, as had been done in the case of every other mandated territory. A clear difference on a point of law prompted the General Assembly, on the recommendation of the Trusteeship Committee, to place the legal question before the International Court for an advisory opinion. On July 3, 1950, the International Court duly determined, by twelve opinions to two, in answer to the question whether the Union Government still had international obligations under the mandate, that South Africa was still obliged "to transmit petitions from the inhabitants [of South-West Africa], the supervisory functions to be exercised by the United Nations, to which the annual reports and the petitions are to be submitted". But the Court also decided by eight opinions to six that the Union Government had no obligation to place South-West Africa under the trusteeship system. This would have involved the

mandatory power in obligations not entered into under the mandates system.

The first mistake of the Union Government—a tactical one—had been to refuse to continue sending reports. Its second, after taking a stand on its legal rights, was not to accept *in toto* the judgment of the only body competent to define what its legal rights were. The rejection was not absolute and final, and South Africa had not invited the opinion in the first place; but it displayed the weakness of the temporizer by offering, in negotiations with an *ad hoc* committee of five appointed by the General Assembly in July 1951, to submit reports not to the Trusteeship Committee but to the remaining Principal Allied Powers (Britain, the United States and France) which had instituted the mandate in the first instance, and to negotiate a new agreement with them on the lines of the original mandate. As the General Assembly had accepted the advisory opinion, and found the Union's alternative offer unacceptable, the *ad hoc* committee made no progress in its negotiations.

But the General Assembly had in the meantime decided in 1950 and 1951 to give hearings to Herero, Nama and Damara chiefs, and to the Rev. Michael Scott. Under the trusteeship system, direct petitions from trust territories to the United Nations are allowed, and do not have to be canalized through the trustee power. Under the mandate system, by contrast, petitions presented otherwise than through the mandatory power were not accepted; but the General Assembly ignored this well-established rule because the Union Government, in defiance of the advisory opinion of the International Court, had refused to allow its South-West African subjects to present their case to the United Nations. The Union Government retaliated by withdrawing from the Trusteeship Committee; but the action of the General Assembly in accepting individual petitioners was endorsed by the International Court by eight opinions to five in December 1955.

On the failure of the *ad hoc* committee to reach agreement with the Union Government in 1952, the General Assembly resolved (Nov. 28, 1953) to set up a Committee on South-West Africa of seven powers (increased in 1956 to nine), to "examine . . . such information . . . as may be available in respect of . . . South-West Africa", to "examine . . . reports and petitions which may be submitted", to report on affairs in the Territory to the General Assembly even without the co-operation of the Union Government, and to continue negotiations with the Union. It was this committee that secured the agreement of the Assembly, subsequently endorsed by the International Court in an advisory opinion in 1955, that certain questions concerning South-West Africa should be classified as "important questions" requiring a two-thirds majority, which, if obtained, qualified them for reference to the Security Council.

The Union Government continued to boycott the Trusteeship Committee. To encourage it to return, a Good Offices Committee of three, under the chairmanship of Sir Charles Arden-Clarke, was appointed in October 1957. This committee persuaded the Union to send its delegate back to the Trusteeship Committee, but not to recognize the "international status" of South-West Africa (it accepted only "international character"), or to accept a

trusteeship agreement modelled on the original mandate. The Union, piqued by the provocation of the Afro-Asian powers, still insisted on reporting to the three remaining Principal Allied Powers, or to nobody. The Good Offices Committee tried other tactics, and in July 1958 held general discussions with the Union Government on the possibility of partitioning South-West Africa; but such a solution proved entirely unacceptable both to the Trusteeship Committee and to the General Assembly. The efforts of the Good Offices Committee petered out in failure after yet another attempt to reach agreement on the supervisory authority in September 1959.

The Issue of *Apartheid*

UNTIL the third quarter of 1959, the South-West African dispute retained the character of a kettle which hisses but refuses to boil. Thereafter, however, it began to exude steam. The practical steps so far taken by the Union Government to bring *de facto* incorporation closer—for example, by granting South-West Africa representation in the Union Parliament in April 1949, and by placing South-West African native administration under the Union Department of Native Affairs in 1954—had indeed evoked indignant comment in the world forum; but the attack now began to centre more and more upon the character of the Union's administration and the *apartheid* philosophy on which it was based. The implementation of *apartheid* became the essential evil, and the fact that it was also applicable in South-West Africa a convenient coincidence. South-West Africa came to be regarded as the vulnerable spot in *apartheid*'s defences, through which an attack on the whole position could best be made. . . . Thus the General Assembly noted with "grave concern" in November 1959 that the Union was administering South-West Africa increasingly in a manner contrary to the League Mandate, the United Nations Charter, the Universal Declaration of Human Rights, the advisory opinions of the International Court, and previous resolutions of the U.N. Assembly. The Committee on South-West Africa, reporting before the 1959 session, professed to be "increasingly disturbed" at the trend of administration in South-West Africa, at the stationing of South African military forces in the territory contrary to the League Mandate (though this might easily have been lawfully done under a trusteeship agreement, as in the case of the British trusteeship over the Cameroons), and it urged the speedy granting of political rights to non-whites, together with a greater share in the economic, social, medical and educational facilities available. It also required an equitable redistribution of land, and the removal of the controls which infringed the basic liberties of dark people.

Then, on December 10 and 11, 1959, occurred the Windhoek riots, fired by the decision of the authorities to remove Africans to a new location where housing was better, but where transport costs and rents were appreciably higher in relation to the marginal subsistence wage which most Africans there received. Eleven Africans were shot and fifty wounded in the outbreak. Nine African states immediately appealed to the Secretary General to take appropriate action in view of South-West Africa's "international status", and the Committee on South-West Africa called on the Union Government to stop

"the deplorable use of force". The report of the one-man judicial enquiry instituted by the Union Government in January 1960, which held that the police were justified in their actions and was described as "biased and misleading" by Chief Hosea Kutako of the Hereros, failed to assuage international indignation, with the result that the conference of independent African states meeting in Addis Ababa in June resolved to institute proceedings against South Africa in the International Court. Ethiopia and Liberia, the only other independent African states which had been members of the League, duly brought a charge against South Africa alleging infringement of the mandate agreement on a multitude of grounds.

Action in the General Assembly

THERE the matter might well have been left, pending the decision of the Court. But growing tensions between South Africa and the rest of the world in 1960, heightened by the decision of the Government in March to allow the whites of South-West Africa to participate in the republican referendum, by the Sharpeville shootings, and by the crisis in the Congo and the Portuguese African colonies, put the nations of the world—no longer now the Afro-Asians and the Communists exclusively—in an impatient mood. The *apartheid* government was in trouble and on the defensive: the time had come to rock the ship, in the hope that it would capsize. Therefore, in December 1960, the General Assembly endorsed by 90 votes to none, with only three abstentions, a resolution of the Trusteeship Committee calling on the Union Government to revoke or rescind immediately all *apartheid* laws and regulations in South-West Africa. It went further. The Committee on South-West Africa was called upon to visit the territory, with or without the co-operation of the Union Government, and investigate conditions with a view to the introduction of a "wide measure of self-government designed to lead them to independence as soon as possible". The Union Government refused to allow the visit. The Trusteeship Committee carried a resolution of regret, and appealed to South Africa's closest associates to bring pressure to bear on the Union. In April the General Assembly resolved that in its opinion a continuation of existing conditions in South-West Africa constituted a danger to international peace, and required the Committee on South-West Africa to carry out the task assigned to it in the previous December without delay. This resolution was carried by 84 votes to none, with eight abstentions (Australia, the United Kingdom and six west European states).

The South-West Africa Committee, led by Professor Enrique Fabregat of Uruguay, reached Salisbury via Ghana on July 7, examining South-West African refugees *en route*. But in the face of the refusal of the Union Government to admit the committee to South-West Africa, and of the British Government to admit it to Bechuanaland unless it gave the assurance that it would not attempt to force an entry into the mandated territory without South African permission, it got no farther and eventually retreated to Dares-Salaam. None could pretend that the mission had succeeded. It served to

emphasize the futility of quixotic gestures in modern international politics, and may well have derogated from the prestige of the United Nations as an arbiter in international affairs. But in the last analysis the committee did not violate South African sovereignty, despite its instructions, and this demonstrated once again the intransigence of the Government of the Republic.

Instead of retreating from an apparently untenable position, the Trusteeship Committee in December 1961 advanced to yet more dangerous ground. It rejected a moderate Swedish resolution calling for the appointment of an investigating body under the Assembly's President, Mr. Mongi Slim of Tunisia, to make a thorough study of conditions in South-West Africa with a view to seeing how best the independence of the territory could be achieved, and carried instead by the impressive margin of 86 to 1 (Portugal) a resolution for the appointment of a seven-nation committee by the President, which should visit South-West Africa before May 1, 1962, conduct investigations on the spot, remove South African troops, prepare for democratic elections leading to the establishment of an independent government, provide United Nations technical assistance, release political prisoners and repeal discriminatory laws. The United Kingdom, Spain, France and Belgium alone abstained, the South African delegate having boycotted the debate on the ground he had advanced throughout the year that, the matter being *sub judice* in the International Court, it was improper to discuss it. The General Assembly endorsed the Trusteeship Committee's resolution by 90 to 1, with four abstentions. Six powers (Colombia, Guatemala, Guinea, Nigeria, Ceylon and Bulgaria) accepted representation on the new committee, but the place reserved for a member for western Europe has not yet been announced.

The United Nations has suffered some loss of face for its conduct in the Congo, whatever may have been the necessities in which it found itself. Disciplinary action against Katanga placed so severe a strain on its resources that its members must think twice before instituting disciplinary action elsewhere on a much larger scale. In the Congo it operated in spite of the Russian veto. But the veto of a great power was enough to paralyse the Security Council in the difficult case of Goa. The refusal of the Trusteeship Committee to defer action until after the hearing of the Ethiopian case by the International Court gave South Africa a stronger moral position than the rejection of her plea in the United Nations would suggest. This may well prove to have been a tactical mistake. It may also prove significant that the lead in the campaign against the Republic has tended to come from minor powers, though this argument may lose some force in view of the recent attitude of the United States.

Yet from the South African angle the prospects are at least alarming. The South-West African issue is now classified as an "important question", and a resolution receiving a two-thirds majority in the General Assembly can be brought before the Security Council for implementation. Whatever little substance may really lie in the argument that the situation there is a threat to international peace, there now seems little doubt that an Assembly resolution calling for action against the Republic would be carried by a two-thirds majority. In this respect the situation changed significantly in 1961. So long

as the position remains undefined in international law—and no date has yet been set for the hearing of the Ethiopian case—the Republic may be able to count on the veto of one of the great powers in the Security Council to prevent international action against it. But if the International Court sustains the Ethiopian charges, it is doubtful whether any power on the Security Council would block a move to institute sanctions against the Republic. The South African economy may be resilient, and the risks to the whole international economy of taking such a step may be incalculable; but a world boycott could well inflict greater hardship than the present white electorate would be prepared to suffer, for all the solidarity which the supporters of the present Government have so far shown behind their leaders, not least in South-West Africa itself, where the Nationalists won 16 out of 18 seats in the 1961 territorial elections, and all the parliamentary seats.

Casuistry of the Nationalists

THE South-West African issue has assumed its importance because through it *apartheid* is on trial, and it is doubtful whether *apartheid* in South-West Africa can be tumbled without seriously affecting the internal political situation in the Republic itself. In the battle of words to date, the South African Government has attempted to stand by the letter, but hardly by the spirit, of the original mandate agreement; in doing so it has shown a rare casuistry in accepting arguments which are to its advantage, while asserting that advisory opinions of the International Court have less standing than formal judgments, and proposing solutions (such as the submission of reports to the Principal Allied Powers) which can only be understood as indicating a pathological aversion from accepting obligations to an organization including "Afro-Asian, Communist and certain other mixed-population States". The Republic appears in the final resort to have two alternatives: either to call the United Nations' bluff, which, in the present climate of world opinion, would be a hazardous step from which it would almost certainly be impossible to retreat, or to review its stand over the past years and accept some sort of trusteeship agreement. Such an agreement would inevitably preclude *apartheid*; it would be difficult now to find sufficient support for it at a time when the majority in the United Nations are already committed to the principle of South-West African independence; but late concessions must be big to be effective, and in this instance the risk in not making them is considerable. As a solvent to present tensions the recent offer by the Government to admit a committee of three past presidents of the General Assembly, acceptable both to today's president and the Government of the Republic, could have value; but it is doubtful if such action would do more than gain time, while by implication the opening of the door to investigation by United Nations officers represents a significant departure from the stand consistently taken by the South African Government up to the present.

South Africa,
February 1962.

A NEW KENNEDY ERA

END OF THE POST-WAR PERIOD

IT has been said that General Eisenhower was the last of the wartime and postwar Presidents. The meaning is that new issues and confrontations are building, for the United States and indeed for the entire West, a new era. In this period of rapid development, President Kennedy is a leader not merely across the "New Frontier" but into the "new era".

The rise of Europe's burgeoning Common Market, the consensus that consortiums of industrial nations are necessary to develop the underdeveloped countries, the evident need for broader monetary reserves in the non-Communist world than the dollar and the pound can alone provide—these are some of the new preoccupations. President Kennedy and his Administration leaders are thoroughly aware of the tides at work, and the changes which are upsetting the early patterns of the aftermath of war.

So while it is evident that President Kennedy as a pragmatic politician will not hesitate to press for every immediate advantage and popular prospect on the domestic front, it is also true that his great priority in these early years of office will be to adjust the United States to the new global forces at work, and to help shape those forces into patterns favorable to the United States and the West.

Within two weeks of the reconvening of the U.S. Congress in January, the President goes through a ritual which is in part ordained by the Constitution. He delivers, usually in person, a State of the Union address, he prepares a new Budget for Congress, and he enunciates an Economic Report. In 1962 all of these documents indicate his great concern with the tides of change.

He has decided to drive for tariff revision powers this year, so that the United States may deal on a level of equality with the prospective "New Europe". He is proposing a budget carefully in balance so that the dollar may retain its international authority. He is striving to energize the "Alliance for Progress" program of development aid to Latin America, while simultaneously urging Western Europe to expand its foreign aid commitments to the southern hemisphere.

To acquire a broad five-year tariff-reduction authority from Congress, President Kennedy is prepared to settle for less in other legislative areas this year. He faces a tough fight and will need to mobilize all his resources of patronage, personal charm and friendly persuasion. The "education" process is of course already under way. Members of Congress, leaders of labor and industry, all have found themselves invited to the White House or to special sessions in Washington, where they have been shown charts and figures depicting precisely how exports and imports affect their particular states or status.

Some segments of American industry and individual groupings of trade unions are up in arms against the President's tariff proposal. This could be

the roughest tariff battle since the Smoot-Hawley trade act was passed in 1930 to mark the high tide of American "protectionism". There is a possibility that the President may not win his authorization this year, although Undersecretary of State George W. Ball, the driving force in the government's campaign, thinks he will indeed succeed.

In the latter half of 1961 President Kennedy was largely preoccupied with the struggle for Berlin, plus the deterioration in Southeast Asia. Now Soviet Premier Nikita Khrushchev has relaxed the Berlin deadline, and United States military aid, *plus* a few belated reforms, are stiffening spines in South Viet-nam. As the crisis atmosphere has thus evaporated a bit, Washington has been able to shift its attention in order to probe the meaning of Europe's Common Market and the attendant stress on Atlantic Community developments. In the White House and State Department it has been noted that Moscow, too, seems to be paying sharp attention to the implications of a united and tremendously prosperous Western Europe.

Indeed Washington opinion hazards that some of the rumblings inside the Soviet block to which President Kennedy alluded in his State of the Union message are due to a realization within the Kremlin that Western Europe is not behaving according to Marxist dogma and that the free societies do not, after all, seem to contain within them the seeds of their own disunity and destruction. Moscow has dispatched a new ambassador to Washington, who is regarded by Western diplomats as a substantial and thoughtful improvement over his predecessor, Mikhail A. Menshikov.

Ambassador Menshikov became known in Washington as 'Smiling Mike' and his term coincided with a show of surface friendliness, the Khrushchev visit to the United States, and the "Camp David" spirit. Now his successor, Anatoly Dobrynin, a professional diplomat well regarded in the West, may come empowered to deal with matters of substance as well as form. Conceivably he may be more than the usual "errand boy". Beyond Berlin his Washington conversations are almost certain to touch on the Common Market. Perhaps Premier Khrushchev is realizing that, the louder he thunders about Berlin, the more effectively he drives free Europe toward economic if not political unity.

It would seem that Mr. Khrushchev is facing the tides of change even as is Mr. Kennedy. For weeks Washington has been asking itself: "Is something portentous under way in Moscow?" as it hears vaguely of pulling and hauling among party factions—on the one side, perhaps, the modernists headed by Premier Khrushchev, on the other side the Stalinist remnants for whom former Foreign Secretary Vyacheslav Molotov has been a kind of elder statesman symbol.

The lengthy mystery of M. Molotov's whereabouts, the sharper words exchanged over the Peking-Moscow rift, the Kremlin's evident hesitations concerning Berlin, Finland, the Congo and other points—all have seemed to suggest that the centers of power in the Soviet Union have been passing through an unusually gusty period of adjustment.

According to the most experienced Soviet experts in Washington, there is still a strong Stalinist influence within Moscow's power elite. It is not con-

fined to a single block but is rather a point of view affecting sections of the party apparatus, young Turks as well as old officials. There are, it is believed, individuals who argue that Mr. Khrushchev's free-wheeling policies are radically changing the character and loosening the discipline of the Soviet state, vitiating the Communist Party's vigor and appeal. On the other hand Mr. Khrushchev is believed to be arguing that the U.S.S.R. has entered a new stage of its development, and that to preserve Stalinist attitudes and practices means inevitably to retrogress—to throttle industry, to retreat from the virgin lands, and to limit Soviet global impact and influence.

This tussle behind the scenes is not necessarily good news for the West. It could render Mr. Khrushchev more desperate and hence more difficult to deal with. On the other hand, anything that fissures the Communist monolith is, in the end, a favorable event.

Edging Closer to Europe

BUT while Washington has remained alert to the Soviet noises off-stage, it has realized that the immediate area of dynamic change is in the West. Hence it has been working toward a "partnership" with the Common Market, even while it is striving to boost the conventional military armaments of NATO.

The United States, of course, has many aims in edging closer to Europe. As much as anything it wishes to assure a continued major market in Europe for its grain and other surplus foods. Preliminary negotiations to this end have gone fitfully, in part because the Common Market countries themselves have not been able to coordinate their heavily-protected agricultures. In industrial exports, the United States already is doing fairly well with sales across the Common Market's tariff wall.

Within the policy boards and planning staffs of the Kennedy Administration there is the realization that the drive toward European unity is far more than a matter of trade statistics. It is noted that the United States is facing the retraction of its economic-political primacy in the West. It will be living in a world where Western Europe can command an equal voice to that of Washington. Free Europe, with or without the remainder of the Atlantic Community, will one day rival the Soviet colossus in economic power, though its military prowess lags behind. The columnist Walter Lippmann recently told a Washington audience, speaking of the entire Atlantic aggregation:

I dare to believe that this powerful Western economic community will be able to live safely and without fear in the same world as the Soviet Union, and that the rising power and influence of the Western society will exert a beneficent magnetic attraction upon Eastern Europe.

Of course a note of caution has been sounded in Washington—that the Common Market is not yet fully a going concern and that, particularly, Britain has not quite taken the final plunge in joining. Washington has been told by Britain's new ambassador and friend of the President, Sir David Ormsby-Gore, that the "Commonwealth issue" must be resolved before Britain joins up.

That is to say, the British Government simply cannot cast off all its trade ties with Canada, New Zealand, Australia, India, even Nigeria and Cyprus—cannot seem to kick off the Commonwealth while hurrying to join the continent of Europe. Washington has been advised that it must not appear to the British public that this is what the British Government is doing, for then the House of Commons would never give its final approval to joining the Common Market.

Mr. Kennedy is aware that if a man aims to become a "great" President, he must enunciate new concepts and vistas by which his country may meet the future. Carrying this responsibility further, the President and his Secretary of the Treasury, Mr. Douglas Dillon, have made clear their view that it is no longer possible—nor indeed sensible—for the United States and Britain to attempt to provide, by themselves, the monetary reserves for the non-Communist world. In another arena Washington is taking up joint development programs—among the highly-industrialized nations—for India, Latin America and elsewhere.

In a more domestic field, President Kennedy is asking Congress for stand-by authority to reduce income taxes and launch public works programs, without immediate Congressional approval, if the economy should begin to slack off. Congress won't thus surrender its traditional authority over the purse-strings overnight, but it is being exposed to the concept.

Little by little, then, the United States is launching forth into a period which no longer is "postwar" but can perhaps best be characterized as "latter half of the twentieth century". But obviously, a President just entering his second year in office has more immediate problems as well. He and his Secretary of State, Mr. Dean Rusk, are continuing their efforts to concert western policy regarding Berlin. The Administration faces a Congressional inquiry into the United States policy *vis-à-vis* the United Nations, which is perhaps of some usefulness in pinpointing precisely what are the values of U.N. membership—what has been soundly achieved by the United Nations, and where too much has been attempted too soon.

Towards Elections

AT home this is an election year—as indeed is every second year in the United States. The whole of the House of Representatives, and one-third of the Senate, must stand for election in November. The President, since he is also party leader as well as chief of State, will consider what governmental programs will best enhance the victory prospects of the Democrats. He will undoubtedly leave Washington in the autumn to campaign personally for key members of Congress in doubtful States.

Both Democrats and Republicans know that this is the year in which the noisy organizations of the "far right"—more articulate now than at any time since the decline of McCarthyism—will discover whether they can stir up the voters in any substantial numbers or whether their whole thrust must come in pamphleteering, deluging officials with indignant letters and wide use of the telephone.

In both political parties, and particularly among the Republicans as the party of conservatism, a topic of discussion these days is whether such groups as the John Birch Society, the National Indignation Committee, the Minutemen and the Christian Crusaders can become at all effective in propelling candidates to election in November. Here and there Republican officials are distressed to find that wealthy contributors are giving to the right-wing causes rather than to the party treasury. The extremists would seem to be limited in their impact to portions of Texas, California, Arizona and a few midwestern and mountain States.

Senator Barry Goldwater, the complete conservative among the Republican regulars and a presidential hopeful, would undoubtedly see his political prospects gain if the men of the far right should prove that they had political power at the polls. Senator Goldwater has, however, always urged that all Republicans, of whatever vintage, work through the regular party organization.

If President Kennedy is prepared to settle for less, in domestic achievement, this year, this does not mean that he is abandoning altogether the New Frontier objectives laid out in the Democratic presidential platform a year ago. In his State of the Union message he enunciated major proposals for medical care for the elderly (under the Social Security system), federal assistance to elementary and secondary schools and universities, the establishment of a Cabinet-level Department of Urban Affairs, a plan for rehabilitation of relief recipients, another plan for retraining factory workers hit by automation, and a comprehensive farm program.

But here, as in foreign affairs, the President is drawing a long bow and being the political pragmatist. He is not pressing too hard for too much, this year. He is not prepared to annoy Congress by appealing over its head too frequently to the public. He is not prepared to antagonize his own southern Democrats by demanding negro-rights legislation this year, when he can already do much to help the negroes through his own Department of Justice. He did ask Arthur Schlesinger Jr., the White House assistant who is also a Harvard historian, to find out just how many "Fireside Chats" President Franklin D. Roosevelt made during his four terms of office. The total was found to be ten, but Mr. Kennedy is not likely to run up any such total in building fires under Congress.

Actually the President is looking ahead to what may be accomplished, not only in this calendar year, but next year, and the year after that, and even in a second term of office. (A president may constitutionally serve two terms of four years apiece—provided he can get elected twice.)

Of course Mr. Kennedy is no believer in patient passivity in the White House. He will keep pressing Congress for what he wants. But he is not prepared to grab for a whole frontier-full of domestic legislation in the swift style of the Roosevelt revolution of 1933. There is time ahead, when prospects may be more propitious.

Right now the President is still hobbled by his slim election margin. He must also avoid free-spending programs that might alarm the international banking fraternity and further jeopardize the gold reserves. He does not

wish to frighten the business community on which he is counting for the golden eggs of tax revenue—a community which has been rather quick in jumping to the conclusion that a Kennedy Administration is bound to be "anti-business". He cannot spend too much money immediately on the home frontier when the defense program is costing eight billion* dollars more than it did a year ago.

As a practising politician, President Kennedy has figured that his party and reputation need not stand or fall on what is accomplished this year. If the proposal for medical care for the elderly is voted down in Congress, as now seems likely, this will still be a "bread and butter" issue to discuss with the voters in the fall, and he can say how wicked it was for the callous Republicans to vote against the old folks. If the proposal for extensive reorganization of farm policy should fail, and surpluses mount higher, this too can be blamed on someone besides the Administration.

The Gallup Poll recently estimated that 78 per cent of the people approved the way Mr. Kennedy was carrying out his duties. This was a higher percentage of approval than even General Eisenhower won at his peak of public acclaim in the White House. Such polls undoubtedly encourage Mr. Kennedy to believe that, if no fearful crisis intervenes and the nation retains its prosperity, he can win re-election in 1964 with a greatly increased majority. Meanwhile his autumnal campaigning may help his Congressional candidates even as his recent campaigning in New Jersey helped to elect a little-known Democratic governor there.

Three Phases of the President

IN January *Time* Magazine named John F. Kennedy its "Man of the Year", a natural choice in the United States. This magazine and indeed most newsmen who regularly cover the White House would estimate that the new President underwent three changes of attitude in his first year of office.

The first and early phase was the highly confident, cocksure attitude of a young man who had so recently achieved one success after another: winning the primaries, becoming the first Roman Catholic to enter the White House. There was an air of exuberance about those early Administration days of 1961.

This attitude of youthful dash and determination was expressed in Mr. Kennedy's inaugural address when he said: "Let the word go forth . . . that the torch has been passed to a new generation of Americans . . . only a few generations have been granted the role of defending freedom in its hour of maximum danger. I do not shrink from this responsibility—I welcome it."

Then came the disastrous invasion of Cuba—a serious diplomatic defeat for the United States and a personal blow to Mr. Kennedy's self-esteem, for he had given the go-ahead signal. This ushered in a period of somber self-searching at the White House, a scrutiny of "what went wrong", and a determination to touch all bases† before moving again in a crucial area.

* In the American sense of 1,000 million.

† A metaphor from baseball. Perhaps the English equivalent would be "to play himself in".—*Editor*.

Typically, however, the President bounced back quickly from adversity. He decided on that personal encounter with Premier Khrushchev at Vienna and learned how tough his opponent was. The grimness of the words exchanged at Vienna turned the President to considering fallout shelters and how to maintain the bastion of Berlin without going to nuclear war. Realizing that Moscow understood only one language—strength—the United States boosted its army force, called up reservists, augmented the Polaris and other missile programs. The Berlin deadline was then relaxed by Moscow.

As the year drew to a close, the President seemed to have found a renewed confidence, a poise born of hard tasks surmounted. Progress, it seemed, had been made. The President had conferred with Messrs. Macmillan, Adenauer and de Gaulle. His top team of Cabinet men was meshing well. His “intelligence briefings” were more trustworthy. The inherited business recession had changed rapidly into a sound recovery, without inflation.

There was one more heartening point: Washington had at last laid to rest the bugaboo of the “missile gap”. New intelligence from inside the Soviet Union seemed to prove conclusively that, although the Soviets had had the capacity to boost their long-range missile production into figures which would have given them a three-to-one superiority over projected American production in the early 1960's, they had in fact never done so. They had not done what they had the potentiality of doing.

In actual fact, Moscow had probably produced less than one hundred ICBMs, though turning out intermediate-range missiles fairly rapidly. Meanwhile the United States' Atlas and Titan ICBMs were coming off the production lines and these, *plus* the Polaris submarines already cruising the seas, the Strategic Air Command bombers on 15-minute alerts, and the whole array of nuclear-capacity fighter-bombers and carrier-based planes, added up to “no missile gap whatsoever”. The United States would have sufficient of these hidden away, or ready in hardened sites, moreover, so that she need not fear a hostile “first strike”.

It was the Democrats, including candidate Kennedy, who made much of the Republican Administration's admission that there would be a “missile gap”. When finally Mr. Kennedy was safely in office, his able Secretary of Defense, Mr. Robert McNamara, admitted rather quietly one day that he couldn't find any missile gap. There should no longer be any sense of possessing inferior “ultimate-weapon” armaments to add a sliver of doubt or weakness to Washington's negotiations with Moscow.

President Kennedy once said of his prospective years in the White House: “They are all going to be tough.” But his second year is not likely to be quite so difficult, or so filled with unexpected crises as his first, because he is today more soundly prepared for whatever may ensue.

United States of America,
February 1962.

A COMMONWEALTH YEAR

RAPID CHANGE IN



AFRICA's year was the title accorded to 1960. If some future historian is looking for a convenient label for 1961 he could do worse than select “Commonwealth year”. Never before has the Colonial Office produced new constitutions with such rapidity. Never, presumably will such a fever of constitutional activity be called for again. It is true that there are still some knotty problems left, notably Kenya, the Rhodesian Federation and, of its components, Northern Rhodesia. Broadly speaking, however, 1961 was a year in which the steady process of evolution which has long marked British colonial policy was whipped up to a gallop in order to dispatch as many as possible of the outstanding tasks. African politicians flew in and out of London in bewildering profusion. Conservative backbenchers signed resolutions, the Government in Salisbury made fighting pronouncements and found it expedient for one long period to keep its Minister of Law, Mr. Greenfield, in residence in London. Mr. Jomo Kenyatta returned to political life, not many months after his continued compulsory withdrawal from the Kenya scene was being declared in high gubernatorial places the one certain rock on which the colony could build its future. Now he is a member of the Legislative Council and leader of the Opposition. The West Indies struggled painfully towards a constitutional framework for independence, which should have come on May 31, 1962; but the compromises, sacrifices and sheer drudgery that this struggle entailed came to nothing. What little stuffing there was in the constitution was firmly knocked out of it by Jamaica's decision, in a referendum, to seek independence alone. Now the new Colonial Secretary, Mr. Maudling, is engaged in the painful task of trying to evolve some satisfactory plan for Trinidad and the smaller islands.

Northern Rhodesia has become a colonial *cause célèbre*. The West Indies is the classic example of a federation that failed because its full implications were not understood or accepted in the planning stage—first aid is no substitute for sound health. On other fronts, 1961 saw a great deal of activity quietly proceeding in the conference rooms of Lancaster House or the Colonial Office. Mauritius took a further step towards independence. The Gambia acquired a date for internal self-government. The East Africa High Commission was remodelled into the East African Common Services Organization to provide for Tanganyika's continued participation after independence. Talks were set in train in Aden with a view to ultimate closer links between the colony and the Federation. Uganda should be independent later this year and, on paper at least, the conference held in London last autumn produced an accord between Buganda and the rest of the country, though elementary caution requires that here, as in the rest of East Africa, final judgment be suspended until paper agreements are put into practice. Malta, the perpetual colonial problem, got its new constitution under

which elections were held in February. In the Far East, the British and Malayan governments agreed in principle on a federation of Malaysia which would include Singapore, Brunei, North Borneo and Sarawak and would, among other things, be a bulwark against the communism that otherwise seems likely to take over in Singapore—a consideration that has given the scheme far more appeal for Tunku Abdul Rahman than seemed likely even a short time ago. Finally, two countries, Sierra Leone and Tanganyika, reached the final rung of the constitutional ladder and became fully independent during the year.

Departures from Tradition

CRITICISMS can be levelled at the British Government for its handling of colonial problems during the year, perhaps most justly over its pitiable indecision over Northern Rhodesia, where judgment of what ought to be done was clouded successively by backbench and Federal pressure, by angry protestations from the African nationalists, and finally by developments across the border in Katanga and their effect both on the situation and on the various attitudes engendered by it. But it is fair to argue that all this constitutional activity, whether successful or not, has been directed at an aim that is the essence of what the Commonwealth means—the aim of independence arising out of benevolent tutelage of “the mother country”.

Other events in 1961, however, did not fit into the pattern of Commonwealth evolution. On the contrary, they shook its very foundations. The most obvious of these events, and that which most clearly marked a departure from previously accepted Commonwealth practice, was the withdrawal of South Africa. Dr. Verwoerd's decision, reached under pressures exerted notably by the Afro-Asian members, and in a glare of publicity that transformed the Prime Ministers' meeting into a forum for the discussion of *apartheid*, was unique. No country had left the Commonwealth before in such dramatic circumstances. (Neither Burma nor Ireland offers an exact analogy.) Immediately people began to question whether this was the thin end of a wedge which could destroy the whole Commonwealth by making a member's internal affairs the subject not only of discussion but of formal action by other members.

While it is obviously true that what happened to South Africa could happen to others, it is surely relevant that the circumstances in South Africa, as well as the decision, were unique. If there is any doctrine which can be called fundamental to the Commonwealth idea it is that of racial equality, but this is a doctrine which is quite alien to the South African way of life and, more important, to the principles of South African government policy.

There is at least as strong a case for welcoming South Africa's departure as the removal of a cancer from the Commonwealth body politic as for bewailing it as a fatal blow to the structure of the organization.

On a longer view, there were other developments during the year which constitute a far greater threat to the continuance of the Commonwealth in anything like its traditional form. Two of them were actions by the British Government: the application to join the European Economic Community

and the decision to introduce the Immigration Bill. The likely effect of these two measures on the Commonwealth is not necessarily bound up with the degree of justification that can be argued for them. It is accepted, for instance, in some quarters in African Commonwealth countries that Britain's case for throwing in her lot with Europe is strong. The fact remains—as was explained in the last issue of this journal*—that the political objections in these same countries to “associated status”, with its suggestions of neo-colonialism and a wish by Europe to return to a position of prime influence in world affairs, are likely to create deep and lasting suspicions of British motives. In introducing legislation enabling it to prohibit the entry of immigrants from the Commonwealth, too, the British Government is proposing to do nothing that is not already done in other parts of the Commonwealth. Indeed, the colour-bar element of the British measure is far less blatant than the White Australia policy, for example. The significance of the British action—if you forget for the moment the specific grievance that it has occasioned in the West Indies—is surely that it changes a mother-daughter relationship into something more remote and formally regulated.†

Political developments in Ghana during the year, which aroused animosities that received a degree of publicity showing little of the spirit of brotherly tolerance, had also more serious undertones. Just as South Africa's case concerned a basic principle of Commonwealth theory so, it could be argued, did Ghana's. If the rule of law and parliamentary democracy mean anything to the Commonwealth, there must be some sad head-shaking over a country where to be a member of the opposition is almost synonymous with being a political prisoner. The question is, do the Commonwealth countries stand as rigidly by the rule of law and democracy as they do on racial equality? The answer is that they do not. Pakistan has for the moment no parliament, but no one suggests that she should not remain in the Commonwealth. The whole matter is one of degree of permanence. The South African Government not only practises *apartheid*, it states unequivocally that it holds to the principles of *apartheid*. In Pakistan, the authorities declare their belief in democracy as an aim, and claim that their policy is to reintroduce it as soon as is practicable. Ghana still follows the parliamentary forms, and although, as in Tanganyika, the one-party system operates, opposition can be expressed within the party conclaves.

It is idle to pretend that events in Ghana do not give cause for concern. It would be unwise, however, to condemn at this stage. Ghana is a young country, a large proportion of whose population is politically immature. And in any case, the African mind is not cast in the same mould as the European.

Differences in International Outlook

THIS difference in mental approach is seen most clearly in the standpoint of Commonwealth members on international issues. On the Congo, above all, one has only to look at the attitude of Ghana and India on the

* See THE ROUND TABLE, No. 205, December 1961, p. 14.

† But see also pp. 119–130 and 181.

one hand and Britain on the other to see that what divides them is far more fundamental than what joins them, and far more fundamental, also, than what divides Ghana from India. In a broad sense all three (and of course other Commonwealth countries) have been concerned to support the principles of the United Nations, but where Britain differs from the newer Commonwealth countries is that for them colonialism or neo-colonialism is a crime against the basic code of international conduct, outweighing any legalistic arguments about mandates or charters. The same dichotomy could be seen over India's action in Goa. The Afro-Asians hailed it as liberation, and could not accept the suggestion that liberation by aggression ought not to be condoned by the UN.

The implications of this are serious, for they bring up the whole question of Commonwealth consultation. Arguments about the precise meaning of consultation in the Commonwealth context are not confined to the Afro-Asians. Sir Roy Welensky would like to see it interpreted as acquiescence by the British Government in the views of the Federal Government. Sir Grantley Adams complained bitterly that on the Immigration Bill the British Government saw consultation as simply informing other governments what it had decided to do. Nevertheless, it is with the Afro-Asians that the arguments call in question the value of the Commonwealth. They do so because it is doubtful whether there is any realization, particularly in Africa, that consultation should, and with the older Commonwealth countries does, cover the whole field of activity. African governments, on the contrary, tend to see African affairs as something for discussion and decision solely within the continent. This is so even when there are wide differences between African countries within the Commonwealth as, for instance, the divergence between Nigeria and Ghana over the shaping and leadership of the pan-African movement, which, it is clear, deeply affect the Commonwealth relationship as seen through British eyes.

Those words are the clue. The old Commonwealth did see things through British eyes, because the old Commonwealth was composed largely of people of British stock. The habit of communication grew up naturally as between members of a family. With the new members, the habit developed out of the colonial relationship, but it is a schoolmaster-pupil relationship rather than a close family link, and as former pupils acquire adult responsibilities they tend no longer to look to Mr. Chips for guidance, however affectionate their feelings towards him may be for old time's sake.

The British Government tries hard to change overnight from colonial ruler to equal partner, but it is not surprising that the change does not always seem convincing to the newly independent countries or, more important, to their neighbours. The differences might, indeed probably would, sort themselves out in time, as has largely happened in the case of India, which now no longer needs to assert brashly to the world its independence of Whitehall. Unfortunately there seems to be little lateral consultation between Commonwealth countries other than Britain which could make the Commonwealth a genuine forum of ideas. Britain is the key. Although many exceptions could be specified, consultation is mainly from the circumference to

the centre, not round the circumference. The corollary of this is that the greater the gulf between the approach and attitude of Britain and those of the newer Commonwealth members, the less will it be possible to find a common basis of discussion. (No one should look for agreement on all policies. The problem is not that old and new members do not see eye to eye; on many issues they do. It is that, whether they do or not, the processes by which they reach their respective positions are foreign to each other.)

Africa farà da Se

THIS lack of common basis is seen, and will continue to be seen, most clearly in Africa. The continent is in ferment, and ideas that are seething in the turmoil are ideas designed not to adapt a British, or French or Russian, system to African needs but to create *ab initio* an African system, an African political personality. As these words are written, Mr. Julius Nyerere is withdrawing from the leadership of the government of Tanganyika to run and reorganize his party. The move causes dismay among the people who have long seen him as the great black hope of Africa, the moderate, pro-western, and more specifically pro-British, African leader. That it should do so is an indication of how far we nearly always are from true understanding of political events in developing countries. The fact, surely, is that Mr. Nyerere's decision, like decisions taken by any African politician, takes no account of east-west blocks, reactions in Britain and so on. All these things are irrelevant to a situation which is seen as purely African, and for which a purely African solution must be found. Neither Mr. Nyerere nor any other African politician is an Englishman with a black skin.

Does all this mean that the Commonwealth is doomed? The tempting short answer is yes. It certainly seems unlikely that the Commonwealth in ten years time will be the same comfortable club that it was ten years ago. But why should we expect it to be? The old Commonwealth was, after all, essentially a development brought about by the change in status of the old colonies. It was an arrangement which suited particular circumstances. There is no reason why without radical changes it should suit different circumstances. The old Commonwealth was born out of empire, and it was a new creation, not just the parent in new guise. The new Commonwealth will have to be as much of a new entity as was the old.

UNITED KINGDOM

ALL HEAVING TOGETHER

THE majority decision of the general council of the Trades Union Congress to participate in the Chancellor of the Exchequer's new National Economic Development Council brought to an end (unless something goes amiss, as it still could) an odd but one of the most crucial phases of Government economic policy. It all began way back in July, when Mr. Selwyn Lloyd brought in his "codicil" Budget. He announced a pay pause, wherever the Government had power to achieve one, and appealed to private industry to fall into line. Coming so soon upon the generous surtax concessions in the main Budget in April, this development stood little chance of being immediately attractive to the trade union leaders, but Mr. Lloyd went on to propose a new Treasury body, which in some jaundiced eyes seemed to have earmarked for it the main function of wage restraint. There was to be a director general (Sir Robert Shone, an independent spirit who has been running the Iron and Steel Board), a small staff notable for quality rather than quantity, and up to 20 Council members drawn from the employers, the unions and independents. It is fair to say that both sides of industry, perhaps almost everybody in the country, agreed on sight with the theory that some such Council would be of great value in providing a meeting-ground where both sides of industry and the Government could discuss common economic ends, and also in ensuring that all sections of a free economy could be informed about the national interest (in the distribution of economic resources, for instance) before they began pressing their sectional claims for bigger shares of the national cake. Only in this way can it be hoped that at last the British economy will be sensibly planned, so that rising standards do not outstrip rising productivity, and so that Chancellors of the Exchequer are not obliged to be shifting their foot from accelerator to brake pedal almost from one quarter to the next.

But practice was different. Trade union leaders could not be expected to commit themselves, without a lot of wary circling round and about the new idea, to a body that might well use its authority to influence the creation of an ethos of wage freeze for the unions while letting profits go rip. In fact, only once since the war have the unions openly accepted wage restraint, and it needed a Labour Government in office and Sir Stafford Cripps at the Treasury to work that wonder.

So the Treasury pay pause began with the Government's assurance that the country could move on to a more positive incomes policy when the immediate economic difficulties had been survived and when the National Economic Development Council had come into being. Slowly the trade union leaders, less the left wingers, moved in Mr. Lloyd's direction. Then they violently swung back: the heads of the nationalized electricity generating industry had broken the pause by conceding a wage claim and the Prime

Minister himself made a statement in the Commons sternly rebuking them. Off the ladder and back down the snake to the beginning of the game. But, after a few more fits and starts and increasing threats of industrial trouble (not to say the introduction of a go-slow by postmen and a threat of working to rule by civil servants which was withdrawn at the eleventh hour) the solid elements on the economic committee of the T.U.C., led by Mr. Harry Douglass, of the steelworkers, recommended going in, and towards the end of January the full T.U.C. council agreed.

Nobody could claim that the Chancellor of the Exchequer handled this difficult negotiation deftly; he often seems to lack the touch that would make his tasks easier. His success owed most to the realism and common sense of a group of trade union leaders who, while keeping their rank and file satisfied, have for long recognized that inflation and wage chasing in the end hurt those who imagine they are benefiting, as well as old-age pensioners and those on small fixed incomes. But for all the impression Mr. Lloyd gave now and then of angularity there is no doubt that it was of supreme importance to the whole of Government economic policy that at last, after ten years of persistent inflation, the Conservatives should win acceptance for the fundamental principle that incomes should be in some way related to productivity. Only on these terms could there be any assurance that Britain's free economy, in an increasingly competitive world, could avoid inflation and worsening strains on sterling.

Some Conservatives, of course, have flinched a little at the prospect that their party must switch, under the pressure of events, from the election-winning slogan of "Conservative freedom works" to, say, "Conservative planning works". Equally some Labour doctrinaires have been consoled to find that after years of disfavour the idea of national planning is gaining new friends in unexpected quarters. Perhaps this explains why no more joy has been shown at the prospect of planning than by *The Guardian*,* which sets the tone for some of the most influential figures in the Labour Party. Here are one or two thoughts from its leading article on the morrow of the T.U.C.'s decision to go in:

"Planning", which used to be regarded by Conservatives as a dirty word, is now taken by the unions to mean simply "wage restraint". . . . It is worth making great efforts to try to ensure that the NEDC does not founder. . . . Restraint in wage increases would be acceptable if it were seen to be in aid of real prosperity. But a wage increase deferred means an absolute loss of so many months' extra money to the wage earners concerned; restraint in the distribution of profits means no such thing, for the shareholders get their gain in the end. There is a good deal to be said for wage restraint by means of repayable bonds or deferred bonuses. These, and many other ideas could be fruitfully explored if Government, unions and management really put their backs into planning. But first there must be simple agreement on what planning is for. To achieve that is the imperative next step.

* The title recently adopted by the former *Manchester Guardian*, whose southern editions are now printed in London. The Church of England weekly of the same name ceased publication between the wars.—*Editor*.

It happened that Mr. Lloyd's idea for a National Economic Council came to its victory just at the time when the Cabinet were wrestling with departmental estimates for the financial year 1962-63. This explains why the T.U.C.'s decision gave so much delight to the Treasury. For as usual in times of economic stringency every department's prospectus for current expenditure was being ruthlessly examined for savings, and all the usual list of Government subsidies was being looked at again to see if, in an affluent society, the burden could be partly shifted back on to the individual. Higher charges for school meals; charges on those who can afford it for hospital beds; welfare milk; the family allowances paid for all children except the first in the family (8s. a week for each child); and of course agricultural support—all these forms of Government expenditure must have been scrutinized once again. But the truth is that no savings of this kind, no new revenue of this kind, could do so much for the British economy as the establishment of a sensible relationship between incomes and productivity would do at one stroke.

As has been said, something could still go wrong. It is easy to imagine a Ministerial clumsiness, or some untoward conjunction of events over which the Government would have no control, which would overnight sharpen the trade unionists' instinctive suspicions and turn the National Economic Development Council into just another arena for a dogfight between the sectional interests. But at least there is now room for hope that the British economy may eventually be set upon a sensible course. Mr. Lloyd has the chance of achieving what all his immediate predecessors at the Treasury knew was necessary but knew not how to attain.

Candid Friend

THERE is no denying that the Conservative attitude towards the United Nations has undergone a marked change in the last few months. For partisan political purposes the Opposition have been arguing that we are seeing just now the real face that has been concealed for many years behind the Conservative public mask. One or two things may be said about this. First, the subject is certainly important enough to justify the attention that the Opposition are focusing upon it. Secondly, it happens to be timely for the Opposition just now to attend to their progressive "image" in readiness for an election that cannot be much more than two years off and may come rather earlier. Thirdly, this assault, like most partisan assaults, is pretty superficial. For all practical purposes every Conservative who is worth listening to at all is as much convinced as the Labour Party that the prospect for the world would be hopeless indeed if there were no United Nations organization, no meeting-point for leaders of the world, and everybody shrinks from the thought of the anarchy that would follow any disintegration of the U.N. But many a Conservative, and certainly the Conservative Government, are alarmed by the evidence of a change of character in the U.N.—a change which partly involves a shift in the balance of influence in the General Assembly, partly the development of a situation that can reasonably be described as the exercise of power (over national sovereignty) without

responsibility. This was no doubt predictable as the membership of the U.N. grew, with the accession of new and inexperienced Afro-Asian countries. Perhaps some left-wingers are not far from the mark when they argue that western countries, particularly countries that have had colonial interests or historic missions, are now for the first time beginning to feel the pinch that Russia has felt throughout the years during which it has been outnumbered at every turn in U.N. But nevertheless it is difficult to see how any mature people or any experienced western Government can fail to be worried about the U.N.

As it happens, Lord Home, the Foreign Secretary, has drawn a censure motion upon himself in Parliament for the candour with which he has set out the British Government's attitude towards the U.N. It would not be true to say that it really all began with U Thant's request in November to the British Government to supply bombs for the Canberra bombers of the Indian elements in the U.N. force for use in Katanga, or with the Indian Government's conquest of the Portuguese enclave of Goa. For many a year, at least since the Anglo-French assault upon Port Said in 1956, the right-wingers in the Conservative Party have seen what they reckon to be a serious danger that any international authority which engages in military intervention may bring its power or influence to bear against a fundamental national interest. Katanga provided an example, as they thought, and it was a short step to relate U.N. activities in Katanga, where what seemed to be a viable and independent Government was under pressure, to not very hypothetical situations that might develop in British Africa, not least in the Rhodesias. For their part, the Government held that a stable Congo Government was more likely to emerge from the inclusion of Katanga, but they clearly had doubts whether the U.N. military force was not being used to achieve a political aim, rather than to establish the conditions of law and order that were intended to be its proper task. Then followed Mr. Nehru's justification of the use of military force to settle the Goa dispute; and the spectacle of this famous man of peace, the ready neutralist between the giants, pursuing national ends by those means he had condemned in others, with the support of the Afro-Asian block, came with a sense of shock to many in the West.

These events precipitated among Conservatives a number of vague ideas, instincts and prejudices. The Government themselves were not immune; nor, for that matter, was such a progressive and liberal figure as Adlai Stevenson. Criticism of the direction in which the United Nations was rapidly moving became common form. At this point Lord Home delivered a candid speech of some importance. He chose for the occasion a visit to Berwick to address the local U.N. association, and members of the Government, and all their rank-and-file supporters at Westminster, considered it a very well balanced statement. Anybody who doubts this as a fair judgment should study the full text. Here are extracts:

... for the first time since its foundation a number of countries have voted publicly and without shame in favour of the use of force, by India against Goa. Had the debate been in the Assembly many more countries—perhaps even a

majority—would have voted the same way. The significance of such action is this: whatever the provocations suffered by India or the excuses made by her, or for her, there is no doubt at all that her actions were a direct breach of the Charter and of international law. When the United Nations approves that it could be, as Mr. Adlai Stevenson said, “the beginning of the end”. . . .

[Eighty-two out of 104 member nations of U.N. were in serious arrears with their payments. One of the main causes of the present troubles was an apparent difference of aim and purpose between the 51 founder-members and many of the 53 newly independent countries.] When therefore we have reached a stage when a large part of the organization which is dedicated to peace openly condones aggression; when an organization which was founded to sustain law and order encourages policies which must endanger it, or when a refusal by many to carry a share of the cost brings a prospect of power without responsibility, it is an understatement to say that there is cause for anxiety. . . .

Russia’s decision to subordinate the main purposes of the Charter to her own national ends was the first breach in the spirit of the Charter and the first threat to the life of the United Nations. . . . Now another breach is beginning to appear and the origin of it is somewhat similar. A large number of new countries are putting their campaign for acceleration of independence for colonial territories before the main purpose of the Charter, which is to provide peace and security. They are more concerned to impose their views on “colonialism” on others than to fulfil their primary duty, which is to “harmonize the actions of nations”. . . . Unwittingly they play the communists’ game.

[The concentration on colonialism, said Lord Home, had led to the adoption of a double standard of behaviour by many of the newly elected countries. . . .] Since we in Britain are agreed on independence anyway, the only way to pick a quarrel is over timing. Self-government today, regardless of whether there is anyone capable of governing—independence tomorrow even though it would mean other Congos. . . . Is there growing up almost imperceptibly a code of behaviour where there is one rule for the communist countries and another for the democracies? One rule for the bully who deals in fear, and another for the democracy because their stock in trade is reason and compromise? . . .

All our instincts and interests combine to urge support for the kind of U.N. for which the founders drew up the Charter. The question which many sober and responsible observers of its practice are asking is whether we can continue to do so and whether the U.N. of the authors of the Charter has had its day.

Lord Home then, in a section of the speech that was ignored by his critics, turned to the other side of the balance sheet.

Having drawn up the balance sheet between pessimism and hope, I come down decidedly on the side of hope. And more than that: on a determined effort by ourselves and those who feel like us to bring the U.N. back to working the Charter as it was meant to be. Peace and security must be reinstated as its primary aims.

It was a speech, all in all, that many political observers thought illustrated well the characteristics that have made Lord Home seem outstanding as Foreign Secretary. They had in mind that, like most of his work, this candid assessment of the U.N. bore none of the marks of Foreign Office style, or even of over-much guidance; there was no flinching from putting the

facts as he saw them for fear that he might touch somebody on the raw; and he had no truck with sentimentality or dreaminess. It was even a speech that may do good before it is too dangerously late.

Bishops’ Blessing

FURTHER parliamentary pressure to abolish capital punishment in Britain was made almost certain by a unanimous decision reached by the Bishops of the Canterbury province. Strongly led by Dr. Ramsey, the new Archbishop of Canterbury, they carried a resolution moved by Dr. Stockwood, the Bishop of Southwark, declaring that they would welcome the introduction and adoption of a Bill providing for the abolition of capital punishment, or at least its complete suspension for five years. Dr. Stockwood had little difficulty in scoring some of his effects by exposing the anomalies inherent in the Homicide Act, 1957, a compromise measure in which Parliament tried to resolve their dilemma by retaining the rope for only six specified categories of murder. It is, for instance, not a capital offence to rape and murder, but it is a capital offence to murder and steal a handbag; similarly, if a husband in a passion seizes a gun as the nearest weapon to hand and kills his wife it is capital murder, but if he seizes a hatchet it is non-capital murder.

Nobody in the Government, certainly not Mr. Butler, the Home Secretary, pretends that these are not anomalies, or indeed that the Act can go for long unreviewed. But Mr. Butler has always insisted that before there is any more tinkering with the law on capital crimes the Homicide Act, with all its anomalies, must be given the chance to show how it works, and more statistical evidence on murder trends must be gathered. He has on occasion hinted that a sufficient period to enable sound judgments to be made would be five years, and therefore in point of time the bishops have struck shrewdly. Nevertheless, there is an acute political problem for a Conservative Government. A large section of the Conservative party, fairly well represented in Parliament and at the party conferences, strongly opposes “liberal” policies towards violent criminals of all kinds, and Mr. Butler’s standing in the party’s affections has almost certainly suffered in the last year or two by his refusal to satisfy the demands of the pressure group for bringing back the birch and the rope. He has courageously insisted that the party should follow their reason (that is, the statistics for murder and violent crime) rather than their emotions, and he has convincingly shown that “liberal” policies have not, over a period of time, led to an increase in the worst kinds of offence. At the last Conservative conference, virtually for the first time, he was strongly supported by his colleagues in the Cabinet in resisting the all-too-familiar demands. But the campaign for hanging is almost as well organized and clamorous as the campaign for abolition.

It is also worth remembering that if the Homicide Act is an absurdity, as the Bishop of Southwark argued, then it is not the direct fault of the Government. This is the consequence of a free vote in the House of Commons.* One

* Our correspondent’s constitutional doctrine is at least open to question. Parliament consists of three elements, Queen, Lords and Commons. Her Majesty’s Ministers are

thing seems sure—if the Act is reviewed and amended in any way at all the Home Secretary will take good care to see that there is no free vote next time that will weave anomalies into the legislation.

Master and Pupil

ONE of the political books that has lately attracted attention (though probably less attention than might have been predicted) is the reassessment of Neville Chamberlain, the begetter of the Munich Agreement, by Mr. Iain Macleod, Chancellor of the Duchy of Lancaster, Leader of the House of Commons and chairman of the Conservative Party Organization. It is not a work of singular literary quality, of uncommon political penetration, or of rare depth in the research that went to its making, but rather a book written by a very busy Minister in the intervals of running great departments of State, like Labour and the Colonial Office. Mr. Macleod can hardly hope that this life will supersede Sir Keith Feiling's much longer biography (1948), for he has unearthed, or at any rate presented, little new material, and what new material there is has no fundamental importance.

Much interest in Mr. Macleod's book, therefore, concerns the author rather than the subject. Mr. Macleod has now been invested with great political power and influence, both within the Government and within the Conservative Party, and there must be some point in trying to divine from his judgments of Chamberlain something of his own essential attitudes towards the political problems of our own day. It has been a matter of comment, for instance, that Mr. Macleod, by an accident of publication, should have appeared to be defending Chamberlain on his appeasement record just at the time when the West was under pressure from Moscow on West Berlin. Such criticism overlooks that the work was five years in preparation, no doubt, but some readers nevertheless felt discomfort.

What obviously mattered more to Mr. Macleod than Munich, indeed what attracted him to the task of writing, was Chamberlain's career as a radical, reforming Conservative, and a passionate man of peace appalled by the waste of war. In fact, "Joe's" son and the son of a Highland doctor practising in Yorkshire, though superficially unlike in every way, have a lot in common, and the younger man has spent much of his time continuing as a Minister the reforms, policies or ideas that the older man launched. Moreover, Chamberlain was a chairman of the Conservative Party organization, as Mr. Macleod is today. We should not be wrong to think that Mr. Macleod, in writing about the Conservative leader from whom he took up the torch, has in effect given new expression to his particular view of modern Conservatism as a radical and reforming creed and as a means to the end of Disraeli's One Nation. It is not a view that the whole of the Conservative Party "Establishment" is always willing to accept, under the pressure of events, but it is the

present in both Houses to give a lead on behalf of the Crown. If on a particular occasion they do not choose to give such a lead, they do not thereby escape their responsibility—which will become fully formal when on their advice the Bill receives the Royal Assent.—*Editor.*

view that has kept the Conservative Party in power with increasing majorities for three elections and which may in the next year or so win them a fourth.

Immigrant Infection

THE controversy about the Commonwealth Immigrants Bill, which seeks for the first time to control the flow of British citizens from the Commonwealth into the United Kingdom, has been overlaid by an outbreak of smallpox brought in by Pakistani immigrants. Five infected persons are known to have arrived at London Airport from Pakistan between September 16 and January 11, and as it happens all five, for what it proved to be worth, had valid international certificates of recent revaccination. The case that produced the worst consequences was that of a girl of nine, who arrived on December 16 and was admitted to Bradford Children's Hospital on December 23 with malaria. She died on December 30 with no clinical signs of smallpox, which was only deduced on January 11 as secondary cases occurred among those with whom she had been in contact in the hospital. (Incidentally, she had been successfully vaccinated in infancy.) Not only in Bradford but in many other cities there was an immediate large demand for vaccination.

It was inevitable, of course, that the pressure for more stringent procedures at sea and air ports (which the Government applied) should be accompanied by an emotional swing in favour of the Government Bill to bring immigration under control. Some doubt always existed whether Mr. Gaitskell and his colleagues at the head of the Labour Party were in step with working-class opinion in the immigrant areas when they bitterly opposed the Bill, and it is reasonable to think that the widespread smallpox scare will give many ordinary people reason to think that the Government are on the right line, or indeed that the Government's fault has been to wait too long before they brought in immigrant control procedures. Mr. Macmillan has been known to say that events are the most dangerous opposition to a Ministry. They are also sometimes a help.*

Great Britain,
February 1962.

NORTHERN IRELAND

THE virtual formality of a general election will be observed in Northern Ireland this year. A Government that has been in power since 1921 has no cause to fear the loss of its mandate, but it will be as careful as any to choose a favourable moment. To some Unionists this could be in October, immediately following the 50th anniversary of the signing of the Ulster Covenant, to be celebrated on September 28 by a public demonstration on anti-Home-Rule-Bill lines. Others will doubt whether this kind of political nostalgia will have any great influence on the minds of the voters of 1962. The Government, as guardians of the Union with Great Britain, is in no danger of surrendering seats to the anti-partition front. But against the

* See also pp. 119-30 and 171.

Northern Ireland Labour Party, its main enemy in Belfast, it can win only on its administrative record. This is generally worthy, though unemployment continues to leave it open to a challenge with a bitter flavour.

In some circumstances, too, sentimental Unionism can no longer count on unquestioning support against any opposition. A by-election in Queen's University, Belfast, to which the Government of Ireland Act gave the privilege of electing 4 of the 52 members of the House of Commons, produced an unexpected triumph for the re-emergent Liberal Party. Its candidate, Miss Sheila Murnaghan, a barrister-at-law and a Roman Catholic, greeted her majority of 252 with the memorable words, "I am flabbergasted". In this vein of disbelief, too much is not to be read into the fact that the possessors of the graduate franchise robbed the Government of one of its three university seats. A larger number than backed Miss Murnaghan as a crusader against sectarianism merely abstained from voting for a Unionist unsuited to their taste. The Government has shown no sign of copying the recent British reform by ending university representation, but it may be less disinclined to do so if Queen's no longer gives it the chance of a three-to-one split. Members so elected have tended to be doctors and schoolteachers of party rather than independent mould and a professional rather than a disinterested attitude to parliamentary affairs. Thus it can well be argued that the university's interest could be better served by places in the Senate. Certainly in the absence of a constitutional crisis the products of an educational system that has swollen student ranks to 4,500 are more likely to choose candidates who have greater freedom to cross party lines.

But that is by the way. The general election, while determined in advance by the number of Unionists returned unopposed in the country constituencies, will be a test not only of the Government's performance in the past but of its outlook on the future. The opportunism of the Prime Minister of the Irish Republic, Mr. Lemass, in saying that the Common Market will put an end to partition may be seized upon as a chance to base the campaign on loyalties alone, but a threat of this kind may be better answered by a platform designed to attract Catholic as well as Protestant support. The Unionist organization, indeed, is nearing a time when it cannot again evade the question whether religion is to be made a formal test of membership. Last year's census has made it a strong inference that Unionism which is exclusively Protestant must inevitably lose its electoral majority. Since 1951 the Roman Catholic population has risen to 34.9 per cent of the whole, and of children under ten years their percentage has now reached the level of 43.5. Despite emigration, which in the inter-censal period amounted to the high figure of 54,541 (about half the natural increase and at least 50 per cent Catholic), there can be foreseen a balancing of the numerical strengths of the two religious communities which could have an increasingly vital effect on politics and government.

This apart, the Unionist Party is able to face the present electorate confidently enough. The economy came through the severe difficulties of 1961 with a greater resilience than seemed possible under the stress of the wage-pause and a shipbuilding slump. The new-industries drive, again against the

odds, brought a promise of 8,000 new jobs, the highest number since the creation of the Development Council and the maximizing of inducements. Seen against the census figures this is barely enough to meet the high birth-rate as well as to reduce the current 7.5 per cent unemployment, but it is an encouraging sign of an expanding range of manufactures which must sooner or later produce a chain reaction. A recent example of a light engineering industry that could have a highly beneficial effect on the situation is the building of a Government factory for Standard Telephones, who plan to provide work for 2,000 people. Growth of this type may also be quickened by measures to be recommended by the joint Civil Service Committee under Sir Robert Hall, soon to make a report after a year's inquiry into Northern Ireland's under-development. At this stage the reserves of trained and trainable labour could well begin to run low, though the return of workers from Great Britain could leave the unemployment index much as it has been since 1945. Where the problem is one of unskilled labour and remoteness from Belfast it will still be hard to solve; for the rest, and notwithstanding the contraction of linen and shipbuilding, the industrial basis is being obviously strengthened. The one apprehension is that it may not be fully consolidated in its new pattern before it is exposed to the rigours of the Common Market.

On this historic issue the Unionist Party is painfully divided between those who are only dimly aware of the facts for and against, those who realize the British interests at stake, and the others represented by the M.P. who has coined for it the name of "the Reformation in reverse", a cry wrung by the dominance of Christian Democrat parties in West Germany and Italy. No assurances for agriculture and local employment will satisfy that wing of the party which sees the Common Market as an ill-judged plunge into the European whirlpool, a sell-out to Rome and the undermining of the Irish border. The Prime Minister, Lord Brookeborough, has not committed himself to open endorsement of the British Government's desire to join E.E.C. No doubt wisely in election year, he has stood for guarantees rather than a conviction that the Conservative statesmen are right and that the Unionist Party must advance with them instead of being dragged behind. It is a fair example of the factors in the Northern Irish situation which make local interests obscure those of the nation.

Can the same be said of the Immigration Bill at Westminster? Here the choice is a good deal more real and a good deal more difficult. Met with the suggestion that Mr. Butler's dilemma on control of entry of Eire citizens could be resolved by permits applying to the whole of the country, the Government of Northern Ireland insisted on the right of its people to move within the United Kingdom without restriction. This was a natural and inevitable reaction and the more positive for the memory of the passport system which was a barrier to travel across the Irish Sea during and after the war. It would have been asking a sacrifice from the Unionist Party, of all parties, to accept a reduced British citizenship, and Mr. Butler had the grace not to try, even when the demand to include Eire with the Commonwealth countries covered by the Bill was at its noisiest. He had similarly to recognize that no method of policing the border could stop Irish workers infiltrating

and making their way to Britain in defiance of the statute. If this were so no doubt Northern Ireland would have been spared many of the terrorist attacks of the past five years.*

Mercifully these now appear to be at an end, though their prevention may be considered to be at the price of the life of another constable of the Royal Ulster Constabulary. His murder in an ambush in County Armagh in November, in which three other policemen were wounded, at last caused the Government in the Republic to bring in emergency measures. While these have not extended to internment, the weapon successfully wielded in Northern Ireland, the establishment of the Special Criminal Courts has led to the imprisonment for longish terms of many of the leaders of the Irish Republican Army, and has given the hope that the sporadic war in the border area will not be renewed. Costly as this was in life and property it has shown that the Nationalists in the North have no faith in violence and that the Unionist majority has seen the uselessness of reprisals and internal conflict. As was observed in the last issue† the only remaining danger to more peaceable developments in Ireland is the injudicious attempt to employ the necessary unities of the Common Market as levers against the Ulster constitution. Mr. Lemass's yielding to this temptation is resented as contrary to the spirit of the undertaking, and has been answered by the Minister of Home Affairs, Mr. Brian Faulkner, with a tartness that proves that the Ulsterman, in so far as he is self-governing and has a right of self-determination, is intent on remaining the master of his fate.

Northern Ireland,
February 1962.

* See also pp. 119-20, 127-8.

† See THE ROUND TABLE, No. 205, December 1961, p. 69.

Postscript: In a later speech on "shaking some of the hay out of our ears", Lord Brookeborough said: "We are going into the negotiations because we are convinced that if agreement can be reached on entering the Common Market on satisfactory terms it will be in the long-term interests of everyone in the United Kingdom, and of Europe and indeed the world".

The Prime Minister also indicated his Government's agreement with Mr. R. A. Butler's proposals for sample checks on persons travelling between Northern Ireland and Great Britain to establish the extent of Irish migration. For Northern Ireland citizens the answering of questions would be purely voluntary.

IRELAND

GRAVE PROBLEMS

THE events of the last three months indicate clearly the nature of the serious problems facing the Irish Republic as it enters 1962. These are largely external in nature and cumulative in effect. The uncertainty of our position in relation to the Common Market, arising not only from our absolute dependence on the fate of the British application, but also from doubts concerning our admission to full membership of the E.E.C., and the subsequent plight of our industrial economy should we succeed in our application; the shock recently administered to our agricultural industry by the restrictions imposed on our butter, and possibly on our bacon, exports to Great Britain; the sensational results of our involvement in the Congo crisis; and finally the flare-up of criminal violence on the Ulster border, have together produced a situation as menacing as it is uncertain. We have to realize that old catch cries and stale shibboleths are no longer valid, and that the economic fallacies to which we adhered for so long are now exploded. We face a period of readjustment in our political and economic life which, while it will probably be both protracted and painful, may also prove our salvation.

The Common Market

OUR future relationship to the European Economic Community or Common Market is for us, as it is for Great Britain, the most momentous problem that now confronts us. At the moment it is accurate to say that we do not know whether we are "coming or going" so far as this question is concerned. Dr. Mansholt, the Dutch Vice-President of the Commission of the E.E.C., who visited Dublin in October, politely indicated some of the difficulties we have to face. It seems clear from his remarks that our application for full membership of the E.E.C. took the Commission by surprise and that it gave rise to doubts as regards our sincerity in accepting the concept of a fully integrated Europe, and our ability to assume the full obligations of membership. During the last ten years our representatives at the Council of Europe have supported the Scandinavian countries in their opposition to European integration, and, what is more serious, our delegation at the United Nations has pursued a policy of so called "non-alignment" or opportunist neutrality as regards other European states, notably in the Congo and Algeria, which has certainly not increased our popularity in France and Belgium. We should have been wiser to follow the example of other small states, such as Denmark, who wisely remain silent on these occasions. In short we cannot afford to throw our weight about when we have really none to throw. It is no use proclaiming, as Mr. Lemass has done lately, that we cannot be neutral in the struggle against Communism when we act as if we were. This schizophrenic attitude has proved as futile as it is irritating. As regards our ability to assume the full obligations of membership, Mr. Lemass in his original letter

of July 4, 1961, to the six E.E.C. governments truthfully, if perhaps unfortunately, stated that though Ireland would apply for full membership in the event of the United Kingdom's applying we would not be able to accept without modification all the provisions of the Rome Treaty, particularly those relating to the time-table for the removal of tariffs. But in its formal application for membership on August 2 the Irish Government made no reference to these important reservations, and on being asked by the E.E.C. Commission if they were still being made replied in the negative. The E.E.C. Commission's reply to Ireland's application published in November refers to Ireland's policy of neutrality and to the fact that it shares many of the basic institutions of the United Kingdom which differ considerably from those of the Continent. It also pointed out that on the economic side Ireland had two special interests: its agriculture and the fact that many of its industries were not firmly established and might fare badly if protection were abolished; "however" it adds "in relation to the overall economy of Ireland industrial interests are small in comparison with agricultural interests. It would appear that taking a risk in the industrial field is a necessary condition of obtaining satisfactory arrangements for Irish agriculture".

Speaking after the opening of the new Cork Airport on October 16, Mr. Lemass said that we now had to face nothing less than the total reorganization of our national economy, and we must make certain that in the new circumstances which will confront this country in the near future we would not have to carry any deficiency or handicap it was within our power to remedy. The Irish public realized, he said, that this complete overhauling of the country's economic organization—of all methods of production and trading—was both urgent and necessary. We were not, he said, joining the European Community as a sort of poor relation, but as a developing country which had studied all the implications and consequences of membership and had confidence in its capacity to do as well for itself as any other member country within the rules that have been laid down. These are brave words, but little else, for apart from the establishment by the Government of a Committee on Industrial Organization, representing both employers and labour, there has been little evidence of any serious preparation for the situation that will arise if and when we join the E.E.C. as full members. Indeed the general attitude might be summed up in the statement of a Cork cattle dealer that all we required to deal with the Common Market situation was "a little common sense"—an observation which was more profound than its maker intended. This essential attribute is at present in short supply. There is no evidence of any serious attempts to consider, investigate or adjust our industrial economy to changing circumstances, and we seem to be satisfied that "everything will be all right on the night".

Our educational deficiency is summarized neatly in the current issue of *Dublin Opinion*, which shows an infuriated employer telling his typist, "You're learning German for the Common Market; would you ever consider learning English for the common good?" Our feeling of complacency has, however, been somewhat shaken by the lukewarm and inquiring attitude of the E.E.C. towards our formal application for membership, which Mr. Lemass discussed

with the Council of the E.E.C. in Brussels on January 18. If the application is accepted in principle negotiations will probably have to take place with some, if not all, the E.E.C. states, but no final decision is possible until the application of the United Kingdom has been dealt with. It is unlikely that these questions will be resolved this year. If they are answered in the affirmative we shall have to face a gradual reduction of tariffs and the free movement of labour and capital within the enlarged E.E.C.

The chief aim of Mr. Lemass will no doubt be to secure the maximum time for the reduction of our existing tariffs. The attitude of Great Britain towards our application was made clear by Mr. Heath, the Lord Privy Seal, when he said on November 27 that

we in the United Kingdom are pleased to see that the Republic of Ireland has applied for membership of the Community. If their application succeeds—as we hope it will—our trading arrangements with them will be resumed in the wider arrangements of the enlarged Community and no special problems need arise.

British Restrictions

PROBLEMS of a more immediate and pressing nature have, however, arisen recently in our relations with Great Britain. The first concerned the position of Irish emigrants under the legislation recently introduced to restrict immigration into the United Kingdom. The British Government, faced with the problem presented by immigration from the Commonwealth, now running at the rate of 4,000 a week, could not avoid including the Republic, which legally is not in the Commonwealth at all. But Mr. Butler, the Minister in charge of the Bill, had finally to admit—what, indeed, had been obvious from the first—that, although the British Government proposed to retain the power to control Irish immigration, it was physically and in other ways impossible to keep the Irish out. The comment of Mr. Lemass on these proceedings was that any system requiring the production of passports or identity documents on entry into Great Britain from Ireland would, in the view of the Irish Government, be a retrograde step which should be avoided. He declared that the absence of restrictions between Ireland and Great Britain, and the freedom of movement of workers from either country, was a desirable position, which "it would seem in the interests of both countries to maintain if this is possible". He also pointed out that some 2 million passengers move between Britain and Ireland every year. The essential economic unity of the British Isles has thus once more confounded the politicians. Dr. Noel Browne T.D. hit the nail on the head when he pointed out that if the present Irish emigration of 40,000 to 50,000 a year to Great Britain was stopped, and the would-be emigrants added to the 60,000 unemployed here, there would soon be a revolution. The South of Ireland was, he said, less independent of Britain than it was forty years ago when we became a free state. In short Irish emigration to Britain is not only a safety valve but a necessity.

Questions of a more pressing kind have been raised by the imposition of a British anti-dumping duty of £10.5s. per cwt. on all butter imported from the Republic. This step followed the refusal of the Irish Government to accept

a quota of 4,000 tons for the six months ended March 31, 1962. Britain is the only open market for butter of any size now existing, and consequently if weather favours butter production supplies are dumped there. This upsets prices, with serious repercussions so far as Australia, Denmark and New Zealand, Britain's main and constant suppliers, are concerned. Failing to obtain agreement on measures to deal with this situation the British Government decided to adopt quota figures which had been suggested by an impartial official of GATT. Irish butter exports to Britain vary greatly in amount, and 4,000 tons is about the average of these exports during the last six years; so it must in fairness be said that the quota offered was not in the circumstances unreasonable.* There is, however, another side to the matter. Our cattle exports are of value to Britain, but cattle production depends on calves who must have milk. It may be foolish to operate a policy which might seriously affect our small farmers' economy and our cattle exports. The case put forward by the Irish Government against the duty is based on the fact that our share of the British market is infinitesimal compared with the share of New Zealand or Denmark; that our present exports of butter are much below those of pre-war; and that the quota allotted to Ireland, which had not been agreed, did not represent a fair sharing of the burden. Matters have been further aggravated by the recent announcement that the British Government is considering whether anti-dumping measures should not also be taken against our bacon exports to Britain. The National Farmers Association has pointed out in this connexion that, while the total weekly exports of bacon to the British market amount to 11,000 tons, Ireland exports less than 600 tons per week to Britain and that this amount would suffice for one big customer alone. This threatened duty certainly seems unnecessary. These several restrictions have served to remind us that Great Britain is now just as much, or as little, entitled to act independently, and even unjustly, as we are. It is still true that one cannot have one's cake and eat it.

The Congo Mess

THE resignation of Dr. Cruise O'Brien from his position as U.N. representative at Elizabethville, and subsequently from the post of Assistant Secretary of the Political Section of our Department of External Affairs, on the grounds that he had been obstructed in the discharge of his duty by the open opposition of Belgium and the covert opposition of Great Britain and France, has been the subject of considerable controversy, and of much embarrassment to the Irish Government. His resignation from the Irish diplomatic service left him free to make his attack on Britain and France in the most dramatic and effective fashion. Dr. O'Brien, who is an idealistic, intellectual, theorist ill equipped to deal with practical problems, had been seconded to the Congo assignment at the request of Mr. Hammarskjöld, apparently because of his literary ability. He was for some time in charge of the anti-partition propaganda at the Department of External Affairs and had, therefore, little sympathy with the fissiparous tendencies and irresponsible antics of Mr. Tshombe. In fact Dr. O'Brien was placed in a quite impossible position,

* As THE ROUND TABLE goes to press, the anti-dumping duty is withdrawn.—*Editor*.

being required to carry out a policy which was not only of doubtful validity but also incompetently enforced by the U.N. command.* Dr. O'Brien was also the agent of the U.N., an "organization" which has in fact no real organic unity, and in which the principle of national interest is paramount. By demanding autonomy for Katanga, Mr. Tshombe endangered the territorial integrity of some twenty new states, which are as divided and as artificial as the Congo. The U.N., united only in name, is in truth merely a useful international debating club. The Congo after the panic departure of the Belgian administration was neither a nation nor a state, but merely a political vacuum occupied by primitive warring tribes. Had it been possible for the U.N. to occupy its territory and educate its people for a period of years a coherent political entity might have emerged. On the contrary, however, the U.N. moved in to establish and consolidate an artificial central government, which could command neither obedience from its army nor allegiance from its subjects. This operation was, indeed, not really disinterested; for on the one hand it was directed to keep the Russians out, and on the other to protect the very considerable European investment in the area. Like many other upright and intelligent people Dr. O'Brien apparently believes that simple, sincere and satisfactory solutions are possible in a complicated and divided world. He, therefore, resented the fact that Belgium, Britain and France, although members of U.N., had considered their own interests first. He forgot that even in U.N., as Mr. Nehru (whom Dr. O'Brien later cited as a supporter) has since fully demonstrated, nationalism is the dominant force. Moreover the foundation of U.N. is supposed to be a united world which does not exist. Even our own international policy of "non-alignment", which Dr. O'Brien himself helped to devise and carry out, is only the natural attempt of a weak and undeveloped state to give a virtuous appearance to its necessary and justifiable opportunism.† We have, however, pursued a mirage in the Congo whilst dodging our obvious obligations in Europe.

An interesting example of our policy was recently afforded by the pious resolution, introduced at U.N. by Mr. Aiken the Minister for External Affairs, calling for an international agreement under which the nuclear powers would undertake to retain the complete control of nuclear weapons. This was passed unanimously, but cannot of course be made effective. In accordance with a compromise agreement Ireland has now taken Liberia's place on the Security Council for two years, but there we shall find it more difficult to remain "non-aligned". After Dr. O'Brien's resignation it was made clear by the Irish Government that they were not responsible for his opinions and that he had resigned from our foreign service on his own initiative. Mr. Lemass also informed the Dail that the Irish troops would remain in the Congo and that his Government's policy of supporting the U.N. action was unchanged. His Government would, he said, continue to urge that the Katangan problem

* Article 27 of the U.N. Charter clearly prescribes that U.N. forces may not be used to intervene in the internal affairs of member nations, but only to prevent foreign aggression.

† Ireland voted for the irresponsible resolution passed by the U.N. General Assembly in December 1960 which stated that "inadequacy of political, economic, social or educational preparedness should never serve as a pretext for delaying independence".

should be solved by diplomatic means, and that only by negotiation and patience could a solution be found. He said that he strongly resented the suggestion that his Government had deserted Dr. O'Brien, and claimed that the latter's statements were the responsibility of the U.N. for whom he was then acting.

Only two deputies, Dr. Noel Browne and his sole follower Mr. McQuillan, opposed the Government's Congo policy. They also by an ironical twist appeared as champions of Dr. O'Brien, who in their view is a "young Loch-invar", but to whose policy of armed intervention in the affairs of the Congo they are resolutely opposed. Irish troops, as part of the U.N. force, have since taken a considerable part in the bitter Elizabethville fighting and suffered casualties. Altogether fourteen Irish soldiers have died in action since the Congo operation began. General Sean McKeown, the Irish commander of the U.N. forces, whose tour of duty has just expired, has agreed to extend it for another three months. It is very doubtful whether that period will see the end of our involvement in what he has recently called "a dirty war"! A civil and racial war combined, as General McKeown should know, is seldom anything else.

Murder on the Border

THE term "dirty war" is certainly an accurate description of recent events on the Ulster border, culminating on November 12 in an ambush at Jonesboro' in which an R.U.C. constable was killed and three others wounded. The ambush party, who wore battle-dress and black berets, made the attack from the grounds of a parish church and afterwards escaped across the Border into the Republic. Police action on both sides of the border failed to capture the attackers, but the Ulster police subsequently published a list of wanted men. Public condemnation was universal. Mr. Lemass said that "every responsible Irishman will be shocked to learn of this terrible affair. No sane person could think that such murderous activities serve any national purpose." He also conveyed "to the relatives of the young Irishman whose life had been so suddenly and tragically terminated the sympathy of all decent Irish men and women". But sympathy without action is not enough, and eventually, after a strong note of protest from the British Government, it was announced on November 23 that the Government had reconstituted the Special Criminal Court, composed of military officers (which had operated during the last War under the Offences Against the State Act 1939), in order to deal with crime on the border.* At the same time the organization of the Civic Guard force on the border, some 600 strong, was re-deployed on new lines. Up to this these young I.R.A. miscreants have been brought before the District Court where only a term of six months imprisonment could be imposed, and this is one of the causes for their continued activities. The Special Military Court is, however, under no such disability and can impose sentences commensurate with the offence. Already sentences ranging from four to eight years have been imposed on offenders found in possession of arms and ammunition. The Irish Government can-

* See THE ROUND TABLE No. 115, June 1939, p. 593 and No. 116, September 1939, p. 805.

not escape its share of responsibility for these tragic events, but the reasons for their failure "to grasp the nettle" of violence are obvious. Apart from their sympathy with the aims, if not the methods, of the I.R.A. their attitude has no doubt been due to the fear that adequate punishment might make these misguided boys "heroes" overnight; but such a reaction is most unlikely, and, as the recent election shows, Sinn Féin and all it stands for is now at a discount. The murderous results of the Government's weak and ineffective policy have, however, now forced them to face the challenge that has confronted all their predecessors, namely that a Government must govern. Public opinion in the Republic is at least 90 per cent behind a firm policy directed to ending crime on the border. Mr. Lemass has, therefore, a golden opportunity of ending these subterranean activities, but he must also adopt a policy of friendly and unambiguous co-operation with the people and Government of Northern Ireland and recognize their right to exist so far as his constitutional shackles permit.*

Economic Trends

ECONOMIC trends are on the whole satisfactory. Trade continues to expand and exports rose by 20 per cent in the first nine months of last year. Imports, however, increased by a larger amount and are more permanent in their nature, so the trade gap is increasing again. The tourist trade is estimated to have increased by 11 per cent, to some £47 million, last year. The target for productive expansion laid down in the Programme for Economic Expansion† has been doubled, and the research side of the recently established Economic Research Institute estimates that the gross national product has increased by £43 million during 1961. Hopeful foreign industrialists continue to arrive. The Dutch-owned Verolme Cork Dockyard, having won its fight against demarcation and a multiplicity of unions,‡ has just launched a motor vessel of 15,000 tons, the largest ever launched in Ireland outside Belfast. A loan of £17½ million at 6 per cent has been over-subscribed. Although we have made an excellent start towards economic recovery there is as yet no evidence that this hopeful trend is being consolidated, and no certainty of its continuance.

Ireland,

February 1962.

* Article 2 of the Constitution declares that "the national territory consists of the whole island of Ireland".

† See THE ROUND TABLE No. 194, March 1959, pp. 173 *et seq.*

‡ See THE ROUND TABLE No. 204, September 1961, p. 403. During the last five and a half years about 15,000 new jobs have been created in the Republic. Up to March 1961 grants totalling over £7 million have been approved for new industries, and £30 million new capital has been imported.

INDIA

GOA: CALM AFTER THE STORM?

THE three months of November, December and January have proved to be feverish political pace-makers. The political forces have been so strong that almost no one has rejoiced greatly at the rise in the target for power in the Third Plan by 1 million kW; and, less happily, no one seems unduly perturbed at the serious coal crisis in Western India, which has led at the end of January to the closure of two textile mills at Baroda, with short working in other mills in the Ahmedabad area. This predominance of politics is, perhaps, inevitable in the three months before a general election which is likely to be the most hotly contested since 1951. And the political storms contain their own—at least, ostensibly—non-electoral components. A controversy rages both in India and abroad as to whether India's action on Goa was one such. It is difficult to convince the outside world, and, indeed, a very large number of the people of India, that the coming elections had nothing to do with Indian action in Goa. The Prime Minister has just, at the end of January, made this claim in North Bombay, while opening the election campaign for Mr. V. K. Krishna Menon, who still faces a difficult situation. It was hardly necessary, in the minds of many Congressmen, for the Prime Minister to proclaim that the Congress did not deserve any merit on Goa. The fact remains that the Indian public as a whole, perhaps like every other, is extraordinarily forgetful about an incident, and Goa is largely, in the Indian mind, a closed "incident". It is extraordinary on this Republic Day how little one hears about Goa in Delhi. If Bombay reports are true, Mr. Krishna Menon's supporters in Bombay have been distressed that so much of the Goa halo has worn off already. Indeed, the attack on the Defence Minister has been mounted inside the Congress by Mr. Ramakrishna Bajaj, a leader of the Youth Congress in Bombay, and apparently the force of his onslaught against Mr. Krishna Menon is in no way reduced by his description as "the liberator" of Goa.

The problem of Goa will naturally look different abroad.* Indian opinion, undoubtedly, was taken aback by the virulence of criticism, particularly from Mr. Adlai Stevenson in the United Nations. The British Press has naturally awakened a great deal of resentment, because it looked as though it stood for "a *status quo ante*" by which Britain's most ancient ally could continue to exercise authority on Indian soil in what has come to be recognized as an impossible situation. The Indian argument that armed action can be reconciled with the U.N. Charter has, unfortunately, been missed in the foreign Press. One can leave aside the somewhat foolish propaganda version in the phrase that "since colonialism is initially an act of aggression, its removal by violence constitutes nothing but self-defence". What can be a genuine argument relates to Indian interpretation of the clauses of the Charter which provide for "peaceful" solution of all disputes. The Indian argument is that the reference to Article 2 only implies that the *status quo nunc* can be maintained by an obdurate party like Portugal without any fear of correction. The

* See also pp. 147-54 and 196-9.

relevant Articles of the Charter are Articles 1 (1) and 2 (3). These Articles, it is contended, no doubt enjoin that international disputes should be settled by peaceful means. It is natural that critics have concentrated on these provisions of the Charter which have, in their mind, been violated by India. But this is largely a matter of overtones, or reading sections together, and Indian opinion is now fairly united on the point that even the Charter can be read to justify military action in exceptional cases.

These critics, however, kept silent about certain other provisions of the Charter. Article 1 which gives the purpose of the United Nations says: "... and to bring about the peaceful means *and in conformity with the principles of justice* and international law, adjustment or settlement of international disputes or situations which might lead to a breach of the peace." Article 2 again lays down that all members should settle their international disputes by peaceful means "in such a manner that international peace and security *and justice* are not endangered". Both in the Security Council and elsewhere, India's critics have started off by saying that they did not want to consider the merits of the case. Naturally, if the merits are not gone into, the question of justice cannot come in for consideration either. It will be seen that wherever the Charter has suggested peaceful means, they have qualified it by saying that the settlement must be in conformity with the principles of justice. One cannot insist on settlement by peaceful means irrespective of considerations of justice. If considerations of justice are to be ruled out and only peaceful means enjoined under all circumstances, that would mean the peace of the grave.

There was, therefore, a conflict in this case between the Charter provisions of "peaceful means" and "in consonance with the principles of justice". If there had been any possibility of a peaceful solution, India might not have been justified in taking recourse to force. As there was no such possibility, and if India had to rule out force, this would have meant perpetuation of the colonial rule in Goa, and the Portuguese were already violating the provisions of Article 73 of the Charter.

There would appear to be some justification for the view that international disputes, which do not contain provision for negotiation, will eventually erupt in violence.

General Election Prospects

SO far as the elections are concerned feverish campaigns are now being mounted in every State of the Indian Union, though they are somewhat subdued in Orissa and Kerala, which, having had mid-term elections, are only electing members to the Lok Sabha and not to the State Legislatures. This is certainly fortunate in the case of Kerala, for it seems that opinion is swinging away from the Congress in that State. The India Institute of Public Opinion has just published the results of an All-India opinion poll conducted in September-October 1961, which contains more than this one element for concern. It is argued that while the Congress vote is stable at 45 per cent of the popular vote (against 48.3 per cent at the time of the 1957 elections, and 44.5 per cent in a mid-term All-India political poll), there are below the surface substantial factors of change. It would appear, so far as the

popular vote is concerned, that substantial progress has been made by the Congress in Maharashtra and Gujarat after the bifurcation of bilingual Bombay. But there are serious losses in Rajasthan, the Punjab and Kerala, where the situation is almost unpredictable. In the Punjab today, it is believed, the Congress vote in the poll is as low as 31.4 per cent; in Rajasthan it is slightly lower, so that in both these States if the Opposition parties joined together, and the undecided votes of about 20 per cent on an average (but significantly larger in both the Punjab and Rajasthan) expressed itself against the Congress, two important States might be lost, not merely to the Congress, but to the Centre. Both these States, which operate under administrations influenced largely by writ of the Centre, will be substantially on their own. The situation in Kerala, if this poll is accurate, would be deeply disturbing. Happily the number of interviews taken in Kerala is small enough to suggest that the sampling error might be large and that the Communist vote might not really be 45 per cent, as it appears in these papers. It is, however, to be remembered that in the mid-term elections the Communists received 41 per cent of the popular vote. Therefore, the estimates of the Indian Institute of Public Opinion may possibly not be so wide off the mark.

In any case there seems to be no doubt that, as against the elections of 1952 and 1957, the Congress is today in a more difficult position for two reasons. The first is that a very large number of alliances exist amongst the Opposition parties; the second is the extent to which dissident Congressmen are out in the field against official candidates, and are now threatening not merely to stand as Independents, but also to help the Opposition, sometimes after resignation from the Congress, but more often whilst remaining nominally within the organization. It is not impossible that the difficult Punjab situation might be made considerably worse if the dissident Congressmen in Haryana persist in opposing the Congress candidates there.

In no constituency in India has dissension inside the Congress been so vocal as in North Bombay, where Mr. Krishna Menon is being opposed by Acharaya J. B. Kripalani, Mr. Gopate, a member of the Hindu Mahasabha and an ex-Mayor of Poona, and three Independents of relatively small consequence. Here Mr. Ramakrishna Bajaj and twenty-five members of the Youth Congress have resigned from the Congress and have openly declared that they will organize an anti-Menon front for the Lok Sabha seat, even while supporting Congress candidates for the Assembly or the State Legislature. This was a situation grave enough to call for several meetings of the Pradesh Congress Committee, and Mr. Y. B. Chavan, the Chief Minister of Bombay, tried hard to prevent the spread of revolt. When he failed, the Prime Minister, Jawaharlal Nehru, himself used brimstone and fire and what might well be called the most tactless election speech ever made. He invited, in a fiery outburst, the dissidents to "go to hell". Opinions differ exactly how much damage has been done by the Prime Minister's anger, but it is likely to be significant. The latest information is that these somewhat single-minded and even dedicated Congressmen have been so incensed by the treatment they have received that they have thrown themselves into the battle with a new passion that might well prove to be decisive.

There has been another political diversion which is almost of equal interest. Mr. T. T. Krishnamachari, the distinguished Minister for Commerce and Industry, who became the Finance Minister and resigned on the Chagla Report, was known to be undecided as to whether he should stand for election on this occasion. Rumour has it that his friend, the Chief Minister of Madras, Mr. Kamaraj Nadar, the supremely able political manager of Madras State, had sounded the Prime Minister earlier without success. A week before the final nominations were filed, without the Prime Minister's being formally committed, the Home Minister seems to have given Mr. Kamaraj Nadar a green light. Mr. Krishnamachari thereupon filed his nomination for the South Madras constituency, which, under present circumstances, was likely to be a difficult seat. But Mr. Kamaraj Nadar was taking no chances; he had also reserved a safe Congress seat in Tiruchendur, where a certain Mr. Nadar was standing on the Swatantra ticket. At the last minute, Mr. Nadar, who was previously quite unknown, leapt into fame. He was wooed not only by Mr. Kamaraj Nadar and Mr. Krishnamachari, but also by Mr. C. Rajagopalachari, the leader of the Swatantra Party, who interrupted his election tour in Mysore to depart immediately for the same place, in order to prevent Mr. Nadar's withdrawal by an act of personal persuasion. The Congress Party won and Mr. Krishnamachari has been returned unopposed, which almost certainly means that he will be a member of the Central Cabinet, holding a very important portfolio.

The question is: which portfolio? The Stock Exchanges, remembering Mr. Krishnamachari's drastic Budget of 1957, immediately jumped to the conclusion that this was to be either Finance or a super-Ministry of Economic Affairs in which he would make policy. This view is premature, but the crash of Stock Exchanges might perhaps lead the Prime Minister to wonder whether or not Mr. Krishnamachari, as Minister of Finance, is likely to ensure that degree of confidence with which, it is believed, conversations on international investment are best surrounded. All in all, the position is that the Prime Minister has insured himself against the defeat of Mr. V. K. Krishna Menon by having someone of Leftward sympathy in his Cabinet. But on international affairs Mr. Krishnamachari would differ from V. K. Krishna Menon markedly, never having held any illusions on Communism and the challenge that it presents to the Congress as well as to the Indian Union as a whole. Thus the Congress, for the moment, lives in the best of all possible worlds with an assured victory at the Centre and with at least the feeling that the socialist pattern of society will be secured by at least one notable critic of the private sector's operation in economic affairs. Few people at the moment have paused to think how effective Mr. Krishnamachari once was as Minister of Commerce and Industry and Steel. It may well be that his return in a similar office would be the biggest stimulus for economic development in the private sector. These are some of the paradoxes of Indian politics of which, undoubtedly, in the next three months we shall hear more.

India,

February, 1962.

PAKISTAN

FOREIGN POLICY UNDER REVIEW

STRAWS in the wind—and there are many of them—point to the possibility of a new orientation in Pakistan's foreign policy. How and when this will come about is a matter of conjecture, more so in the absence of precise official indications. But judging from public and Press reactions to the Kashmir deadlock, India's seizure of Goa and the latest American discovery of the disease of "pactitis", it is difficult to escape the conclusion that the country is all set, and in fact clamouring, for such a possibility to arise. What is all the more noteworthy is that the demand now—unlike the days of political instability when party politics often subjected the issue of foreign policy to high-pitched emotionalism and slogan-mongering—is invested with a degree of sobriety and realism which is certainly unprecedented.

For a long time there has been a growing consciousness in Pakistan that her foreign policy has not succeeded in realizing the objectives for which it was originally formulated. Undoubtedly her alignment with the West was a natural corollary to the dictates of her own ideology, but no mere ideological affinities are by themselves enough to determine a country's foreign policy. What Pakistan had expected by adopting the course she did was to get the support of powerful allies who would stand by her in the hour of her need. Instead she finds them virtually arrayed against her and outbidding each other in placating and pleasing those countries which pose a threat to her territorial integrity. While her allies vacillate and temporize in their support to her over the vital Kashmir issue, the Russians back India to the hilt. In fact such is their "incorrigible softness" for India that they hardly hesitate to offer gratuitous provocations to Pakistan.

It was early in January this year that Dr. Henry Kissinger, described as "Special Representative to President Kennedy on International Affairs", made a string of unwarranted remarks *vis-à-vis* Pakistan's foreign policy. Asked at a Press Conference in New Delhi as to what would be the American reaction when the Kashmir issue came up before the Security Council, Dr. Kissinger made the astounding observation: "We are not going to spite India because of Goa." The sheer illogicality of the remark apart, it is difficult to understand what Dr. Kissinger had actually intended to convey, because nobody has ever been asked to spite India. Still more, when questioned as to how America would react if Pakistan got into an alliance with Communist China, President Kennedy's representative replied that if Pakistan "were stupid enough" to do such a thing "how long could she survive without a strong independent India?" And then, referring to NATO, he said that he had been against its formation but "at that time were suffering from a disease called 'pactitis'".

Perhaps Dr. Kissinger's views could somehow be dismissed as those of a private citizen, even though his designation hardly warranted such an

assessment. But a spate of feelers from Washington lent them an air of authority and left no room to doubt that, in her new bid to glorify neutralism, America would hardly give any consideration to the basic interests of her ally. Commenting editorially on the reported American intention to scrap SEATO, a national English daily said: "The clear implication of the sinister move is the American recognition of India's overlordship in Asia, an idea with which successive diplomats in the White House and the State Department have toyed."

Whatever may be the ultimate repercussions in the event of America's scrapping SEATO, which she has so often described as "an invincible shield against aggression" there are already portents that such a step would not be entirely unwelcome here. It is now being painfully realized that, in committing herself so unqualifiedly with the West, Pakistan has only needlessly incurred the full blast of Communist hostility on herself. If SEATO is scrapped the way is so much clearer for an improvement in her relations with Russia and for a further strengthening of her friendship with Communist China.

Substantially reflective of this national mood were President Ayub Khan's observations in an interview to the London *Daily Telegraph*. Expressing his dissatisfaction with SEATO, and CENTO, he said that Pakistan was losing faith in them as well as in her allies.

The action of these allies, especially the U.S. and Britain, in supporting the neutralists in this region instead of their friends has raised grave doubts about the wisdom of our policy and the reliability of our allies.

But he made it clear that it was "too soon" to talk about Pakistan's withdrawal from CENTO and SEATO, although she "would have to weigh up things continuously".

Events nearer home have further reaffirmed the general belief in Pakistan that for an Afro-Asian country a policy of non-alignment is the only course to pursue in order to have the best of both blocks. India's seizure of Goa profoundly shocked public opinion here, but the manner in which she was all through supported by Russia and later on appeased by the West had its own lesson to tell. Naturally it was asked here that if the West could not stand by a NATO ally for fear of offending India, how could it ever side with Pakistan in case India threatened her territorial integrity?

With the potential Kashmir dispute hanging fire, India's armed action against Goa was disturbingly suggestive of a further deepening of her militant approach to settling international issues. To the Pakistani mind the Indian image has been conditioned by her forceful annexation of Kashmir, Hyderabad and Junagadh and by the widely held belief that she has not, as yet, truly accepted the fact of Partition. Her latest exercise in militancy has only further sharpened the contours of that image.

Commenting on India's invasion of Goa, the leading English daily, *Dawn*, said:

Pakistan faces exactly the same danger as Goa and as soon as India feels strong enough to do so she will try to wipe out Pakistan because Indians in their

hearts of hearts still regard the areas now forming Pakistan as basically parts of Akhand Bharat (United India) over which some day Hindu rule must be extended.

Should such interpretations be regarded as excessively prejudiced or far-fetched, the Indian leaders have to thank themselves for providing added confirmation of them. In his widely noted Lucknow pronouncement, the Indian Defence Minister, Mr. Krishna Menon, thought fit to say that for the time being there was no question of changing the agreed borders between India and Pakistan. It could be said that, with the Indian general elections not far off, the exigencies of the situation forced Mr. Menon to stage a gallery play for his audience. But no explanations can allay the worst fears of the people of Pakistan that Mr. Menon's assertions merely lifted the mask from India's sneaking desire to expand at the expense of Pakistan at a time suitable to herself.

Nor has Mr. Menon been alone in brandishing such threats to Pakistan. The Indian Congress President, Mr. Sanjiva Reddy, has gone one better. He not only rejected his own country's thesis that the cease-fire line in Kashmir could be accepted as a permanent solution of the dispute; he advocated a forcible "liberation" of Aza Azad Kashmir. Still more, in leaving the timing of such a venture to the Indian Government, he was re-echoing Mr. Nehru's recent pronouncement that for India the use of force was a question of "suitability and opportunity".

To match words with deeds India has now massed 85 per cent of her troops against Pakistan and has also moved the infantry division she used in Goa along her neighbour's borders. As against it she has deployed only one division and a half, five brigades, against China.

It will be facile to assume that India's display of her armed might is only to browbeat Pakistan into withdrawing her request to the Security Council for a reconsideration of the Kashmir issue. Both America and Britain are opposed to her move and the U.S. is even credited with the view that a discussion of the issue by the Council would "only further embitter both sides without achieving any results". Assured of such unstinted support to her stand and with the added guarantee of a Russian veto against Pakistan's request, there was not much point for India to resort to such an extreme and perilous course. As such the fear that she has some sinister designs against this country's territorial integrity seems to be well grounded.

If the face of such a potentially explosive situation, it is difficult to agree with the President of the Security Council, Sir Patrick Dean, that there was no great pressure on him to call a Council meeting to take up the Kashmir issue. On the contrary there is the most urgent need for immediate Security Council action so that, in the words of a British paper, there was "less chance of the world being confronted with a *fait accompli* as in Goa".

At the time of writing it seems that the Western Powers have at last succeeded in stalling the dispute's reference to the Security Council. Instead President Kennedy has asked Mr. Eugene Black, the President of the World Bank, to help settle the issue. Consistently with her stand all through to accept any move which offered the remotest prospect of some settlement of this intractable problem, Pakistan has expressed her willingness to accept Mr.

Black's good offices. India has so far reacted unfavourably to Mr. Black's nomination and has also advanced the argument that in accepting President Kennedy's proposal she would be putting herself on an equal footing with an "aggressor"—Pakistan. At the same time she has reiterated her stand that she would not brook any change in the *status quo nunc* in Kashmir.

The basis on which Mr. Black will conduct his talks to find a solution of the issue remains to be seen. But if the underlying intention behind his nomination is to bring about a repudiation of previous United Nations commitment, Pakistan cannot be a party to it. Such a further let-down by her allies will only give an added impetus to the demand for new orientations in her foreign policy.

The Constitution

THE decks have been cleared and the country is now eagerly awaiting the new constitution, which should have been announced by the time these lines appear in print. Few could have hoped on the morrow of the October 1958 Revolution that President Ayub Khan would so expeditiously fulfil his promise of setting about the task of constitution-making as soon as the country was put on an even keel. It is, therefore, no small satisfaction that events have proved such half-heartedness to be utterly groundless.

While the new constitution, the final draft of which is now being printed, naturally remains a closely guarded secret, it is nevertheless believed to be based on the basic principles of the Quran and the Sunnah (precepts of the Prophet). The country will be an Islamic State whose citizens will share equal rights and obligations irrespective of caste and creed. Non-Muslims will be eligible for the highest office of the State.

As soon as the new constitution has been presented to the nation, the Government will appoint an Election Commission and a Delimitation Commission for making speedy arrangements for countrywide elections to the Central and Provincial legislatures. Both these bodies will be asked to conclude their business within a specified time, so as to make it possible for the elections to be held in May in order to enable the country's new Parliament to pass the next budget in June. The day the new Parliament holds the first session, martial law in the country will automatically come to an end.

It is widely assumed that the Basic Democracies will serve as electoral colleges for both the Central and Provincial legislatures.

Pakistan,

February 1962.

CANADA

NEARING DISSOLUTION

THE Federal Parliament reassembled on January 18 for what is expected to be its last session before its dissolution. Its statutory life of five years does not expire until March 1963, but no Canadian Ministry likes to run the risk of waiting until near its legal demise lest some issue fraught with damage to its fortunes suddenly emerge. Predictions of an imminent general election have been stimulated by a series of speeches with a distinct flavour of electioneering which Prime Minister Diefenbaker and some of his Cabinet delivered before the session began. The latest Gallup poll taken in November gave them reason to be anxious about their chances of a successful appeal to the voters for a fresh mandate. It revealed that the Liberals, favoured by 43 per cent of the voters tested, were running 6 per cent ahead of the Progressive-Conservatives, whose quota had fallen from its peak of 60 per cent in 1958 to 37 per cent: it also showed that the New Democratic Party with 12 per cent had not materially improved upon the percentage of the CCF which it had absorbed, and that the Social Crediters, Communists, etc., accounted for the remaining 8 per cent. For the Government the most ominous feature of the poll was the sharp decline of their percentage of support in Ontario, their chief stronghold, to 39, which was well below the Liberal figure of 47 per cent; and in Quebec, the other of two central provinces, which contain between them nearly two-thirds of the total population, their percentage of 33 was even farther behind the Liberal figure of 50 per cent. But there was some comfort for the Government in figures which showed that it was still in the lead in both the Atlantic and the western provinces and had escaped the sharp decline in the latter region, which had been foreboded.

Prime Minister Diefenbaker in one of his speeches claimed credit for a record of having fulfilled 50 out of the 62 pledges he had given in the elections of 1957 and 1958, and forecast that his Government's legislative programme would fulfil the remaining 12: Items in a long Speech from the Throne aimed at the attainment of this objective. It promised a constitutional amendment which would provide higher old-age pensions under a new contributory system, better pensions for the blind and disabled, reform of the Senate, the establishment of an independent Commission for the redistribution of seats in the House of Commons, an increase in Federal grants to the universities, and acreage payments to farmers on the prairies who had suffered from last summer's drought. There was also a flavour of votegetting baits for an early election in pledges for a larger programme of aid for municipal winter works, a 47-mile extension of the Gaspé railway in Quebec, help for the projected Red River floodway in Manitoba, and a car-ferry service between Sydney, N.S., and Argentia in Newfoundland. The leaders of the two parties in opposition, Mr. Pearson and Mr. Hazen have both pronounced the Speech "a deep disappointment" on account of its total failure to deal with the four major problems facing Canada.

However, the commitment to entrust the task of the redistribution of seats in the House of Commons which under the Constitution must follow each decennial census to an independent Commission will command widespread approval, since the existing practice of leaving it to a special committee of the Commons has always produced bitter partisan wrangles with the Opposition accusing the party in power of "gerrymandering" the boundaries of constituencies in its own interest. The Prime Minister has never forgotten that he was a victim of the last redistribution which wiped out his original seat in Saskatchewan.

His enthusiasm for a reform of the Senate was kindled last session by the successful opposition of the Liberal majority in the Upper House to the passage of two measures, which the Government regarded as important. Despite the operations of mortality, which enable a Canadian Government to replace deceased opponents with its own partisans, the Liberals still outnumber the Tories in the Senate by about three to one, and Mr. Diefenbaker is credited with having ready a definite plan for ending their obnoxious ascendancy. Now all the political parties are agreed that a reform of the Senate is long overdue, but the Opposition will scrutinize very carefully any scheme proposed by the Government and, if they find it unacceptable and oppose its adoption, the Prime Minister might decide to appeal for a popular mandate to implement his plan and try to make it the dominating issue of the election.

A Controversial Session Ahead

IT is a safe prediction that manoeuvres for position in the coming election will bulk large in what promises to be a very controversial session. Prime Minister Diefenbaker remains the central dominating figure in Canadian politics, but it is sometimes questioned whether he has not transformed the Canadian Tory Party, which Sir John Macdonald founded and Sir Robert Borden and Lord Bennett later led, into a "Diefenbaker" party, which sits fairly loosely to the principles and traditions of Canada's brand of Toryism. He is suspected by not a few leaders in finance and industry of being still at heart the western agrarian radical that he was when he entered politics. But, while Mr. Diefenbaker may have forfeited the allegiance of certain voters who would normally support the Tory Party, journalists who have accompanied him on some of his recent electioneering forays report that he has not lost his skill as a campaigner for votes and can still rouse his audiences to enthusiasm with his visions of the greater Canada which he and his party are striving to build, and with his claim that he will to his dying day always be a valiant tribune of the people. So it is not impossible that he may retain the confidence of a sufficient number of the plain folk of Canada to be returned to power with a reduced majority.

He has also given indications that he does not intend to remain on the defensive. In a speech made in Toronto on January 13 he cited statistics about the expansion of export trade and gains in employment to buttress his claim that an upsurge of economic activity had begun in the second quarter of 1961 and continued at an accelerated pace for the rest of the year.

Then he proceeded to denounce the attitude of the Opposition to this revival of business as "a sordid picture", saying:

The efforts of the Government to improve Canada's economic position have been questioned by a servile press, and ridiculed and maligned day after day by the Liberals and the Socialists to the degree of degrading the whole country.

But spokesmen of the Opposition point out that in view of the increases in Canada's labour force and productive machinery, the rise of about 2 per cent in the value of gross national production in 1961 compared very unfavourably with the average gain of 4.6 per cent per annum in the last decade of Liberal rule. Indeed, Mr. Pearson, the Liberal leader, contended a few days later that since the Tories came to power national production had slowed down so much that its rate per head in 1961 was about 4 per cent lower than in 1956. Another debit account against the Government is the unbroken series of heavy budgetary deficits since 1957, and its critics suggest that Mr. Diefenbaker may deem it advisable to hold the election before the next Budget discloses that the forecast of a deficit of 650 million dollars for the current fiscal year, 1961-62, was underestimated by 150 million dollars.

But the retention of adequate support in French Canada is the most serious problem facing Mr. Diefenbaker. He has been unfortunate in his choice of Ministers from Quebec. One of them, Mr. Henri Courtemanche, who retired to a seat in the Senate last year, has been involved in a grave financial scandal which forced his resignation, and his successor, Mr. Noel Dorion, is under fire for alleged electioneering malpractices. And Mr. Diefenbaker has no other French-Canadian lieutenant who can match in political ability Mr. Jean Lesage and Mr. Louis Robichaud, the two young French-Canadian leaders, who are now Premiers respectively of Quebec and New Brunswick. Furthermore, since the formidable political machine built up by the late Premier Duplessis, which was a potent factor in winning about 50 seats for the Tories in Quebec in 1958, has now been smashed to pieces, they have to tackle the task of reviving their own feeble organization. There has also emerged in Quebec a lively separatist movement with a racial flavour, which is worrying both the older parties; and it is a bad omen for Mr. Diefenbaker that about eight of his parliamentary supporters from Quebec have announced that they intend to run in the next election, not under his banner, but as Independent Nationalists.

Progress of the Liberals

THE last Gallup poll supplied evidence that Mr. Pearson had made some headway towards convincing the voters that his Liberal Party would provide Canada with a satisfactory alternative administration. His prestige as a diplomatist and his expert knowledge of international problems would not suffice to win a Canadian election, but he has gradually been acquiring a firmer grasp of domestic problems and during the parliamentary recess he has been an assiduous campaigner at the "grass roots" level. But one of his difficulties is that Mr. Diefenbaker has dragged his party so far leftward from its traditional moorings that the Liberals, if they were to move farther

leftward, would run the risk of alienating their right wing. He has also not inherited Mackenzie King's skill as manager of a party; and his disposition to choose as his inner circle of advisers a group of men who, while prominent in their own communities, are political novices has naturally displeased veteran politicians who have for years been spending their energies and treasure in the party's wars, and evoked from one of the latter the sour comment: "Today in the management of the Liberal party's affairs practical politicians have no place; only 'eggheads' are wanted."

Mr. Pearson has been a vigorous critic of the attitude adopted by the Diefenbaker Ministry to Britain's entry to the European Economic Community, which he has described as "a narrow and irritable defensive reaction", and he has pronounced the EEC to be the corollary in economic co-operation to the co-operation in defence organized in 1948 to meet the threat of Russian aggression. But he also argues that to make co-operation effective and gain security for the free world there must be built an economic and defensive alliance which will embrace the whole North Atlantic Community. Mr. Pearson also advocates a comprehensive programme of reforms; and on the eve of the session, having noted Ministerial hints about an impending increase in old-age pensions, he shrewdly forestalled an announcement by the Government by committing the Liberal Party to a new contributory system, under which old-age pensions would be raised from their present scale of \$55 per month to \$75. Since this increase is a leading item in the programme of the New Democratic Party, there will be no opposition to it in Parliament.

In the approaching election both the senior parties have to reckon with the New Democratic Party formed last August by an alliance between the now defunct CCF and the Canadian Labour Congress, to which most Canadian trade unions are affiliated. It has been provided with a programme that can be fairly described as radical rather than socialist, and lays much greater emphasis upon the need for planning the national economy rather than fresh adventures in nationalization. It has found in Mr. T. C. Douglas an admirable first leader, whose unbroken tenure of the Premiership of Saskatchewan for seventeen years from 1940 onwards argues the possession of political ability of a high order. He has now started his campaign in the Federal field and in his speeches, which a keen sense of humour enlivens, he has shown a capacity for the lucid and logical discussion of current problems which has created a favourable impression among the general public. But the prospects of Mr. Douglas and his party for offering a serious challenge to the senior parties depend upon two uncertain factors. The Canadian Labour Congress has over a million adherents, and if they and their dependants could be mobilized for a solid vote the New Democratic Party would certainly capture a substantial number of industrial seats. But some of the local leaders of trade unions are notoriously lukewarm about the abandonment of labour's tradition of political neutrality in elections and may refuse to exert themselves for the new party and may even oppose it. It is also uncertain whether Mr. Douglas can hold in the Federal field the large volume of agrarian support, which he enjoyed when he was Premier of Saskatchewan, throughout western Canada; for many of the prairie farmers are reported to be suspicious

that the policies of the New Democratic Party will be dominated by and framed in the interest of the labour unions, whose claims for high wages they blame for raising their costs of production. There was evidence of a defection of agrarian support, when in a by-election a Liberal won the provincial seat vacated by Mr. Douglas.

The Common Market

A NOTABLE change in the attitude of the Diefenbaker Ministry towards Britain's bid for entry into the European Economic Community was revealed at the close of the conference held in Ottawa early in January between Mr. Edward Heath, the Lord Privy Seal, and Canadian Ministers. Undoubtedly one stimulant of the change was the heavy barrage of criticism directed by influential Canadian papers and leaders in finance and industry against its obstructive position, but Mr. Heath, who was a much happier choice as a British emissary than Mr. Sandys had previously been, helped to promote it. The discussions were conducted in a friendly atmosphere, and the joint communiqué about their results emphasizes that the breach between the two Governments has been closed and that relations between them are again close and cordial.

Explicit assurances given by Mr. Heath that Britain would not join the EEC, if the terms offered for her admission involved serious damage to the trading interests of Canada and other partners in the Commonwealth, placated the Canadian Cabinet and evoked from Mr. Fleming, the Minister of Finance, a declaration that he was satisfied that the Macmillan Ministry was doing everything in its power to protect these interests. The Canadian Government has also agreed to co-operate in the negotiations now in progress at Brussels and to send a stronger delegation there to represent Canada's interests, while it will make available to the British delegates full information, hitherto denied, about the trading interests of Canada due to be affected by the negotiations. This co-operative new policy is in very happy contrast to the attitude adopted last year, when Canadian Ministers were expressing grave concern about the possible injury to Canadian interests and warning the Macmillan Ministry that the question might well become one of choosing between the Commonwealth and the EEC.

A governing factor in the trade policy of the Diefenbaker Ministry is concern about the future of Canada's secondary industries, upon whose expansion it is relying to provide jobs for a rapidly expanding labour force. It has also been impressed by the progressive increase of Canada's export trade with a wide range of countries and sees greater advantages in multilateral trade than in adhesion to any exclusive trading block. Some time ago Mr. Fleming declared that no plan for Canada's close association with the EEC could be contemplated by his Government and, when the Canadian-American Committee on Trade and Economic Affairs held one of its periodical meetings in Ottawa on January 12-13, the American delegation of five Ministers, headed by Mr. Douglas Dillon, Secretary of the U.S. Treasury, failed to extract from their Canadian confrères any firm commitment to

support President Kennedy's programme for closer trade relations with the EEC. An official communiqué issued at the close of the conference stated that

Canadian Ministers reiterated their support for the expansion of world trade on a multilateral non-discriminatory basis and Canada's readiness to play a constructive role in the promotion of freer world trade.

But Mr. Fleming later told a press conference that it would have been premature and inappropriate for Canada to promise support to the Kennedy administration's policy, when it was still a matter for debate in the Congress of the United States; and apparently another motive for a non-committal attitude was a fear of the damaging impact that a definite pledge of support might have on negotiations involving Canada's trade relations with Britain after her entry to the EEC. The American delegates had reason to be disappointed with the lukewarm attitude of Canada which was completely at variance with a recent pronouncement of Mr. Fleming that the United States must provide much bolder leadership in world trade than it had in the past.

Constitutional Amendment

SOME progress can be recorded towards the objective of securing for Canada full control of her own Constitution, of which the British Parliament has remained custodian since it passed the British North America Act in 1866. There is now almost general agreement about the desirability of ending an anomalous situation, the last relic of colonial subordination, under which, whenever a change of Canada's Constitution has become necessary, her Government, armed with the authority of a joint resolution passed by both Houses of Parliament, must humbly request the British Parliament to pass the required amendment of the BNA Act. So as the result of a series of conferences held last year between Mr. Fulton, the Federal Minister of Justice, and the Attorneys General of all the ten provinces, the former has made public the formula through which the Federal Government proposes to achieve the transfer of control, and arrange for changes in the Constitution when they become advisable. The procedure for divesting the British Parliament of all responsibility for Canada's Constitution presents no difficulties; but the plan for securing amendments of it after the transfer is accomplished raises controversial issues.

The formula now published proposes that for ordinary amendments of the Constitution it will be necessary to secure the assent of two-thirds of the legislatures of the ten provinces, but they must contain more than half of the total population. This proviso means that no amendment of the Constitution would be possible unless either Ontario or Quebec favoured it. But amendments relating to language, education, provincial rights and the amending procedure itself would require the concurrence of all the provincial legislatures, and the smallest province, Prince Edward Island, which by the last census had less than 100,000 inhabitants, could veto a change desired by all the other nine provinces.

However, a plan is proposed to assure a measure of flexibility through the introduction of a new technique known as the delegation of legislative authority. There might be some provincial right, which the Dominion wanted to exercise and which some, but not all, of the provinces were willing to concede, but were barred from action by the provision for unanimity. So it is suggested that if four or more provinces decided to lend or delegate a right to the Dominion, they could do so, retaining the ownership of the right which they could reclaim at any time. And this plan of delegation would work both ways, the Dominion being allowed to delegate one or more of its rights to provinces, provided a minimum of four provinces wanted it. The plan drafted by the Federal Government has been submitted to the provincial Ministries for examination and criticism, and its merits will be discussed at a later conference. But Quebec has already rejected it on the ground that it permits the Federal Parliament to amend the Constitution without reference to the provinces in regard to matters which it judges to be solely of Federal concern. It has also been severely criticized as inadequate by constitutional authorities like Professor Frank Scott, Dean of the Law Faculty of McGill University, and its chances of general acceptance without amendments are rated slim.

A Royal Commission whose chairman is Mr. J. Grant Glassco, a prominent chartered accountant in Toronto, has been making steady progress with the task assigned to it of conducting an exhaustive investigation into the workings of the whole system of Federal administration and making recommendations for the improvement of its efficiency and the reduction of its annual cost. It has taken as its model the Hoover Commission, which a few years ago made a similar investigation of the Federal administration of the United States; and during the past years it has had twenty teams of experts with a total membership of about 100 at work upon a detailed investigation of every phase of the activities of the Federal Government at home and abroad; and they have selected the Departments of National Defence and External Affairs on account of their specialized nature for a severer scrutiny than the others.

For the most part the studies of these teams have cut across departmental boundaries and have tended to concentrate upon the different functional relations, which include financial control and accounting, the use of manpower, the systems of management adopted in the various offices, scientific research and development, legal services, public information and the operations of the numerous Crown Corporations like Trans-Canada Airlines now in existence.

The basic aim of the Commission is to discover ways and means for the elimination of duplications of services, which are not uncommon, and of unnecessary and uneconomical operations and for increasing efficiency by reforms in the structure of organization, budgetary controls, methods of accounting and relations between the different branches of Government. The Commission hopes to complete an analysis of the results of the studies by next September and soon afterwards submit to the Cabinet its recommendations for reforms.

Canada,

February 1962.

AUSTRALIA

THE ECONOMIC POSITION

IN the September issue of *THE ROUND TABLE* reference was made to the sharp decline in economic activity which followed the collapse of the 1960 boom and the severe restrictive measures imposed by the Commonwealth Government in November 1960. Although this decline seems to have ended, there is so far no convincing evidence of recovery. Pressure on the balance of payments has eased and relative stability of prices and wages has been attained; but industry is in the doldrums and unemployment high by recent Australian standards. The perennial problems of expanding exports and keeping increases of money income within the bounds of increased productivity remain obdurate.

By September this year civilian employment, excluding wage earners in rural industries and certain others, had fallen by 58,000 persons to a total just over 3,000,000 in a period of twelve months. Concurrently there was an estimated increase of over 100,000 persons in the available work force. The outstanding victim has been manufacturing industry, which registered a decline in employment of 72,000 from 1,200,000. The coverage of available unemployment statistics is incomplete but they provide a useful guide to trends. The figures for the end of October show vacancies of 21,000 compared with 49,100 a year ago, and the number seeking employment is 96,600 against 34,400. There has been a small but perceptible improvement in these figures since the end of July, though the seasonal impact is uncertain. The number of recipients of unemployment relief reached its peak of 62,100 at the end of August and fell to 48,500 by the end of October.

Industrial production fell considerably more than employment. The A.N.Z. Bank index (1953-54 = 100) of factory production (excluding power), which was 143 for 1959-60, was down to 124 for May and June. Nearly every branch of industry, durable and non-durable goods alike, shared this movement, although pig-iron and ingot-steel production increased. Though well below last year, the output of certain industrial commodities in the September quarter was above that for the June quarter. The motor-car industry and its widespread ramifications have been particularly depressed, but have now picked up slightly.

The preliminary official estimate of the gross output of farm products in 1960-61 is an increase of 7 per cent by volume over 1959-60. As a result of price changes, however, the gross value of rural output in 1960-61 was virtually unaltered from the previous year. Falls in production of wool and meat were offset by a record wheat crop. In the current year wool and beef production is expected to recover to the levels of 1959-60, but the wheat crop will probably be appreciably less than last year's.

The building industry has revived somewhat but is still operating well

below the uncomfortably high levels of a year ago. Commencements of houses and flats in the September quarter were at the rate of about 85,000 units per annum, which may be more than a satisfactory norm.

The restrictive monetary measures imposed by the Government in November 1960 have run their course. The Budget and subsequent government finance have been mildly expansionist. The severe credit squeeze on bank overdrafts referred to in the last issue was reversed in the July–October period and recently all remaining official restraints on bank lending were removed. The trading banks are currently in a very liquid position and the stage is set for a considerable expansion of bank lending as soon as demand revives. They have been increasing overdraft limits since June but actual advances decreased until October. The volume of money has been increasing slowly to record heights, but the velocity of circulation has dropped appreciably. Interest rates, which rose with credit stringency, have lately tended to fall.

Share prices have recovered some of their lost ground, but have been steadied lately by doubts about earning and growth prospects in the near future.

New money raised by Australian companies listed on the Stock Exchanges is estimated to amount to £214 million in 1960–61 compared with £242 million in 1959–60. Manufacturing, commercial and other industries have considerably increased their raisings of new money with a pronounced swing away from debentures and notes to share capital.

Estimated private capital expenditure by businesses other than rural and government undertakings for the last half of 1961 is £243.8 million compared with £225.9 million in the last half of 1960 and £237 million in the first half of 1961.

Hire-purchase transactions, which were another of the Government's selected targets in November 1960, have fallen drastically. At the end of October balances outstanding were £390 million against £439 million a year earlier. New retail hire-purchase agreements have been running at only two-thirds the level of last year.

Retail sales in the June and September quarters, other than those related to motoring, were slightly above those for last year.

Wholesale prices of basic materials and foodstuffs in August were nearly 8 per cent below last year's levels. The consumer price index actually recorded a slight decline in the September quarter, due mainly to lower food prices. In the June quarter average weekly earnings and minimum weekly wage rates were both about 2 per cent above those of 1960.

The external position has greatly improved. Imports have been falling steadily throughout 1961 to a level now about two-thirds that of the corresponding period of 1960. Even the current rate of importing, however, is high historically and well above the years preceding 1959–60. Exports, on the other hand, have been running at high levels. They amounted to £533 million in the six months ending October 31, compared with £410.5 million in May–October 1960. In the September quarter of this year there was a surplus of £36 million of exports over imports compared with a deficit last year

of £88 million. Private capital inflow, however, appears to have fallen considerably in the last few months, but when the trade balance is changing it is even more than usually difficult to interpret the figures. International reserves rose to £578 million by the end of October, an increase of £165 million over twelve months, and of £27 million since the end of June.

Solution of the immediate problem leaves considerable uncertainty about the future balance-of-payments position. The removal of most remaining import restrictions in February 1960, the boom in industrial production and consumer spending, the displacement of locally produced goods, and the desire to accumulate stocks of imported goods lest restrictions be reimposed, encouraged in some cases by oversea credit, all played their part in the great import surge of 1960. Part of the recent drop in imports must be due to a desire to return to a lower level of stocks and may therefore reverse itself before long. Most of the reduction, however, seems due to reduced internal activity and to have been achieved only at the cost of an excessive slowing down of the economy. Unless capital inflow revives on a massive scale it remains doubtful whether any marked recovery of production and employment will prove compatible with external solvency at present exchange rates without either the reimposition of quantitative restrictions or substantial increases in the Customs tariff.

Increasing attention has been focussed lately upon the need to expand and diversify exports. Both Government and industry have been more active than ever before in searching for new markets. The Government has provided special tax inducements, arranged additional shipping facilities, expanded its export market services, enlarged financial guarantee facilities and undertaken to finance schemes to increase beef and coal exports. It is generally recognized, however, that the expansion of exports will be slow.

At this time of acute export consciousness doubt has been cast over the future of about a fifth of Australia's current oversea earnings by Britain's decision to negotiate with the signatories of the Treaty of Rome for entry into the European Economic Community.*

For the time being, however, the attention of policy makers is focused primarily on domestic matters. As in other countries the reconciliation of full employment and a rapid rate of growth with external solvency and stable prices has been gravely hindered by the persistent tendency of incomes to rise faster than gains in productivity. The prevailing political climate is thought to make an effective government wages policy impracticable. The key decisions are made by the Commonwealth Conciliation and Arbitration Commission, operating under Commonwealth jurisdiction but in accordance with principles laid down largely by itself. In recent years the governmental authorities have sought periodically to offset the inflationary consequences of excessive wage and salary increases by curbing total demand and slowing down the whole economy. There is widespread criticism of the resultant "stop and go" policies, but no practical alternative has yet appeared which would keep price increases within tolerable limits.

* See "Australia and E.E.C.", *THE ROUND TABLE*, No. 205, Dec. 1961, pp. 43–48.

For some time ahead the general outlook is likely to remain uncertain. The improvement in the balance of payments, the high liquidity of the banking system, a moderate increase in government expenditure, and the running down of stocks seem certain to lead to a revival of activity in due course, but nothing suggests that any strong movement is imminent. Most competent observers expect recovery will be slow.

The General Election

THE triennial election for the Australian Parliament confronted the electors with a number of extremely interesting problems. The Menzies Liberal Government had been in power since 1949 but, despite this long period in office, was at the beginning of the campaign commonly acknowledged by most to be certain of victory. This opinion was widely held, although the Government had, during the previous year, adopted economic policies which were highly unpopular with many important sections of the community. There had been widespread criticism of these policies, which were thought to have produced a degree of unemployment.

In normal circumstances the Australian Labour Party could have expected to gain very considerable support and probably to win power as a result of this vocal and significant opposition to the Government's economic policies. However, most political prophets believed, when the campaign began, that because of other important issues the Menzies Government would nonetheless be victorious, though with a loss of some seats in the House of Representatives and possibly loss of control of the Senate.

This general feeling that the Government would be returned had been fortified by what had happened in the month of July 1961 in the Victorian State elections. These elections had been largely fought on Federal issues, but, nonetheless, the Liberal-Country-Party Government had been returned with a gain instead of the expected loss of seats. It could be seen from the Victorian result that despite the economic situation other fundamentally important factors were still operating—factors of sufficient significance to outweigh the natural swing otherwise to be expected as a result of unpopular economic policies. Those other factors related to an unsatisfactory state of affairs within the Australian Labour Party, which had persisted since 1954 and had caused it to lose several elections.

The Australian Labour Party had been split in 1954 as a result of an attack made by the then Leader, Dr. H. V. Evatt, upon a group operating within the party and known as the Catholic Social Movement. This movement had acquired considerable power within the party as a result of victorious campaigns organized against Communist leaders in trade unions, and serious questions had arisen in the party as to its role. In the upshot many of those who had been members of this movement, after Dr. Evatt's attack, split away from the Australian Labour Party and formed the Democratic Labour Party, a party substantially supported by a section of the Catholic community. This party acquired a certain strength in Victoria, but was far less important in most other States, especially New South Wales where Catholic opinion

about the proper tactics for fighting Communism differed seriously from the prevailing Catholic opinion in Victoria.

The Democratic Labour Party, however, continued over the years to inspire significant support in Victoria, and there, and to some extent in other States, by giving its second preferences to the Government parties, caused a considerable loss of seats by the Australian Labour Party in all Federal elections held since 1954.

The recent Victorian elections demonstrated that this party was able to retain its support and indeed to increase it. In Victoria a few Labour Party members openly collaborated with Communist Party members in so-called unity tickets in union elections, thus providing the Government parties and the D.L.P. with invaluable material to support their nation-wide assertion that the A.L.P. was pro-Communist. It therefore became a matter of considerable importance to the A.L.P. to neutralize this impression.

Over the twelve months before the elections considerable pressure developed within the party aimed at decreasing the power in Victoria of the left wing, strongly anti-Catholic in its outlook, which there dominated the party machine and persisted in permitting co-operation with Communists in union elections.

However, neither the Federal Executive nor the Federal Conference of the Australian Labour Party took any active steps in Victoria before the election.

An important problem for the Labour Party is the task of attracting back its traditional Catholic support which, particularly in Victoria, has drifted away to a significant extent, either to the D.L.P. or to the Government parties.

An obviously necessary step, which needed to be taken if this task were to be carried out, was the making of some effective demonstration by the Labour Party that it really is an anti-Communist party seeking to break the grip of the Communist Party on certain key Australian trade unions. Many important members of the party, frustrated by their long period in the political wilderness, had tried hard to move in this direction but without much apparent success.

As it happened, although neither the Federal Executive nor the Federal Conference of the party did take any such step, the Labour Party had an unexpected opportunity of showing a change of heart on these matters. The General Secretary of the Waterside Workers' Federation, Mr. James Healy, a man who had been powerful in trade union affairs in Australia for over twenty years and a leading Communist trade union official, indeed a member of the Central Executive of the Australian Communist Party, died a few months before the election. Behind the scene very strong moves were undertaken to induce a good Labour candidate to stand in the ensuing election in the Waterside Workers' Federation and, in the last couple of months before the Federal election, such a candidate did in fact emerge to lock horns with another leading Communist contender for the general secretaryship, a Mr. Tom Nelson, the secretary of the Sydney Branch. Mr. Arthur Calwell, Leader of the Labour Opposition, immediately announced his support for the Labour candidate, Mr. C. H. Fitzgibbons, as did other Federal Labour

politicians who subscribed to a fund to support him. Despite the fact that the Federal President of the party, Mr. F. E. Chamberlain, publicly said that Mr. Fitzgibbons was not *the* Labour candidate but merely *a* Labour candidate, the effective position, as a result of press publicity, was that the Labour Party appeared to be accepting the challenge of the Communist Party in this important union. The results of the union election were available before the Federal election and the Labour candidate won. This enabled the Federal Labour Leader plausibly to say that the Labour Party was vigorously fighting Communism in the trade unions. In this he was helped by the fact that his Deputy Leader, Mr. Whitlam, also openly supported a Labour candidate in the election for the Boilermakers' Society, in which a Communist candidate, who was in fact ultimately successful, was also standing.

To those not acquainted with Australian politics it may seem a natural enough thing for Labour leaders to support members of their party against Communists in union elections, but since 1954 the prevailing wind blowing in internal Labour Party affairs has made it extremely difficult for the party, having disbanded the "movement-controlled" industrial groups which had been its instrument for fighting Communism, to appear openly to be intruding or interfering in union affairs. The view had prevailed, at least for the time being, that the A.L.P. was not entitled to select and officially put forward candidates of its own in union elections. This was the case despite the fact that the A.L.P. is largely the party of the unions. The theory that the A.L.P. should not interfere in union affairs had been a consequence of the activities of "the movement" which, though operating within the A.L.P. and under its name, had been condemned as a secret "outside" Catholic body. Nevertheless just before the Federal election a Labour Party candidate had been successfully supported by the Federal Labour Leader in a union election and had won. The party therefore had some right to say to its former Catholic supporters—"We are now fighting Communism again." The big question was whether this would be good enough to attract away from the D.L.P. sufficient of its Catholic supporters.

The Labour Party was also fortunate enough to have in the important State of New South Wales major support from the *Sydney Morning Herald* group of newspapers. This group of papers had been critical of the leadership and policies of the Prime Minister for some considerable time. This came to a head in the weeks immediately before the election campaign when the *Herald* in effect openly advocated a change of Government.

As the campaign developed the Labour leadership appeared to grow more and more confident. It had ample material to criticize the Government on its economic policy; for the first time for many years it had some ground for appealing again to the Catholic voter; and it had more support than it had ever had from the press in New South Wales. Its television campaign was very effective. It also had running for it a feeling that there really should be a change of government, that the Menzies Government had been in power too long and was too self-satisfied and too indifferent to public opinion.

The Government decided to fight on its record of sound government over many years, upon the disarray in the Labour Party, upon the Catholic fear

of a Labour Party inactive against Communism, and upon its assertion that its tried Ministers would handle the important problems resulting from the United Kingdom's entry into the Common Market more effectively than untried and inexperienced opposition leaders. In choosing to rely on its record the Government failed to put up a very positive policy and it was commonly believed that it was assuming that the D.L.P. vote would ensure its return.

The Labour Party's policy was not so extravagantly presented as in previous elections and Mr. Calwell did his best to appear moderate, undertaking not to attempt to nationalize any industry during the coming Parliamentary term. He sought to allay the fear of socialism still produced in the minds of some by the Labour Government's attempt to nationalize the Banks in the late 'forties. The D.L.P. harped on the Communist issue and asserted that Mr. Calwell was a weak leader and that the A.L.P. was more under Communist influence under his leadership than it had ever been.

The main brunt of the Government's campaign was borne by the Prime Minister himself. He dominated the television time of the Government parties. Indeed, in this second Federal television campaign the two leaders became the main instruments of their parties.

In the last week before the election it appeared to be commonly felt that the Labour Party had gained ground, that the Government would lose a number of seats, more than it had expected to lose, but that it would nevertheless be returned to power. In the electorates the impression gained ground that the Labour Party was becoming again a party that could truly aspire to government and provide a reasonably capable administration; that it had ceased to be an atomized party with no sense of power and purpose; and that, though it might lose, it would be given, by the election results, the necessary stimulus to enable it to become again an effective opposition with a real chance of victory in 1964.

The outcome of the election surprised everyone. The swing against the Government was much greater than had been expected by anyone and appeared to surprise the A.L.P. leaders as much as the Government. It had been very great in Queensland where the Government lost many seats apparently because of a widespread feeling that Queensland had been unfairly treated in relation to development. The final result gave the Government a majority of two—sixty-two to sixty—in the House of Representatives. Two Ministers lost their seats and several other Ministers and members were returned only on D.L.P. preferences. There was a period of great uncertainty for many days during which it seemed likely that a deadlock in the House would result with each side having sixty-one seats. However, Mr. Killen, a sitting Government member for Moreton in Queensland, ultimately won that seat by a little over 100 votes. An ironic circumstance was that although he had been a strong and vocal anti-communist he had attracted 95 of the preference votes of the Communist candidate, and was returned and provided the Government with its majority for that reason.

Australia,

February 1962.

NEW ZEALAND

THE COMMON MARKET

BRITAIN's decision to begin negotiations with the Six for membership of the European Economic Community has caused considerable apprehension in New Zealand, despite assurances by the British Government that Britain would seek to secure special arrangements to protect the vital interests of New Zealand and other Commonwealth countries and that she would not feel able to join the EEC unless such arrangements were secured. It is clear that the rights of unrestricted duty-free entry, and the tariff preferences enjoyed by New Zealand's major exports of foodstuffs to the British market, must come under discussion in the negotiations. The preservation of these rights and preferences has long been a fundamental objective of New Zealand's foreign policy. When Mr. Duncan Sandys held discussions with New Zealand Ministers in July, he drew attention to the difficulties of reconciling their preservation with the principles and procedures of the EEC's Common Agricultural Policy, and warned us that it might be necessary for Britain, in its negotiations with EEC, to explore other methods of securing comparable outlets for New Zealand exports. Given this warning, and given Britain's obvious anxiety to join the Community, there is some concern here as to how liberally Britain will interpret New Zealand's "vital interests", and for how long she will feel bound to protect them, if the issue of sustaining outlets for New Zealand exports becomes a stumbling-block in the negotiations.

Spokesmen for some important interest groups have taken a hostile attitude to Britain's decision to begin negotiations for membership of the Community. The Chairman of the Meat Producers' Board, Mr. John Ormond, has consistently argued that there has been no sign that Britain could enter the EEC under a system of agricultural support acceptable to New Zealand or other Commonwealth countries, or even to Britain's own producers. He finds it "difficult to understand those people in Britain who want to abandon the substance of Commonwealth for theoretical gain in Europe". Mr. F. P. Walsh, President of the Federation of Labour, has also been critical of British Government policy towards EEC. Clearly suspicious of British intentions and assurances, he condemned the stand taken by New Zealand Ministers in their discussions with Mr. Sandys, as indicated in the communiqué issued after the talks. These Ministers, having been given the assurances mentioned above, together with assurances that New Zealand would be "closely consulted" on all matters affecting New Zealand's interests before and during negotiations, and that there would be thorough discussions before Britain took any decision to join, informed Mr. Sandys that "they would understand it if, after considering the views of Commonwealth countries, the British Government should open negotiations . . ." with EEC. Mr. Walsh would

have preferred blunt opposition to such negotiations and welcomed the stand taken by Australia and Canada as more realistic.

However, spokesmen for most other groups and the majority of newspaper editors were prepared to concede that there were very strong political and economic grounds for Britain's wanting to join the Community. Most shared the Government's confidence that Britain would honour her undertakings to New Zealand under the Joint Declaration on Meat of 1952 and the United-Kingdom-New-Zealand Trade Agreement of 1959, and that the assurances given by Mr. Sandys could be taken as genuine. In these circumstances, the general feeling was that it would be unreasonable to oppose Britain's desire to commence negotiations with the Six; and this feeling was reinforced by Britain's recent welcome action against the dumping of butter on her market, particularly as it was taken at the risk of offence to some of the Six, at a delicate stage of negotiations with them.

Nevertheless, apprehension remains. New Zealand's agriculture is still the country's basic industry. It was developed to supply a British market free of tariffs and quantitative restrictions, and although the proportion of our total exports going to Britain has diminished appreciably since the war, this has been due primarily to the growing relative importance of wool, sold at auction to a variety of buyers, in our export trade. About 90 per cent of our butter, 94 per cent of our cheese, and 94 per cent of our mutton and lamb are still sold in Britain.

There have been growing indications that the mere preservation of free entry to Britain will by no means guarantee New Zealand against serious declines in export prices, due to growing competition from subsidized British agriculture and the increasing tendency for other countries, including some which would be fellow members of EEC with Britain if she joined, to dump unwanted surpluses on the British market. New Zealanders are acutely aware of the pressures being exerted upon Britain by such countries to abandon her traditional agricultural support and import policies, and to participate in a system of managed marketing for dairy produce and meat which would involve high minimum support prices, bolstered by restrictions on imports of competitive products. Our main fear is that Britain will feel compelled to change gradually to such a system of support, and that, even if provisions are made to protect New Zealand's interests during the transitional period, our export trade will be gradually undermined, regardless of our efficiency, by the stimulation of European production of dairy produce and meat, by the slowing down of the rate of increase of consumption, and by the increasing need for restriction on imports which British acceptance of a system of high minimum prices would entail. The maintenance of free entry, though by no means a panacea for New Zealand's problems, seems preferable to this. This is the basic reason why New Zealand Ministers pointed out to Mr. Sandys that they could not see any effective way of protecting our vital interests other than by the maintenance of unrestricted duty-free entry to Britain for these products. They were prepared to examine alternative methods which might be proposed in negotiations, but they necessarily had to reserve their position until specific proposals were put forward.

It has been the hope of many in New Zealand that British negotiations for membership of EEC might assist in securing some moderation of policies of agricultural protection in Europe. There is considerable attraction to New Zealanders in the idea that the preferences given to one another by Commonwealth countries might be surrendered in return for assurances of expanding outlets for Commonwealth produce in a united Europe.* No serious attention has been given to the possibility of full association of New Zealand with an EEC including Britain, partly because it is felt that the Six are unlikely in any case to contemplate the gradual elimination of barriers to the entry of competitive imports of temperate foodstuffs and partly because New Zealand Governments would be most reluctant to expose our industries to unrestricted competition from Europe even if barriers were removed slowly. Nevertheless, there is little doubt that the Government would be prepared to make meaningful reductions of barriers to trade if significant opportunities for expansion of New Zealand's exports could thus be secured in Europe.

Reports in authoritative journals indicate that the Six are prepared to treat New Zealand as a special case in exploring with Britain possible solutions to the problems involved for the Commonwealth if Britain joins EEC. However, present continental attitudes to agricultural protection, and the natural desire of the Six to ensure that British accession should not undermine their Community, including its common agricultural policy, seem to indicate that these solutions will be sought in the context of schemes of managed marketing for most of the foodstuffs which are of major interest to New Zealand. And there seems to be growing support for the reported French view that solutions will be found only if the problems are treated on a global rather than a regional basis, through international agreements on minimum prices for the products concerned, with accompanying import and export quotas and arrangements for the disposal of surpluses in less developed countries.

New Zealand, fully able to meet fair competition in meat and dairy products anywhere in the world, has naturally attempted, in its foreign economic policy up till now, first, to induce Britain to preserve free entry to, and protection against dumping on, the British market, and secondly, to persuade other countries to break down barriers to imports of meat and dairy products. It has been reluctant to accept, even in principle, the idea of international regulation of prices and quantities of the foodstuffs which it exports. It has been distressed by the tendency of the industrialized countries to fix rules for trade in temperate foodstuffs different from those accepted for other products, and by the willingness of GATT to grant waivers, or to turn a blind eye, in order to permit these countries to maintain unjustified quantitative restrictions on imports of such foodstuffs. New Zealand's attitude is well founded in economic principle, but the political power of agricultural interests elsewhere is substantial, and governments are unwilling to reduce support and protection to them, even in the interests of their own consumers. Even countries which have hitherto allied themselves with New Zealand on

* See THE ROUND TABLE, No. 200, Sept. 1960, p. 361 and No. 201, Dec. 1960, pp. 98-99.

these issues now seem disposed to acquiesce in regulated marketing, either because they have moved or are moving into regional systems with protectionist policies (e.g. the Dutch and Danes) or because they have now become interested in protecting their own farmers (e.g. Australia).

Given this climate of international opinion, and the accompanying pressures on Britain to modify her traditional import policies, the New Zealand Government is faced with an awkward dilemma. It is natural that it should be inclined to stand firm for preservation of the advantages which it now enjoys in the British market. But if Britain wishes to join EEC, and regulated marketing is part of the price of entry, can New Zealand insist upon the indefinite continuation of unrestricted access to the British market? If not, would it be wise in its long-run interest to acquiesce in the development of a managed market and fight for principles of management within it which will ensure expanding outlets for the more efficient producers?

To find satisfactory answers to these questions is of basic importance to New Zealand's future. To assist it in coping with the problems involved, the Government is belatedly strengthening its diplomatic and trade representation on the continent of Europe. It also sent the Deputy Prime Minister to Geneva at the end of November to attend a GATT meeting where these issues were ventilated in a preliminary way. Mr. Marshall indicated to the meeting that New Zealand would regard the proposals made by France with interest, but also with reservation. He said that New Zealand "should not consider exchanging the substance of her interest in the British market, in or out of the EEC, for the promise of some unproved prospect of an organized international marketing scheme". However, as one of the main food producers, and in protection of her interests, she would join in examination of the proposals sponsored by France in GATT study groups which are to begin work early next year.

A Heavy Legislative Programme

IN an address to the Executive of the National Party on November 30 the Prime Minister, Mr. Holyoake, stated that he was somewhat happier than he had been earlier about the country's financial situation, and in return received commendation for "calm, solid leadership in a most difficult period". He was able to report with confidence a heavy legislative programme which manifested the determination of the Government to implement much of its election programme immediately. Indeed, in a later statement he said that the Government in its first session had enacted thirty-seven major planks of the policy on which it was elected. One incidental point of interest in the session was the decision to take a brief mid-term adjournment to enable committees to deal more effectively with legislation referred to them, or to hear evidence. In view of the importance which should attach to committee work in a single-chamber legislature this may provide a useful precedent.

The passing of a Crimes Act represented the culmination of four years of careful study and revision, including the preparation of two earlier Bills which were not proceeded with. The Act, it is claimed, introduces a better

balance between crimes against the person and crimes against property. Though theft and false pretences will not be lightly dealt with, and heavier penalties attach to car conversion or theft, yet violence and disorder are to be more sternly treated, and even more so are sexual crimes, especially those involving children. On a free vote the House decided not to accept the statutory continuation of the death penalty, even in a qualified form. One notable feature of the Act is the elimination of the grand jury, an issue on which the judges of the Supreme Court were strikingly divided, as also were the lawyers whose opinions were sought by the New Zealand Law Society.

The provision in the Trade Practices Act 1958 requiring registration of all agreements on trade practices was repealed by an amending Act, which also relieved the parties to a trade practice of the initial onus of proving it to be not contrary to the public interest. The office of Commissioner of Trade Practices is to be replaced by that of Examiner of Trade Practices and Prices, who will be responsible for reporting to the Trade Practices Commission any case in which after preliminary inquiry a trade practice is considered to be contrary to the public interest. The Commission would thereupon be required to hold an inquiry.

The Licensing Amendment Act carries somewhat further the reforms made in 1960, with the same aims of securing the extension and improvement of residential accommodation in hotels and of improving the amenities for public drinking. The Bill originally abolished the local Licensing Committees and concentrated power in the hands of the Licensing Control Commission. However, after consideration by the Statutes Revision Committee, decisions as to the need for further licences and the particular type of licence appropriate in each case are left to the Commission, while the selection and supervision of licensees are left to a reduced number of local Licensing Committees each elected by local bodies in the area. Flexibility is introduced with alternative types of licences: the ordinary hotel licence with responsibility for providing accommodation for guests and tavern licences for providing better amenities for drinking, to be operated independently without provision of accommodation, or tavern licences to be operated as a branch unit by an hotel, or to be operated in association with accommodation provided in a separate place. A levy of 3 per cent on the purchases made by taverns is to be paid into a fund, to be operated by the State Advances Corporation, from which loans may be made for the purpose of assisting hotels in plans to improve residential accommodation. The number of restaurant licences, previously limited to ten, is now left to the discretion of the Commission. All hotels are exempted from price control.

Restrictions on rent and recovery of possession will, in general, cease to apply to tenancies of all premises created after the passing of the Tenancy Amendment Act 1961. Furthermore, rent restriction for continuing statutory protected tenancies has been relaxed to the extent of permitting the fixing of fair rents on the basis of the most recent government valuation rather than on the basis of the 1942 valuation as hitherto. Special assistance by way of guarantee has been given by legislation in respect of loans for purchasing used houses.

Selective compulsory training has been adopted for the Army. Youths born between July 1, 1941, and June 30, 1942, are to register, and 3,500 of them to be chosen by ballot for military training. Registrations have come in only slowly during the early days of the fourteen-day registration period.

The Broadcasting Corporation Act sets up a corporation with a full-time chairman and two part-time members to control and plan broadcasting and television. This will remove the staff from the Public Service and will allow of a more flexible personnel policy, though existing superannuation rights will be guarded. The Act leaves extensive powers with the Minister, and on the recommendation of the Corporation he may grant warrants for the private operation of stations, though the prospective scope for this seems to be very limited. The Labour Party has given notice that, in the event of a change of government, they will cancel any such warrants for private operation.

The Abolition of Compulsory Unionism

THE most controversial, and most strongly opposed, measure was the Industrial Conciliation and Arbitration Amendment Act, which terminated the system of compulsory trade unionism which has been in operation in New Zealand since 1936. A previous measure with the same purpose in 1951 was dropped in the face of opposition and because of doubts whether it was so framed as to be workable; but this time a National Government was evidently determined to carry out an election promise. There was little public overt support for it. The newspapers were on the whole opposed, together with the Employers' Federation and most of the unions. Evidence before the Labour Bills Committee, though largely given by union secretaries on behalf of their organizations, was overwhelmingly against it. Compulsory unionism was added by the Labour Government in 1936, when what the unions were pressing for was the restoration of compulsory arbitration, dropped in 1932. Still, it was a not unnatural extension of the type of preference for unionists attained by the stronger unions about 1928. It enabled many formerly small and weak district unions to grow in strength to smallish Dominion unions; it virtually brought into existence some strong Dominion trade unions such as the Clerical Workers; and it enlarged the membership and the treasuries of many unions. On the whole it probably made for conservatism and non-aggression in the union movement, and was disliked by many "activists".

In introducing the second reading the Minister of Labour, Mr. Shand, stated: "This Bill gives the greatest measure of freedom to join or not to join . . . consistent with maintaining our system of conciliation and arbitration", and "I believe that this is a good and fair Bill which will impose greater obligations on the trade union movement which it ought to and should be able to carry".

The Act provides for two types of preference for unionists. Unqualified preference, which the Minister thought was in general terms equivalent to compulsory unionism, is to be inserted in an award either by complete agreement

at the Conciliation Council negotiations, or by the union's convincing the Court of Arbitration that at least half its members desire it, with provision for a ballot where required. The union is to be responsible for producing a roll of its members to the satisfaction of the Registrar, though eighteen months after the passing of the Act is given to put such matters in order. Minimum or qualified preference is to be granted by the Court, where agreement or majority support for unqualified preference is lacking, unless there be good reason to the contrary. A critical difference as compared with past procedures is that actions for offences or breaches are no longer to be taken by the Department of Labour, but are to be taken by the unions, which lack the rights of entry or of inspection of books and so are in a much weaker position.

New Zealand,
January 1962.

THE ROUND TABLE is a co-operative enterprise conducted by people who dwell in the different parts of the British Commonwealth, and whose aim is to publish once a quarter a comprehensive review of its politics, free from the bias of local party issues. To this is added a careful and impartial treatment of outstanding international problems that affect the nations of the Commonwealth. The affairs of THE ROUND TABLE in each portion of the Commonwealth are in the hands of local residents, who are responsible for all articles on the politics of their own country. It is hoped that in this way THE ROUND TABLE serves to reflect the current opinions of all parts about Commonwealth problems, and at the same time to present a survey of them as a whole, in the light of changing world conditions.

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THE ROUND TABLE

A QUARTERLY REVIEW OF
BRITISH COMMONWEALTH AFFAIRS

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COMMONWEALTH AND COMMON MARKET

APPROACHING A DECISION

THE Prime Ministers of the Commonwealth are to assemble in London on September 10 for a conference in which by far the most important subject to be discussed is their attitude to the proposal for Great Britain's adhesion to the Common Market. The terms on which the existing Six members will accept the new partner are expected to be made known by the end of July. According to the correspondent of *The Times* in Brussels, the proposals put forward by the British Government in mid-May for safeguarding Commonwealth interests may be summarized as a plan in three parts

based on the principle of comparable outlets for Commonwealth producers in the enlarged Community after Britain joins the Six: a transition period for Commonwealth agriculture, a review stage and world-wide commodity agreements. Soundings among the Six suggest that the only part of this plan that is fully acceptable is a strictly limited transition period for Commonwealth exports.*

Simultaneously Mr. Duncan Sandys, Secretary of State for Commonwealth Relations, published his booklet on *The Modern Commonwealth*, in which he reiterated the pledge that Great Britain, if compelled to choose, would choose the Commonwealth rather than the Common Market, but assured his readers that the choice would not be forced. It is not possible, however, to make the sanguine assumption that the Six will admit Great Britain on terms acceptable to the Commonwealth, or indeed on any terms. At the time of writing President de Gaulle has lately made one of his most uncompromising pronouncements on the subject of *l'Europe des patries*, which he ostentatiously envisaged as led by France, Germany and Italy while totally ignoring England; and M. Spaak, the most distinguished European federalist, has flown a kite in a magazine article,† proposing to offer the President the exclusion of Britain in exchange for the French acceptance of an organic political union of the new Europe.

In these circumstances there is little or nothing that can be taken for granted about the terms that the Prime Minister of the United Kingdom will be able to lay before his colleagues from the Commonwealth overseas for their judgment on September 10. Meanwhile it may be profitable to glance at some of the expressions of opinion from the leading Commonwealth members in this and recent issues of THE ROUND TABLE on the interests the British negotiators ought to see protected before adhering to the Treaty of Rome.

These opinions need to be prefaced by the reminder that support for the entry into Europe is very far from being unanimous in Great Britain. Though

* *The Times*, May 14, 1962. † *Réalités* (Paris) Mai 1962.

the Government with Mr. Sandys are convinced that acceptable terms can be obtained, there is a strong section of the Conservative Party who view the approaches with profound distrust and, supposing the Commonwealth Prime Ministers disapprove only mildly of the terms, might turn upon their leaders with damaging effect. The Labour Party in opposition—and with the possibility of a return to power suddenly brightening before them—are no less acutely divided. The Liberals, whose remarkable recent revival is mainly responsible for these brighter hopes of Labour, are the only party who are completely committed to the entry into Europe. A contributor to this issue finds it paradoxical that “they worship free trade but cannot rush into the highly protective Common Market too soon”. But there are elements in the Liberal tradition of Cobden, who conceived of free trade not in purely economic terms but as a means to international understanding and peace; to him without doubt the free trade within the Community would count for more than the tariff wall round it. There is the tradition of Gladstone who (to quote the late J. L. Hammond) “lived in the heart and mind of Europe”. And there is the anti-imperialist tradition which predisposes the party to think rather lightly of Commonwealth interests. To the extent that the rising tide of Liberalism has a more positive content than mere boredom with the two larger parties, it may turn the balance of public opinion to strong support of the Common Market.

Turning now to the views expressed by the Round Table Groups overseas, those from the Republic of South Africa cannot yet be left wholly out of account. The Republic will not of course be represented at the Prime Ministers’ conference, nor was it included in the round of visits paid by several United Kingdom Ministers to Commonwealth countries in order to explain the British Government’s attitude to the Common Market. But the country remains within the Commonwealth preferential system by virtue of bilateral treaties, and will be affected if the preferences have to yield to Britain’s acceptance of the common external tariff prescribed by EEC. The exports most likely to be seriously damaged are fruit, maize and sugar, and in a lesser degree fish; but these do not amount to more than 14 per cent of the whole export trade. Though the British negotiators in Brussels cannot be expected to contend for the Republic’s interest, South Africa hopes to benefit by concessions made primarily to meet the needs of Commonwealth countries—Australian and Malayan fruit-growers, for example—and regards the Common Market with “vague benevolence”.

The proposal for British membership of EEC has caused considerable apprehension in New Zealand. It has been denounced by spokesmen of very important interests, who do not believe that any possible concessions can reconcile the plan with the fundamental structure of New Zealand’s economy. Two of the most resolute opponents are the Chairman of the Meat Producers’ Board and the President of the Federation of Labour. It is pointed out that agriculture, the basic industry of New Zealand, has been developed largely with the object of supplying the needs of the mother country, on the assumption of an unrestricted market there, and that a certain moral obligation has thereby been imposed. Yet although the suspicions of some powerful

sectional interests remain difficult to allay, there is also a widespread disposition, especially articulate in the press, to trust in the goodwill of Great Britain and in the British determination to honour old commitments in the spirit as well as the letter—commitments such as the Joint Declaration on Meat of 1952 and the bilateral Trade Agreement of 1959. Those who take this broader line are conscious that, if membership of EEC is an economic advantage or even necessity for Great Britain, New Zealand must eventually profit by the growing prosperity of her principal customer to an extent that should counterbalance the curtailment of the privileges she has hitherto enjoyed in the home market. Not only this: there is an increasing sense that the new Europe is becoming an entity with which New Zealand should be able to enter into mutually beneficial relations. “There is considerable attraction to New Zealanders in the idea that the preferences given to one another by Commonwealth countries might be surrendered in return for assurances of expanding outlets for Commonwealth produce in a united Europe.”*

The strength of the New Zealand case, as it may be presented by the British negotiators with the Six, lies in its simplicity. The country’s export trade is to an overwhelming degree concentrated in two industries—dairy products and mutton and lamb; and more than 90 per cent of both go to Great Britain. At the same time New Zealand is a small country, and it is hoped that special terms could be made for its trade without unbalancing the massive edifice of the Community.

If the principle is once accepted of making a separate bargain with the Six for British economic relations with a single member of the Commonwealth, it might logically be extended to other smaller members, among whom the lately emancipated African dependencies would immediately present themselves. Thus, it is suggested, the emergence of several degrees of Commonwealth membership might be accelerated. This, however, is an apprehension formulated not in New Zealand but in Australia, where the problem of the Common Market takes on complicating features.

One of these is that the Liberal-Country-Party coalition is in office with a majority of only one in the House of Representatives and a probable deadlock in the Senate next month. Apart from a few weeks devoted to the Budget, Parliament will stand adjourned until after the Prime Ministers’ conference, to enable both parties to study the Common Market question and Mr. Menzies and his Minister of Trade, Mr. McEwen, to visit London and Washington and press the “awkward issues” implicit for Australia in the project. The communiqué issued after Mr. Sandys’ visit to Canberra expressed the fear that Britain’s entry into the Common Market would lead to “a division within the Commonwealth” and “a weakening effect on the Commonwealth relationship”, and soon afterwards Mr. Menzies revealed that he had had a major difference of opinion with Mr. Sandys.

Britain absorbs a quarter of Australia’s exports, and after a careful study of the problem by the Federal Department of Trade the view on which the Government appears to be acting is that this trade is threatened in three distinct ways by British adherence to the European Community. First,

* See *THE ROUND TABLE*, no. 206, March 1962, p. 216.

Australian products, having to surmount the common EEC tariff, might be displaced by European products in the British market—the process described as “imperial preference in reverse”. Secondly, they might be displaced by products from countries outside Europe, such as the United States and Argentina. Thirdly, it is feared that, with food prices raised to the level contemplated within the European tariff wall, the British consumer would buy less meat or turn to substitutes for butter, to the disadvantage of all countries depending so largely as does Australia on the export of agricultural produce.

For Australia, already faced with the need to increase exports by 40 per cent in the next ten years in order to make her development self-financing, these threats are formidable. Mr. McEwen has proposed that Commonwealth agricultural exports to the European Community shall enjoy preference on a quota at least equal to the existing exports to Britain; but this proposal was coldly received in Washington, anxious for the continuance of its own agricultural trade with Europe. What line Mr. Menzies will take by September will presumably be influenced by the conversations he will engage in on his travels; but clearly he will press for every economic concession he can get. But still, in Australia as in New Zealand, powerful voices and pens are pleading that, if the Common Market strengthens Britain economically and politically, benefit must eventually accrue to Australia, and that the short-term losses may be less and the long-term gains greater than government spokesmen suggest. Some go further, and say that it is time the adventitious props of the preference system were removed, so that a nation whose self-reliance is its cardinal virtue may march boldly on its own feet into the future.

The most ambiguous position is occupied by Canada, for the country goes to the polls on June 18, and at present we do not know whether the Prime Minister to be invited to London in September will be Mr. Diefenbaker or Mr. Lester Pearson. However, the bellicose language used about the Common Market in ministerial circles last year has to some extent been abated. The communiqué issued after the Accra conference of Commonwealth Ministers, which was regarded by Canadians as a victory for their delegation, declared that the entry of Britain into the Common Market would fundamentally alter the relationship between Britain and the Commonwealth; and Mr. Howard Green, the Secretary for External Affairs, opined that for Britain to join was to abdicate the leadership of the Commonwealth. The President of the Canadian Exporters' Association prophesied, on the cancellation of the imperial preferences, a loss of 40 per cent of Canada's export trade to Britain—which Mr. Diefenbaker, in his last election campaign, had so loudly promised to increase substantially while correspondingly reducing his country's economic dependence on the United States.

But other voices have been heard. The Chamber of Commerce at its annual meeting looked to the positive side with a resolution calling upon the Government to examine the new opportunities opened up by Britain's move for Canadian trade with Europe. When the provincial Premiers met last year at Charlottenburg, none of the ten supported the hostile attitude of the Diefenbaker Ministry. The broad tendency in the country seems to be to

think continentally, balancing trade to Europe and trade within the Americas, and looking upon Britain in the Community not as a renegade but as a *connecting* link, even though few might go so far as the President of the Montreal Stock Exchange, who argued that Canada herself should apply for associate membership.

Mr. Lester Pearson's proposal for an Atlantic trading block has been rejected by the Government as violating its declared principle of multilateral trade; but an inquiry into its implications has been set on foot, and no doubt something will be heard of it on Liberal platforms in the election campaign.

Perhaps in deference to the visible movement of public opinion, perhaps as a consequence of the persuasive powers of Mr. Edward Heath the Lord Privy Seal, who visited Ottawa in January, the resistance of the Diefenbaker Ministry to British participation in EEC has been very much modified since the beginning of the year. Mr. Heath repeated the assurance that Britain would not join if the terms offered involved serious damage to the trading interests of Canada, and Mr. Fleming, the Minister of Finance, declared himself satisfied that the British Government was doing everything in its power on Canada's behalf. With a Canadian delegation now in Brussels to watch the negotiations, it would seem that a friendly understanding, if not identity of view, exists between the Governments, and should continue even if the Canadian Conservatives do not survive the election.

To sum up, the prevailing mood of the Commonwealth, as it contemplates the involvement of its senior member in the economic and to some extent necessarily in the political future of Europe, partakes much more of resignation than of enthusiasm. When Mr. Macmillan lays before the other Prime Ministers the terms on which membership of the Community is accessible to his country, he will confront an extremely critical audience. But the position of Great Britain, and the strength of the gravitational force drawing her into the new system, are understood. Sacrifice of opportunity will not be expected or demanded on any sentimental ground. The altruistic motives of kinship and loyalty have always sufficed, and would no doubt suffice again, to rally all these countries to the common cause in time of danger from external enemies. But they have not greatly influenced commercial policy. The nations of the Commonwealth, for as long as they have enjoyed sovereign control of their own fiscal systems, have been accustomed to adjust them to a strict calculation of their own material advantage. Sometimes but by no means always it has happened that the advantage was furthered by harmonizing policy with that of the senior partner in the Commonwealth. They will scarcely complain, though they may be disappointed, if in the hard bargaining necessary in Brussels British Ministers give first though not exclusive consideration to tangible British interests.

A CONSTITUTION FOR PAKISTAN

I believe that Basic Democracy is a bona fide attempt, on the present Government's part, to help the people of Pakistan to train themselves for effective self-government in the future on a national scale. I do not believe that this is a piece of camouflage designed to help the present régime to remain in power for an indefinite time to come.

Dr. Arnold Toynbee
(*Pakistan Quarterly*, winter 1961-62).

What emerges then is the fact that the constitution has been drafted in such a way as to perpetuate the present régime and to eliminate the competition of political parties for a long time to come.

Dr. K. J. Newman
(*The Times*, March 16, 1962).

WHICH of these two assessments is nearer to the truth? Dr. Toynbee needs no introduction; Dr. Newman has recently vacated a chair of Political Science in the University of Dacca. Both know Pakistan as it is at present, with the qualification that the former is better acquainted with conditions in the Western wing of the country, the latter with the very different atmosphere of East Bengal. With so absolute a contradiction it may even be that there is some element of reality in both conclusions, if only because conditions in the two halves of the country are so diverse. Both evaluations no doubt depend to some extent on the estimate placed by each commentator on the system of indirect election which is fundamental to President Ayub's new experiment in representative institutions. This and the substitution of a presidential for a parliamentary system (on the Westminster model) are features which appear for the first time on the grand scale in a Commonwealth country, and make the experiment of enormous interest not only to other Commonwealth peoples but to the free world as a whole.

Westminster Models

GREATLY daring, the present writer would preface this study with a reminiscence from a constitutionally distant past. In 1917 as a very young man, when Mr. Lionel Curtis was in India as harbinger to the gospel of Mr. Edwin Montagu and Lord Chelmsford, he was encouraged to write, and he wrote, a thesis setting out the view that, to meet conditions as they seemed to be in the India of that day, a responsible electorate could only be secured by a system of indirect elections which should establish the members of local bodies as an electoral college to choose the legislature. His effort was kindly received, but he was firmly told that no British Government could dream of sponsoring a system of indirect elections; Lord Ripon's endeavours to set up District Boards and Municipalities had been tried in the 1880's and had not been very fruitful, and that was that. A plea that Lord Ripon's local bodies would have been much more lively if they had been established as electoral colleges for Parliament in their constituencies, as well as being the elected custodians of local government, was brushed aside. And the British

Government of the day proceeded, it is true at first on a relatively narrow franchise, to drape the Westminster constitutional model round the shoulders of the 700,000 villages of the then unpartitioned subcontinent.

The Montagu-Chelmsford report of 1918, largely the work of one of the most distinguished Indian civilians of his day,* spoke of the need to rouse the masses from their pathetic contentment, and provided for direct elections not only to provincial legislatures, but to the Central Legislative Assembly. In the provinces too it established the accountability of Ministers to the legislature in the field of the subjects then designated as "transferred". (Following the harbinger's advice, a system known as *diarchy*† was adopted, dividing Provincial subjects into two categories, "reserved" and "transferred".) The reserved subjects were administered in the Governor's discretion, he being responsible to the Secretary of State; for the transferred subjects Ministers were responsible to the legislature, and depended on being able to dispose of a parliamentary majority on the Westminster model. Later provisions, under the Government of India Act, 1935, greatly enlarged the electorates, though adult franchise was not achieved, and rendered Ministers responsible to the legislature over the whole provincial field, merely retaining certain overriding discretionary powers in the governors' hands. The 1935 Act envisaged a similar liberalization at the centre, but made that development broadly dependent on the attainment of a federation between the then British India and the then Princely India. That federation was never realized, with the result that up to the time of the transfer of power in 1947 the Governor General and his members of Council remained responsible to the Secretary of State, and the Central Assembly, though in a position to criticize and vote down any and every government measure, was not able to replace or control the Government of India. Thus in a sense, at the centre and up to the time of the transfer of power, a form of Presidential government existed in the Indian Empire.

Pakistan's First Constitution

THE Pakistani Constitution of 1956, introduced by General Iskander Mirza as President and Chaudhri Mohammad Ali as Prime Minister, though it provided for a President as Head of State, was drawn strictly on the Westminster model and made the executive, led by the Prime Minister, responsible to Parliament. The President was a President on the lines of the Third and Fourth French Republics, not the Head of the Executive as in the United States. The Constitution provided for direct elections on adult franchise, but although the Constituent Assembly assumed certain parliamentary functions elections were never held, mainly, in the present writer's view, because the difference in interest and background of the two widely separated wings of the country provided an effective bar in practice against

* Sir William Marris. He subsequently attained to the highest post open to a member of the I.C.S., the governorship of the United Provinces. Whether Marris agreed with the message of the gospel has never been revealed. Most Indian civilians of the day thought it a top storey without a foundation.

† Curtis spelt the word "dyarchy", from Greek *δυο* and *ἀρχή*; but the established English form for such compounds (e.g. "digraph", "dicotyledon") uses the element *δι-*. Strict analogy with "monarchy" would give "dittarchy".—Editor.

the emergence of any political party with a following in both wings. There followed an uneasy manœuvring of cabals and coalitions, bargaining against each other for position and power, and constantly sacrificing declared political principle in the interests of temporary personal compromise or adjustment. So fluid did the political situation become that there are few observers of Pakistan present at the time who do not admit that the abrogation of the 1956 Constitution was inevitable if the State was to be saved. This abrogation was carried through by President Mirza and the then commander of the forces, General Ayub Khan. On the principle that a duumvirate is unable to conduct an authoritarian government, President Mirza subsequently had to retire from the scene, a decision that later events may show to have been to the advantage of both men. But history may applaud his courage in making the break. The responsibility was his.

So much is necessary to demonstrate that Pakistan inherited a system of government and representative institutions based on the Westminster model, that she actually brought forth a Constitution on these principles, but that the child so born proved sickly and diseased and perished before it reached adolescence. One cause of illness has already been suggested, namely the fact that the two wings of the country are so disparate that it proved impossible to form a political party with a following in both. The Muslim League, Jinnah's instrument for bringing Pakistan to birth, did not long survive the subsidence of the sense of Muslim separateness, once Pakistan had taken shape as the shrine of the ideology of Islam in the subcontinent. There had not yet been developed a common interest, deeper than antipathy to subjection to Hindu dominance, which could find expression under West-inspired institutions of responsible government.

India

IT is hardly possible to enlarge the scope of an article on Pakistan by inquiring at length why it is that a Constitution based on British precedents seems still to be working in India. But the problems in Pakistan may be brought into clearer focus by remarking that, unlike her neighbour, India is not divided into territories sundered by hundreds of miles of another State, and that, as recent elections show, the success of the Indian experiment is tied to the much-longer-established Congress Party, with tentacles and cells in every part of the country. Even in India there are many signs of a fissiparous trend, which is likely to become more apparent as the present leadership passes. Nor should it be forgotten that in one vastly important particular the Indian system does not conform to the British model; no Opposition likely to succeed to power has as yet emerged, there has not appeared any swing of the pendulum, and the country remains under a quasi-authoritarian single-party government. Finally, it is pertinent to ask how secure is the base of the vast Indian adult-franchise electorate of over 200 million voters, electing direct to the central and local legislatures. Is it made up of understanding men and women with a grasp of the meaning and value of the vote, or is it a vast congeries of flocks driven to cross a set of pre-ordained hurdles or breaking in panic through their fences? Is it in bulk in a position to

comprehend wider than local issues? Only a little over half the registered voters cast a vote in this February's general election.

Basic Democracies

ONE further reference is needed before proceeding to examine the detailed provisions of the new Pakistani Constitution. This is what has come to be known as the Basic Democracies Order, and, since the thinking which lies behind it has to an extent been carried forward into the Constitution, its provisions should be understood. Immediately after the Revolution, on October 8, 1958, President Ayub, then Director of Martial Law, announced that the ultimate aim was the "restoration of democracy". Early in 1960 a Constitutional Commission was set up, and before the period of its gestation came to an end there was produced this pyramid of Basic Democracies. The idea behind it is this. By working on what Dr. Newman calls the truth of "no free state without a free commune", the authors seek to set in flow the indigenous prototypes of local government in the subcontinent—the village *Panchayats*—as the fountain-heads of what will grow into one great river of "democratic" life. A Pakistani, disillusioned with the working of representative institutions on the British model, favours a rather different metaphor: the Basic Democracies, it is claimed, go down to the grass-roots and cause to grow among the people in the villages a number of well-watered indigenous plants accustomed to the soil and climate. But it is best to quote President Ayub himself. He says:

Our system of Basic Democracies is probably unique. It is already breeding pride, hope, sense of participation and responsibility in large numbers of people and laying a real base for a democratic society . . . The reason for this is simple. We are recognizing an obvious truth that the ballot can only produce a true answer if those exercising it are asked questions in level with their horizon and knowledge. If this is done, then by and large the answer will be right . . . the voters will be less liable to be exploited and misled in this system than in direct elections where they were driven as cattle to polling-booths. In fact the direct elections amongst us were far less direct than the system I am now proposing. In that all you had to do was to fix a few leading people, and the rest then followed them. This won't happen and can't happen in my system, as every one of these voters is a person of substance in the community. . . .

Some details of the pyramid should here be given. Each basic unit consists of a village or group of villages—in town in a ward or group of wards. All the people, men and women, of 21 years and over (with certain other qualifications of residence, sound mind, freedom from criminal record) vote for the election of some 10 of their number, but aged 25 years and over, as members of the local Union Council (rural *panchayat*) or Town Committee (urban *panchayat*).* This ballot is secret and direct. This is the lowest tier of the pyramid. Once constituted, these *panchayats* elect their own chairmen.

Above the grass-roots the order makes provision for three higher tiers in the pyramid. These higher tiers do not figure in the electoral arrangements

* Under the original order, in addition to the elected members, there were to be nominated local officials. But simultaneously with the promulgation of the new constitution, nominations to the lowest tier have been dropped.

for the Constitution, but brief reference is needed to complete the picture. The aggregate of elected chairmen make up the "people's" members of the second tier, the Tahsil (or Thana) council. To these are added local officials of appropriate grades. The third tier is that of the District Council (a District is roughly comparable in the subcontinent to a French *Département*, with from some 1 to 4 million inhabitants and presided over by a Deputy Commissioner or Collector like the French *Préfet*), and the fourth the Divisional Council (a Division is a group of from 3 to 5 Districts under a Commissioner). The members of these two highest tiers are nominated from among the lower tiers. There is also provision for an Advisory Council for each of the two Provinces of Pakistan, West and East, but it does not appear that these have been constituted and they are likely to be superseded by the Provincial Legislature to be set up under the Constitution.

The idea of Basic Democracies is so fundamental to the entire concept of the new Constitution that it may be well to cite the comments of Dr. Newman. These are much more favourable to the conclusions of President Ayub's way of thought than Dr. Newman's article in *The Times* cited at the head of this study, and it is a little hard to see how or for what reason his later assessment reverses the earlier conclusion reached. In *Political Studies*, vol. x, February 1962,* he writes:

It is only to a qualified extent that the Basic Democracies may be classified as agencies of local self-government. They are more accurately its nursery. India (of course including what is now Pakistan) never passed through a period of enforced but enlightened national unification with the help of a national absolute monarchy comparable to the Tudors in England. . . . It never had the experience of a period of enlightened despotism . . . the transition from feudalism and despotism to mass democracy was somewhat abrupt . . . that democracy at the top remains unreal, in the long run, without a grass-roots democracy to back it up, there can be hardly any doubt. . . . Though a note of caution is indicated, a grass-roots democracy is still the condition *sine qua non* of any successful democratic experiments in newly independent countries.

The case is well put. To a possible challenge—what then were the British doing during the century or more during which they conducted India's government?—the answer might be given that over the forty years between Morley-Minto in 1908 and the transfer of power in 1947 we did our best to dress the whole subcontinent in a Westminster garment, that this garment has been found to be of the wrong stuff for Pakistan, while for India it can already be seen to be a little uncomfortable round the waist and under the arms. It has yet to be proved that it will last.

We may anticipate here a little and say that for purposes of elections to the Central and Provincial legislatures under the new Constitution only the lowest tier of the Basic Democracies is to form the electoral college.

The New Constitution: A. Executive

THE Constitution consists of: a preamble laying down a federal form of government and setting broad general principles of Islam, representative

* Published by the Clarendon Press.

government, freedom, minority interests and fundamental human rights; 250 Articles; and 3 Schedules. The two Provinces—West Pakistan, the Indus Province, with six times the area but a population a little less than East Pakistan, the Brahmaputra Province—are to have parity within the State. The President is both Head of State and Chief Executive. His term of office is five years and ordinarily he cannot be elected for more than two terms. He is elected by an electoral college, consisting of the lowest tier of the Basic Democracies.* He is not dependent on the support of a majority in the legislature. The President appoints the Ministers of the Centre and the Governors of each Province, while the appointment of the Provincial Ministers by the Governors must have the President's assent. Ministers are outside the legislature (if they are selected from among legislators, they must resign legislative office), but have the right to address it.

B. Legislature

THE Constitution establishes a parliamentary system, though not in the British sense. The legislatures are elected, like the President, indirectly in two stages by the people on adult franchise of both sexes. There is a central Legislature (150 ordinary members *plus* 6 special women's seats) and a Legislature in each Province (150 ordinary members *plus* 5 special women's seats). Both the Central Parliament and each Provincial Parliament are elected for five years, as is the President, and, again as the President, by an electoral college. For the purposes of elections to the legislatures the electoral college, consisting as before of the elected members of the lowest tier of Basic Democracies, will be divided into territorial constituencies, 75 in each Province for the Centre, and 150 in each Province for the Provinces (the electoral college for the special women's seats will be the legislatures themselves, not the Basic Democracies, the object being to avoid enormous constituencies). On the basis of 45,000 electoral units in each Province a calculation will show that the elected electors of the college in each constituency will average 600 for the Centre and 300 for the Province.

The President's own description of the system is:

The aim is to have representative institutions based on the will of the people. They shall be the final arbiters of who shall govern them and how. In other words, people shall have the right to hire and fire their rulers. This is basic.

The legislature consists of the President and one House, or the Governor and one House, as the case may be. There must be at least two sessions every year. Each House chooses its Speaker, and the Speaker at the Centre acts as President in the latter's absence or illness. The President and Governors may appoint Parliamentary Secretaries from the appropriate House to assist Ministers, and such persons remain as legislators during their period of office.

The Assemblies are the source of law. (It will be seen later that to an

* These are, for transitional purposes, all the present elected members of the lowest tier, in rural and urban local bodies (Art. 229). Thereafter each Province will be divided into not less than 40,000 electoral units, each electing one elector to the college. It appears that 10 of these new units will make up the present local bodies of the bottom tier (Arts. 155-8). Electors must be 25 years of age.

unusual extent they are expected to be its interpreters also.) But the Bills passed by them require presidential or gubernatorial assent. If the President vetoes a Bill, the House may reconsider it, and if it then passes it by the votes of not less than two-thirds of the total number of members, the President must give his assent or cause the Bill to be referred to a referendum of the electoral college. So too with the Governors, except that the reference is then to the Central Assembly, not to the electors.

The Assembly may impeach the President, provided that not less than one-third of all the members sign the notice of impeachment. There is the further proviso that a resolution of impeachment will take effect only if three-quarters of all the members vote for it, and if less than one-half vote for it, the original signatories lose their seats.

There are very special provisions for voting on the budget. The figures presented are to be divided into old and new expenditure. Old expenditure will be regarded as on the Consolidated Fund, and may be discussed but not voted on; new expenditure shall be submitted to the Assembly in the form of demands for grants. It is also laid down that there shall be an indication which of the estimated receipts will be derived from existing, and which from new or increased, taxation. President Ayub's explanation of this procedure reads: "this is based on the theory that the President is responsible to the country for administration, and the members of the Assembly represent the feelings of the people who have to pay the taxes."

The President may only dissolve the Assembly to give way to a successor, or if he submits himself for re-election. He may make Ordinances when the Assembly is not in session; these lapse after six months unless passed by the Assembly. He may also make Proclamations of Emergency in grave time of national danger.

C. Judiciary

THERE is a Supreme Court, of which the Chief Justice is appointed by the President. Its original jurisdiction is in respect of disputes between Centre and Provinces, or the two Provinces, whether of law or fact, and is expressed as covering any question as to the interpretation of the Constitution. Its appellate jurisdiction is from judgments, decrees or sentences of High Courts involving questions of law or interpretation of the Constitution, and—its list of causes will be heavy here—from all High Court sentences to death or transportation for life.

There is a High Court in each Province of which the judges are appointed by the President and the Chief Justice of the Supreme Court in consultation.

The line drawn between the functions of the legislature as maker, and the courts as interpreters, of the laws is hard to follow. It has been said that the Supreme Court is charged with the function of interpreting the Constitution or other laws. But the entire constitution is subject to certain *Principles of Policy* and *Principles of Law-making*, of which it is necessary to quote two here.

Art. 6 (2) *The validity of a law shall not be called in question on the ground that the law disregards, violates or is otherwise not in accordance with the Principles of law-making.*

Art. 8 (2) *The validity of an action or law shall not be called in question on the ground that it is not in accordance with the Principles of Policy and no action shall lie against the State, any organ or authority of the State or any person on such a ground.*

The President in his speech explaining the Constitution declared that the effect of these provisions is to bring the position in Pakistan on to the same footing as the position existing in England. He insisted strongly that the responsibility for ensuring that no law is made which is contrary to the fundamental provisions of the two sets of Principles is on the *legislature* and not on the Courts; in other words, that no Court can declare a provision of law unconstitutional, or refuse to enforce a law on that ground. This provision was considered necessary in the light of experience which showed that no law under the previous dispensations ever reached the stage of certainty since it remained perpetually open to challenge in the Courts.

Is it not arguable that in seeking to categorize so clearly the respective functions of legislature and judiciary, this Constitution in fact blurs the boundary to the detriment of the individual seeking redress? For Parliament becomes an interpreter of its own laws.

D. General

INTERESTING general provisions relate to:

(a) The establishment of an Advisory Council of Islamic Ideology, of which the main function is to advise the President, the Governors and the legislatures on any question whether the law is, or is not, in accord with the Principles of Law-making. This provision again may reduce the scope of the field open to the courts.

(b) The amendment of the Constitution. This requires the votes of two-thirds of all members, but if the President refuses assent, then three-quarters of the voters, in which case the President must assent or send the Bill to a referendum of the electoral college.

(c) The capital at the new site of Islamabad near Rawalpindi, where the seat of the executive is located, the seat of the Central Assembly at Dacca in East Pakistan, and the seat of the Supreme Court to move between Islamabad and Dacca. This is a provision not unlike that adopted in 1908 in South Africa.

(d) A schedule, listing Central Subjects.

(e) Kashmir. Article 221 reads: "When the people of the State of Jammu and Kashmir decide to accede to Pakistan, the relationship between Pakistan and that State shall be determined in accordance with the wishes of the people of that State." A separate article could be devoted to that subject.

(f) The Tribal Areas. These are defined in effect as the Pathan and Baluch territories on the N.W. Frontier of West Pakistan, and it is specified that no Central or Provincial law shall be applied to them without the President's direction, while the President, or the Governor with his approval, may make regulations for them.

Nothing is said about provisions for the extension of representative

institutions to the Tribal Areas. But this is the region where the Afghan Government, abetted by the USSR, is seeking to disrupt Pakistan by its propaganda for a separate Pathan State, in which it has included Baluch and other non-Pathan tribes. The Pakistani case, supported by H.M.'s Government, is that all these Tribal Areas are on the Pakistani side of the Durand Line, drawn by agreement with the Afghan Amir in 1893 and therefore part of Pakistan. Pakistan therefore will be constrained, indeed anxious, to give the tribes representation in the Assemblies of Central and West Pakistan.

In the most strategic and difficult part of this frontier there is still no administration, no law other than tribal custom, and no police or revenue authorities. The introduction of the ballot-box would therefore be difficult to envisage. A solution may be found by drawing constituencies according to recognized tribal limits, by accepting the *jirga* (assembly) of each tribe as the local electorate, and by leaving it to the *jirga* to put forward their representative according to their tribal custom. A transitional provision of the Constitution, Art. 229 (2) (b), would seem to allow of procedure of this order.

Summary

ON this survey what can be said of the general effect of the Constitution? Is the reader inclined to the view of Dr. Toynbee, or to that of Professor Newman?

There can be no doubt that vast powers are vested in the President. A very large legislative majority is necessary to override his veto, and virtual unanimity to impeach him (with that few would cavil). But he can only last for two terms. And to dissolve Parliament is difficult for him. The provisions making the electors responsible in the final degree for resolving differences between executive and legislature go down to the proverbial grass-roots. As regards the electoral system this writer, with considerable experience of direct elections in pre-1947 India, agrees with the conclusions of President Ayub that the fixing of responsibility for national elections on local notables, themselves elected, is more likely to secure an intelligent electorate, working "within its horizons", than any direct system. It is often argued that small electoral colleges can more easily be corrupted than a whole population on adult suffrage. In the actual conditions of the villages and wards it may be just the other way round. Mobs can be stampeded or moved by demagoguery; it is not so easy to get at men and women with a stake in the country. In the conditions of the subcontinent the professional careerist in politics is so far removed from the realities of the countryside that he is left free to organize policies out of relation to the needs of the people at the root; if he has to explain what he stands for to their chosen representatives, he will have to mind his step.

No Parties?

BUT this thought prompts a further doubt. Basing his words on Art. 173 of the Constitution, the President has said that Pakistan's unfortunate experience of political parties in the past has led the constitution-makers to the decision that the first elections must be held "on the basis of personal

merit", and no parties will be allowed. He hopes that it will be possible for the new system to work without parties, which can only be revived by a positive vote of the Assembly. It is recognized that like-minded persons will inevitably form groups in Parliament, but a warning has been issued against these groups' throwing out tentacles in the country. The objection that canvassing will be difficult without party backing is met by a provision that the electoral commission shall assist candidates in projecting themselves to the electoral college. These views take on even stronger colours when it is remembered that a considerable number of Pakistan's former politicians remain in preventive detention, and that the Constitution provides for the continuance of a Preventive Detention measure.

There are few in this country who will believe a representative system can operate without letting groups or interests crystallize into parties. How will it work out?

But over the whole field, in spite of the great powers vested in the executive, in spite of admission that, in the initial stages at least, the system of checks and balances certainly does not favour the legislature, in spite also of the apparently limited functions assigned to the judiciary—except in murder cases!—a fair study of the Constitution, and of President Ayub's glosses, leaves this interpreter with a lasting impression of a profound patriotism, and a concert of minds which has striven to set up a machinery in which the humblest worker will have his and her part, and will feel themselves in a position to improve with pride the working of the whole.

This article may end with some sentences of President Ayub's on the rival merits of the British parliamentary and the presidential system:

We have adopted the Presidential system as it is simpler to work, more akin to our genius and history, and less liable to lead to instability. The alternative was the parliamentary system. This we tried and it failed. For it to work . . . you need a really cool and phlegmatic temperament which only people living in cold climates seem to have. Also it requires a long period of probation; the British took 600 years to reach this stage. Elsewhere, except in Scandinavia, it has not taken real roots . . . even in France . . . so don't let us kid ourselves and cling to clichés, and assume we are ready to work such a refined system, knowing the failure of earlier attempts. . . . This Constitution . . . embodies a blending of democracy with discipline. . . . I believe in every word of it and have complete faith in it. I therefore commend it to you all with fervent prayers that God in His infinite mercy grant us wisdom and courage to work it. . . .

Postscript. Since this article was written, the elections for the Centre have been held. There have been widespread complaints of corrupt practices, but no news yet of election petitions from the defeated.

It is too early to assess results, or forecast groupings. One forecast is that Ministers may be largely chosen from those elected to Parliament; another that the trend will be towards a revival of the Muslim League.

Many sectors of the politically minded, though not the press, are expressing regret that the new constitution has deserted the British parliamentary model.

U.N. AFTER HAMMARSKJÖLD

A CRISIS OF CONFIDENCE

WHEN in his speech at Berwick, on December 28 last year, Lord Home asked the question why there was a crisis of confidence in the U.N., he was alluding to the Security Council's unwillingness to condemn Indian aggression against Portugal in Goa. And he was expressing a view widespread in Great Britain that the U.N. has become little more than a vehicle for irresponsible condemnation of all vestiges of "colonialism", however unable the majority of its members may be to assist in replacing the colonial régimes by some more durable political system. Finally he was expressing the view, which Mr. Adlai Stevenson had voiced a week earlier, that there is on the part of many of the African and Asian members of the U.N. a tendency to judge themselves and the Communist countries by other and less exacting standards than those they apply to Western Democracies. Criticism of this kind has been endemic in Great Britain also, ever since the contrast was put into sharp focus by the U.N.'s very different treatment of "Hungary" and "Suez". Subsequent pronouncements on the British attitude have somewhat toned down the rigour of Lord Home's charges, and have tended to lay emphasis on the misdeeds of the Communist Powers in the U.N. rather than upon the failings of the Afro-Asian block. No doubt this has been due in part to the wish to keep in step as much as possible with the countries of the Commonwealth who hold a more positive view of the U.N.'s contemporary role, but perhaps even more to the realization of the very unfavourable reaction created by Lord Home's speech when it was reported in the American press.

Indeed so obvious was the clash between U.S. and British thinking on the whole subject, precipitated by developments in the Congo and especially by the use of U.N. forces to assist in bringing about a political settlement satisfactory to the Leopoldville Government, that the unusual course was followed in January of sending a Foreign Office mission to Washington to discuss with the U.N. division of the Department of State not only the immediate question of the bond issue needed to save the U.N. from bankruptcy, but also the whole problem of its internal organization and external attitudes.

While the discussions were reported as having been friendly if inconclusive, and while the British Government has subsequently no doubt earned good marks by its willingness to discuss the constitutional status of Southern Rhodesia with a U.N. sub-committee, it is clear that there are many points upon which agreement is difficult to reach because of the surviving differences in principle between the United Kingdom and the U.S., and because of the very different atmosphere in which discussions on the problem are carried on in the two countries. No doubt there are those in Britain for whom the U.N. is not only an indispensable instrument of diplomacy—as the Government still regards it—but even more an expression of hopes for a better and more

peaceful world. But on the whole there is nothing like the enthusiasm which the League of Nations used to evoke. And the same is largely true of Western Europe, particularly in those countries which have had to run the gauntlet of "anti-colonialist" attacks. Indeed, France's membership of the U.N. has for some time been little more than nominal. In the U.S., on the other hand, the U.N. still stands for a great ideal and still evokes a much higher degree of commitment from the general public as well as from the administration.

The reason for this is not simply that for the U.S. this is its first, not its second, venture into world organization, nor does it lie in the fact that the location of the U.N. headquarters in New York gives Americans a sort of proprietary feeling for it; if Khrushchev gets his way and it moves to Geneva or to Vienna, American television will have lost one of its principal sources of programme material. Far more important is the fact that the British Government is, on the whole, sceptical about the possibility of achieving many objectives of direct interest to itself by the use of U.N. machinery and may find it complicating the achievement of some of its own aims particularly in Africa, while the American administration still feels that the organization can be used in a positive way for its own purposes—to limit Soviet (and Chinese) penetration into Africa for instance—while as a non-colonial power (in its own estimation at least) it does not see how its vital interests can be endangered by anything the organization may attempt. And provided that the U.N. does not attempt to challenge the Monroe Doctrine, which has priority in the American public mind over any conflicting commitment in the Charter, this may well be true.

For if there is any quarrel to be found with Lord Home's assessment of the situation it must be with his implied assumption that the Afro-Asian countries are the only ones whose conduct in the U.N. is based upon calculations of national self-interest. In a world of sovereign States it is reasonable that all governments should seek to further the ends their peoples have in view; the U.N. Charter was intended to prescribe certain *methods* of action, and to proscribe others, but not to say what the *goals* of action should be. "The United Nations", as the Prime Minister reminded the House of Commons in his speech on February 5 answering the censure motion on Lord Home, "is not a sovereign body. It is not even an alliance. It has no claim to infallibility. It is an association of nations with the qualities and faults of all of them . . . an association of sovereign States whose sovereignty is specially emphasized in the Charter."

National Policies and Charter Commitments

IF one accepts this view then it is inevitable that the Americans, the West Europeans including Britain, the Soviet block and the "uncommitted" will all seek to implement their national policies through the U.N., and that all one can insist upon is that this should not involve a violation of the Charter to which all have agreed. But this does not mean that there are not common purposes which may suit all or nearly all the member-States. Some of these in the economic, welfare and cultural fields are acceptable, either for their own sakes, or because pursuing them in common may help to avert additional

causes of conflict which it is hoped to avoid. Since on this aspect of U.N. activity there are no serious differences of opinion, except where the Soviet block is concerned, they do not figure largely in the present "crisis". However, perhaps one *caveat* should be entered. It is obvious and indeed morally right that there should be some inequality here. The rich countries must give and the poor countries receive. But there is the temptation that this provides to financial irresponsibility, which is by no means lessened when the costly peace-keeping machinery of the U.N. in the Middle East or in Africa comes into account. It may be inevitable that, as Mr. Macmillan pointed out, a two-thirds vote can be got from States paying only $5\frac{1}{2}$ per cent of the Organization's budget, but countries which try to exploit this position may find that it tells against them in the long run. The difficulties faced by the U.N. bond issue are a useful warning in this respect.

But the greatest common interest of the members of the U.N. lies, of course, in the preservation of the peace. In the minds of the British with their recollections of the League of Nations this tended originally to be equated with "collective security". But in fact the Charter provides for collective security against "aggression" only in the unlikely event that all the Great Powers have permanent council seats and are on the same side. One can say that even if the Soviet Union had not wished to pursue policies opposed to those of the Western Powers, the Security Council's chances of fulfilling its proper role would always have been remote. For one thing, once the Chinese Revolution had taken place, the Security Council no longer corresponded in its membership to the real distribution of power in the world. And since U.S. obduracy on the admission of the real government of China carries with it the impossibility of bringing in any further permanent members, India for instance, the unreality of the Council's role becomes more and more apparent.

Thus when Mr. Adlai Stevenson in his statement on December 21 on the adjournment of the General Assembly referred among the list of dangers successfully overcome to "the pressure to expel Nationalist China and seat Communist China", because this would have "gravely undermined public confidence in the United Nations at least" in the U.S., he was virtually confessing that the original idea of the U.N. as based upon a directorate of the Great Powers in his view no longer made sense.

Where British and American opinion found a common starting-point was in their unwillingness despite the evidence of the facts to accept the conclusion that the U.N. could keep the peace in the kind of way that had been foreseen during the war-time negotiations. In Britain as in the U.N. "the logic of the veto was seldom grasped . . . the illusion that the U.N. was an embodiment of the collective security principle died very hard". These words of Mr. H. G. Nicholas, the British author of the best book about the U.N., and a critic of the British hesitations of the moment, taken from his article in *Encounter* in February, are worth quoting. For it was only as awareness of the Security Council's weakness grew that the paths of the British and Americans began to diverge.

Here the crucial point was the Korean war. The Americans realized that

the possibility of U.N. intervention to save South Korea had only been made possible by Russia's temporary absence from the scene. If the U.N. was to remain active it could only be by heightening the role of the Assembly at the expense of the Security Council. And this was the purpose of the American-sponsored "Uniting for Peace" resolution of November 1950. This provided for disputes deadlocked in the Security Council to be transferred to the Assembly. As Mr. Nicholas confesses quite correctly, "as such it was held by the Russians to be illegal, and as such it certainly violated the original concept of a U.N. which would only act when there was Great Power unanimity". In other words, while the British have tended to hold that in the absence of Great Power agreement the business of the U.N. must virtually be restricted to that of conciliation or to providing a forum for debate and a framework for negotiation, the Americans have sought to find ways of acting.

The Western Majority Lost

NOW whether the Russians were wise to oppose this development of the Assembly's powers or the Americans wise to encourage it, it is perhaps early to say. Mr. Nicholas's remarks that "whatever the purists and the Soviets might say, it was in keeping with the political trend inside the Organization towards a greater use of the 'popular chamber'" does not really amount to more than saying that it was welcomed by the majority of the medium and smaller sized powers, who had already at San Francisco shown their reluctance to accept the domination of the great.

But in fact it was largely a question of calculation. The fifty-one members with which the U.N. began its life included only a small minority of Communist (in Soviet parlance "socialist" States). The Americans, still controlling the multiple voices of Latin America, seemed able to guarantee a permanent majority to the West. At the time of the Korean war, there were still only fifty-nine members and the situation seemed much the same. But now in 1962 the position is quite different, since of the 104 present members, the Communists together with the Asian and African "uncommitted" countries possess a majority; and the ability of the Western countries to maintain even the one-third of the votes necessary to block major adverse decisions depends primarily upon the much more doubtful hold of the U.S. over Latin American votes.

It looks as though the Russians have been quicker than the U.S. to adapt themselves to the new set of facts. The Russians no longer attack the General Assembly; indeed they are concerned to hasten its expansion in numbers by adding more ex-colonial countries as rapidly as possible. They now argue with some plausibility that there are three well-defined blocks in world politics, and that since the U.N. is not a super-State it should be organized so as to give an adequate voice to all three. Otherwise the interests of one or other block will be unfairly treated. It is indeed the old veto in a new guise.

Ideally, as we have seen, the Soviet Union would wish to see the so-called "Troika" principle, first elaborated in full by Mr. Khrushchev before the

U.N. assembly in September 1960, applied to the Council. This being impossible at present, the Russians have concentrated their efforts upon the Secretariat.

In order to see why this should be so, it is necessary to realize that the corollary of increasing the role of the General Assembly has been the growth in the power and initiative of the Secretary General. Mr. Hammarskjöld directed his office along these lines both in regard to his role as the mandatory of the Assembly and by virtue of the power he claimed of independently interpreting his duties under the Charter. It was in the Congo crisis that both these aspects of this development came to a head, and that the Soviet criticism of him became fiercest.

But in this respect the Soviet attitude has not lacked consistency. When the Big Four met at the San Francisco Conference, the Soviet Union proposed the election of a Secretary General and of four deputies from the Great Powers. The Secretary General himself would serve for a two-year term only and would not be immediately re-eligible. In this way the office would within a decade rotate among all the five permanent members. Although this point of view did not find favour at the time, the Soviet demand in 1960 for three secretaries general, one from each block, was along the same line of thinking. And the price that had to be paid for getting Soviet acceptance of Mr. U Thant as acting Secretary General after Mr. Hammarskjöld's death was his undertaking to give special weight to the advice of his principal subordinates from the other two blocks. And with a Secretary General from an "unaligned" country in place of a subject of a NATO country like Trygve Lie, or a western-minded neutral like Hammarskjöld, the Soviet Union may be said to have gained some ground anyway.

Nevertheless it does not seem likely that the Soviet onslaught will be brought to an end so simply.

In an article last August Mr. H. Morozov, the principal Soviet academic expert upon the subject, made the charge that Mr. Hammarskjöld had used his position to establish the predominance of the West throughout the organization. "Out of the 33 posts of deputies to the Secretary General and positions of similar rank", he wrote, "20 are held by nationals of countries which are members of the military blocks of the West, and only one is a national of a socialist country. Altogether out of 1309 posts in the Secretariat of the U.N., 1006 are held by nationals of countries of the West, including 357 of the U.S.A. The neutral countries hold 290 posts in the Secretariat and the socialist countries hold 84." Other organs of the U.N. and of the specialized agencies, he pointed out, show a similar pattern.

Even if one admits that the Communist countries have often been unwilling to offer suitable personnel and that many of the "neutral" countries have been unable to, it remains the fact that this distribution cannot be reconciled with the view that the U.N. is representative of its members rather than a super-State claiming the allegiance of its officials wholly irrespective of their national origins. And there lies here the prospect of a long-term struggle in which the U.S. and its allies can only hope to fight a rearguard action. That the U.S. so intends there can be little doubt. Indeed one view

expressed by American officials in private rather than in public is that the real objection to having Communist China in the organization is that it too would have to be given a quota of places in the executive organs of the U.N., and from there could further frustrate all non-Communist policies.

Role of the Secretary General

BUT it would be wrong to assume that the dispute over the role of the Secretariat is simply one between the West and the Soviet Union. For there is an important difference in the British and the American attitude which still remains of some importance.

In discussing his own role before the University of Oxford in his lecture of May 30 last year, Mr. Hammarskjöld pointed out that the Secretary-General's role as defined in articles 97, 98 and 99 of the Charter is much more important than that conferred upon his predecessors under the League Covenant. Under that document, as interpreted by Sir Eric Drummond, the model was the newly invented Secretary to the British Cabinet. Drummond was, as it were, the Hankey of Geneva. He was to see that the wheels went round and apply oil where necessary, but it was for others to get up the necessary head of steam. Not so the Secretary General of the United Nations. Here there was a new conception giving much wider authority. As Mr. Hammarskjöld rightly said:

It is not without some significance that this new conception of a Secretary General originated principally with the United States rather than the United Kingdom. It has been reported (he continued) that at an early stage . . . the United States gave serious consideration to the idea that the Organization should have a President as well as a Secretary General. Subsequently, it was decided to propose only a single officer, but one in whom there would be combined both the political and executive functions of a President with the internal administrative functions that were previously accorded to a Secretary General. Obviously this is a reflection, in some measure, of the American political system, which places authority in a chief executive officer who is not simply subordinated to the legislative organs but is constitutionally responsible alone for the execution of legislation and for carrying out the authority derived from the constitutional instrument directly.

Mr. Hammarskjöld's lecture thereafter dealt mainly with the need for the Secretary General in the light of his new role both to cultivate political neutrality for himself and his subordinates and to make what arrangements he could to see (by consulting the main organs of the U.N.) that the sphere within which independent decisions were taken by him was as limited as possible. It could not be eliminated altogether. For impotence was more to be shunned than controversy. Of few men can it be said so aptly that he died in the service of his own clear principles.

With these principles as they were put into practice by Mr. Hammarskjöld the U.S. professes itself content. "The rule of law and order", said Mr. Adlai Stevenson in the statement already quoted, "requires the means for enforcing the law . . . peaceful change and the settlement of disputes require machinery for effecting change and containing dispute."

To the extent that Britain has been more sceptical of the utility in this respect of the combination of Assembly and Secretariat it is not due to any repudiation of these unexceptionable sentiments. It is due rather to a consideration of the actual matters of dispute likely to be encountered. Observers and truce-teams and even the token garrisoning of unstable frontier situations in the Middle East or in South-East Asia are one thing. Is it safe to go further?

In Europe indeed some British opinion at least would be prepared to see a more positive role for the U.N. It might well be worth seeing the U.N. take some part in the guarantee of Berlin and its access routes; and Western Germany would benefit in so many ways from its admission to the U.N. (and perhaps vice-versa) that it might well be worth paying the price of admitting East Germany and West Berlin as well. But the attitudes of the Federal Government and, following its lead, of the U.S. have made such proposals fall on very stony ground indeed. But if the U.S. does not want to bring the U.N. into the "cold war" in Europe, it does hope, as has been suggested, that it may help to keep it out of Africa.

To return to Mr. Stevenson:

On the question of the end of colonialism, the Assembly adopted a wise and forthright position reaffirming the goal which virtually all nations now accept, and appointing a committee of 17 nations to concern itself on behalf of the General Assembly with this great peaceful transition. In this action the United States was happy to find itself in company with the great majority of members, with whom our anti-colonial history and our contemporary interest gives us a natural bond of sympathy.

While such sentiments do genuinely reflect the way Americans see themselves, it is not so clear that they always correspond to the way in which the Afro-Asian countries view the U.S. And indeed when Mr. Stevenson went on to say that "unhappily extremes of demagoguery which have so often marred discussion of this subject and made real solutions more difficult were not absent from the debate", he was touching upon one element of difference between the two positions.

But not the most serious. For the real difference is not over the need to eliminate "colonialism": it is over what this implies for the post-colonial period. For whereas many of the ex-colonial countries are simply concerned to win their independence and to exploit East-West tensions for this purpose, as well as to seek aid from all quarters when their goal has been attained, the U.S. makes the proviso that under no circumstances may this independence be allowed to provide an entry for Communist influence. If the new rulers of these countries cannot do the job of running the country themselves then they must appeal for aid neither to nationals of the former colonial power (as did Mr. Tshombe) nor to nationals of the Soviet block countries (which is what Mr. Gizenga presumably intended) but to the U.N.

The difficulties of this course of action as revealed in the Congo have been at two levels. In the first place, it is not easy to find the right technical and administrative personnel or to pay them sufficiently tempting salaries. In the

second place, technical and administrative assistance may not be enough where the very outlines of a State do not exist. The U.N. under U.S. leadership assumed for purposes of action that the new independent Congo must be coterminous with the old Belgian colony and must be run, as that was, from a central capital. Once important elements appeared who did not take this view, the U.N. was forced into making political choices if it were to carry out its mandate. And politics is not the same as administration, because it involves the use of force.

The American answer would be that the alternative to throwing the weight of the U.N. on the side of the central government was allowing different countries to pick their own favourites among the local contenders for power, and that this would have meant a Communist incursion which would in turn have forced the Americans to intervene directly and so produced a new and dangerous extension of the "Cold War".

Use of Force

AT the time of writing, it looks as though the decision that was taken may well have proved correct as far as the Congo itself is concerned. The difficulty is to know whether further situations of this kind are likely to present themselves and if so whether the precedent set will be fruitful or not.

The use of force implies the ability to mobilize it. The attitude of the Communist block, to look no further, renders utopian for the present any idea that the U.N. might acquire a genuine international force of its own. So it will be a question of national contingents. European neutrals are few and their contributions not easily expandable. Further forces would probably have to come from the Afro-Asian block countries, and will almost inevitably import into the situation their own biases; and their selection will reflect the bias of the Secretariat and of any advisory committee through which the General Assembly may seek to circumscribe its choice.

It is understandable that this situation should cause disquiet in Great Britain, since the artificiality of the colonial boundaries that make up the political map of Africa is fairly generally understood, and since the transition to independence in East and Central Africa presents such obvious possibilities of breakdown. It is clear that while Great Britain may be willing to see increased participation of the U.N. in the technical and administrative aspects of the transition period, it cannot in advance bind itself to relinquish political responsibilities for the inhabitants of these territories until it is clear that the successor régimes can maintain the minimum of law and order upon which any semblance of civilized life must depend. Chaos is no better than Communism, and fear of the latter should not be exaggerated to the point where it makes the former acceptable.

The U.N. continues to occupy and must continue to occupy an important place in British thinking on foreign affairs—indeed the Commonwealth could hardly survive its repudiation by a British Government. But the limitations upon what it can do must be appreciated, and made as plain as possible to our American allies. The primary purpose of the U.N. is to assist in maintaining

the peace. It cannot do this by acting against "aggression", because in the divided state of the world there will only be the rarest of occasions where this can be done by agreement. It can therefore only function through the processes of diplomacy; and, although there remains an independent role for the Secretary General, it is rather in identifying and trying to circumscribe disputes than in extending an executive authority that may involve the prestige of the organization upon one side of a local dispute, and thus make it unavailable for the more important tasks of general peace-making, that one must hope it will some day be called upon to perform.

LIBERAL REVIVAL

A NEW TREND IN GREAT BRITAIN

POLITICAL discussion in Britain just now is dominated, and is likely to continue to be dominated, by the evidence that the Conservative Party's long lease of power may be brought to an end at the next general election by an astonishing resurrection of the Liberal Party, which both the main political parties had got into the habit of regarding as nearly a corpse with only a twitch or two of life left in it. For those outside Britain it needs to be explained that the resurrection is an electoral and not a parliamentary phenomenon. There are only seven Liberal M.P.s in the House of Commons (a gain of one since the general election in 1959) and in the wildest dreams of a Liberal zealot, it seems safe to say, it is not foreseen that the party is likely to win more than a dozen or so seats at the next time of asking. The danger to the Conservative Party is quite different. Liberal candidates in by-elections fought in the spring have been biting heavily into the Conservative vote, and on present trends (which may not last) the Government's majority of 100 in the Commons would be eaten away and Labour would be returned. This would happen even though the by-elections have given no signs that Labour, the alternative Government, is attracting any more support from the votes that are now massively on the move. In other words, the Liberals are at this point of time enjoying a considerable vogue in constituencies of every type, while the Government candidates lose ground and the Labour Party gain none.

The sheer scale of the Liberal revival is surprising. In little more than a month, between March and May, they fought in six by-elections. Most impressive of all, they won Orpington, which had seemed an unchallengeably safe Conservative seat, by taking nearly 53 per cent of the poll and by turning a Government majority of 14,760 votes into a Liberal majority of 7,855. The Labour candidate lost his deposit. In three other by-elections (North Blackpool, East Middlesbrough and North Derby) the Liberal candidate came second, and in the fifth (Stockton-on-Tees) they were only just beaten out of second place by the Conservative. They also held one of their own seats at Montgomery by taking more than half the votes cast in a remarkably high by-election poll. Since the general election Liberals have now won second place in ten by-elections and by their victory at Orpington they broke the Government's record of not having lost a seat since they were confirmed in power in October 1959. What especially worries the Government is that in all these constituencies except Orpington and Montgomery the local Liberal association had to be reckoned improvised, or even ramshackle. There can be no doubt, therefore, that at least a quarter of the British electorate for the present is in revolt against something and is prepared to demonstrate its mood by swinging to a Liberal candidate about whose policies they are probably not sure and whose candidature they must suspect is irrelevant to the pursuit of political power.

What explains the Liberal revival? There have been and will continue to be any number of theories. Conservative right-wingers insist that the Government are losing ground because they have failed to pursue sufficiently Conservative policies; in particular, because they have applied for entry to the European Economic Community and because they have abandoned Britain's Imperial mission in the world. But these would be strange reasons for Tories to switch to Liberal candidates who are (alone, so far, in British politics) heavily committed to going into the Common Market and who are anti-Imperialist. The Conservative left-wingers argue that the Government have lost support because they have failed to put over to the people the need for "unpopular" economic policies. Meanwhile, Mr. Iain Macleod, the chairman of the Conservative Party organization, no sooner heard the Orpington result than he decided to commission an independent market research firm to make an urgent study of the causes of the Government's humiliation. He had the firm's report within a fortnight, and naturally kept its findings to an inner circle of Conservative leaders so that the other parties would not benefit from it. But the main conclusions are no secret. It was found that the white-collar workers in Orpington, who immemorially have plumped for Conservatism, had lost faith in a Government that followed economic policies which seemed to operate unfairly against themselves.

Orpington was not all. It would be serious enough for the Government if they had to face the possibility that their traditional grip on the suburbs in the Home Counties was being loosened by the Liberals, but not necessarily disastrous. Yet at all other by-elections, whether in seaside resort or industrial areas, the same current of opinion has been flowing strongly. No Conservative backbench M.P. could ignore the portents, any more than the party leaders. If the electoral trend continued not only 40 or 50 theoretically marginal seats would be lost but many seats that had seemed proof against any predictable electoral swing might go the way of Orpington. For the first time since the general election, Cabinet Ministers, party managers, and leading party workers had to consider the possibility that the next general election may be lost and Labour may come back to office after an interval of twelve years or so.

Unofficial Coalition

IF one studies the new electoral trends from the Conservative point of view, there is undoubtedly a sense in which a Liberal-Labour coalition is powerfully at work, at any rate indirectly. The sense, that is, that the effect may well be to bring down the Conservative Government and install a Labour Government. One of the political talking points in recent months, as it happens, has been the speculation about a formal coalition between the two parties for electoral purposes. Mr. Woodrow Wyatt, the Labour member for Bosworth, a right-winger, flew the kite first, although he no doubt remembered occasions when Mr. Grimond, the Liberal leader, had spoken darkly about a radical alliance. The reactions of the two parties to such bluntly argued electoral opportunism were predictably unfavourable. Liberal leaders let it be known that for them independence was all. They had to. The enthusiasm of their

party workers and the votes of their converts would have vanished if they had let it be thought they were interested in a crude electoral deal for parliamentary seats. Labour leaders, through the national executive committee, heavily rebuked Mr. Wyatt and made clear that at the next election an official Labour candidate would be standing in every constituency.

But Conservative leaders are making it one of their strategic aims to ensure that electors fully understand that in casting heavy protest votes for Liberalism they are likely only to ensure a Socialist victory. In fact, if they had to go down they would wish it to be in circumstances that illustrate this particular reading of the situation. If they must be succeeded at all, they would hope to be succeeded by a minority Labour Government that would be obliged to depend on the support in the Commons of a small platoon of Liberals. In this way the facts of the real struggle for political power, as they see it, would be once again clearly revealed, for it is argued that in the long years of Conservative administration the issues have become blurred—especially among the millions of young people who have reached voting age since 1951.

But, some Conservative Party managers reason, if Mr. Macmillan can win again it still seems probable that there would be a convulsion on the Left violent enough to wreck the Labour Party as it is known today. Since the party conference in Blackpool last October Mr. Gaitskell and the politicians who share the Labour leadership with him have been able at long last to get on with their work of creating a more favourable image for their party, almost unworried by left-wing extremists or by the sapping of the unilateral nuclear disarmers. They have established complete control over their party at the top and are apparently finding increasing support in the constituency parties, if the choice of Gaitskellite candidates for by-elections is any indication. This is largely the reward for the courage of the stand Mr. Gaitskell took, at one time almost single-handed, against the extremist and unilateralist attempt to capture the party, lock, stock and barrel; but it is also partly due to the realization by the rank and file that now is the time to show a face of unity in readiness for the next election. The only setback has been of May Day rallies by unilateralists, with the party leader and deputy leader as special targets. But these events seemed to emphasize the leadership's new sense of strength, for they quickly issued warnings of drastic discipline for erring party members.

Unity—or at least more unity than we have seen since 1955—there certainly seems to be now on the surface. But it could hardly survive, as Conservative Party managers say, a fourth general election defeat. That would inevitably reopen all the controversies that have broken round the head of Mr. Gaitskell since he became leader of the party, and the chances are that the fundamentalist and unilateralist left would split off or else would have to be cut off. At this point, some Conservatives argue, Mr. Gaitskell and Mr. Grimond might indeed be tempted to merge their forces in a radical and progressive party that would stand some reasonable chance of becoming the alternative Government.

A few months ago suggestions like these could have been canvassed only to be derided, the Government seemed so safe and the electoral mould so firm

set. It is significant that just now they can be quite seriously discussed in quarters where they take a very realistic view of political power and political strategy. And yet it may still be wise to look ahead with caution, for more than one reason. First, there continues to be something unconvincing about the Liberal revival, if it is argued that here are large blocks of votes being positively cast for Liberal policy, or even the Liberal image. Liberal policy, for those whose business lies in politics, has an inconsistent and opportunist air about it. They are not unilateralist quite, but they want Britain to get rid of the bomb; they believe in defence, but they would save untold millions on the defence budget; they worship free trade but cannot rush into the highly protective Common Market too soon. It is not surprising that some Conservatives try to damn them as the irresponsible party, which exploits one protest group after another. But, then, there is no reason to think that the support the Liberals have been getting should derive any more from mass understanding of their policy than the support given to the Conservative and Labour Parties. If the by-election votes have been powerfully moved by anything positive, it must be by the Liberal image, or by the image of Mr. Grimond, the party leader, a highly personable Old Etonian (married to an Asquith granddaughter) with a Kennedy look about him. As he appears to the television multitude Mr. Grimond cannot fail to register on voters who have no very strong party commitment, or on those who have tired of both the main parties and the old routine. Yet may not votes converted on these terms be easily turned again?

Secondly, in any substantial political movement that promised to last one would expect to find some evidence that it is based on an important social or economic interest. There seems to be no such evidence. In fact, since 1945 the leaders of the Conservative and Labour Parties have both been at work pragmatically closing in upon the middle of the road, so that it now seems the Conservative Left overlaps the Labour Right; and both parties would claim, on reasonable grounds, to be liberal in their ethos. Nevertheless, Labour remains the party of the "have nots", and the Conservative Party still has the image of the "haves". If the Liberal revival were to show powers of growth and endurance, then it would seem that a new social and economic interest has come into being unnoticed during the Conservatives' long reign—the interest, say, of the lower middle class and the better-paid artisans of the affluent society. The editor of the party organ, *Liberal News*, has analysed it thus:

Technological, economic and social changes have combined to reduce the polarization of classes in this country since the war. It is not that a new class has emerged; it is simply that millions, and particularly the young folk who have come on to the electoral registers in the last decade, have ceased to think of themselves as belonging to any class. They have neither inherited nor developed any strong inbuilt prejudices. They are the people who are now voting Liberal. And in the nature of things, their numbers will continue to increase.

Thirdly, there is the lesson of experience in Britain that although party supporters may abstain or vote flirtatiously at by-elections, at general elections they vote seriously in the knowledge that they are electing their Govern-

ment. It is true that both the Conservative and Labour leaders and party managers have begun to make this point less often, or with less conviction, since the crop of by-elections in the spring. But the argument keeps some validity. The Government still have more than two years before they are obliged to appeal to the country again, and that is time enough for the electors to grasp that a vote cast for the Liberals cannot return a Liberal Government. (It is also, of course, time enough for some of the Government's policies to succeed and produce electoral dividends that will help to win back some of the voters who strayed from the fold in the by-elections. Precisely that happened between 1957 and Mr. Macmillan's great triumph in 1959.)

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TRIBE AND NATION IN EAST AFRICA

SEPARATISM AND REGIONALISM

IT is a paradox of present-day African politics that new rulers who live in such constant fear of separatism, and the splitting of their newly independent States into their tribal components, should yet be so hopeful about the possibilities of building up regional federations which are, by European standard, of immense size and of very heterogeneous populations. District and tribal rivalries complicate the anxious months of constitution making for each Colony or Protectorate which is fighting its way to Independence. Uganda could presumably have celebrated this event four or five years ago if it had been possible to satisfy the ambitions of the Ganda who were, and are, the dominant tribe in the Protectorate, consistently with those of the three other lesser kingdoms—Bunyoro, Toro and Ankole—and the twelve or so less centralized tribes who live in the west, north and east of this territory. A newly tailored constitution has been accepted at long last and the date of Independence day has been mentioned, but some tribal groups are still trying to change their status under the new deal. The day this article was written Bunyoro, Toro and Ankole were demanding a new kind of federal status and the Chief Minister of the interim government was asking to postpone the date of the first elections. The negotiations over the Kenya constitution have already lasted six weeks because nine or so tribal groups, which are afraid of being dominated by the pushing and successful Kikuyu and the Luo, are asking for a federal and not a centralized constitution; Somalis on the coastal strip want separate status. These are small groups. In Uganda there was an estimated African population of 6½ millions in 1959, of which the Ganda accounted for nearly 2 million but the fourteen other largest tribes numbered on an average 300,000 each. In Kenya there are reckoned to be nearly two million Kikuyu and 800,000 Luo; but some of the other groups are very much smaller, such as the Kamba (600,000) and the Bantu Kavirondo (300,000). European observers can be forgiven for feeling irritated that new constitutional arrangements should be held up by jealousy and suspicion between the members of such small ethnic groups.

In view of the difficulties which African leaders evidently have in building up a viable State from groups which have long been administered as part of one political system, it is at first sight surprising that these politicians should apparently see no insuperable obstacles to the much more delicate task of creating a Federation of East African territories or even a "United States of Africa". On the home front their attention seems to be riveted on the importance of cultural differences between neighbouring tribes and on the difficulty of securing any measure of constitutional balance between so many different traditional politics—kingdoms, chiefdoms, societies based on age-grades, or

on locally rooted lineages; but in the context of the world situation these same leaders are claiming that there is a common African personality which is sufficient to unite the inhabitants of the vast continent of Africa. Mr. Nyerere, lately Prime Minister of the newly independent Tanganyika, is known to favour a Federation of Kenya, Tanganyika and Uganda with the possible inclusion of Nyasaland and Ruanda-Urundi. He was the Chairman of the first conference of PAFMECA (Pan-African Freedom Movement for East and Central Africa) held in 1960. This conference is now attended by representatives from Ethiopia, Kenya, Northern Rhodesia, Nyasaland, Somalia, Tanganyika, Uganda and Zanzibar. Mr. Mboya, a leader of KANU, one of the two political parties in Kenya which have been unable to settle tribal differences in order to agree on a new constitution, flew to Addis Ababa to act as Chairman of the second PAFMECA Conference in February of this year. Although it seems likely that any new flag accepted by Kenya will strain at the seams as it runs up the mast-head, yet PAFMECA seemed to find no difficulty in including among its members the Emperor of an ancient Christian State, the Kabaka of Buganda, the Moslem Sultan of Zanzibar, Tanganyika with its 120 separate tribes, as well as the Africans in white-dominated countries such as South Africa and Northern Rhodesia. The name of the conference was in fact changed to PAFMECSA to include the southern territories. In spite of this large alliance of dissimilar cultures and constitutions, the conference was rebuked by Mr. John Tettegah, an observer from Ghana, for narrowness and regionalism and told that "As long as we remain balkanized regionally or territorially we shall be at the mercy of Colonialism and Imperialism".

It is true that no central secretariat or council was set up for the PAFMECSA countries, such as was proposed but not finally implemented by the Lagos conference of twenty African countries which met in January this year; but such a step seems to have been contemplated. Here again countries which are woefully short of trained administrators at the territorial level, and are plainly conscious of this shortage, are yet able to consider with equanimity the provision of the much more experienced administrative staff which would be required for the conduct of the business of such a large and heterogeneous Federation.

Conditions Making for Tribalism

THE conditions which make for the persistence of militant tribalism are becoming clearer with the trials and errors of each new African State, although it must be admitted that our knowledge has generally been acquired through the painful process of helplessly watching the birth pangs of each newly independent country and is hence often of historical rather than practical interest. It becomes clear for instance, as probably could have been predicted, that tribal rivalry has been greatest in territories in which one or more tribes have acquired a dominant position, either through a tradition of successful conquest over surrounding peoples, through having achieved a more or less centralized government, or through having been in a position to

exploit the new economic advantages brought by Europeans such as a profitable cash crop or some industrial development. In the last case it has often happened that the people in question have achieved a jump ahead, so to speak, of the other tribes in the territory and have become the object of envy and dislike. The Ganda of Uganda, the Kongo, Lunda and Luba of the Congo are examples of peoples with historical traditions of conquest and superior political organization on the basis of which they claim special privilege. The Kikuyu in Kenya, or again the Ganda and the Luba, are instances of peoples which have become richer, more skilled and better educated than their fellow countrymen owing to earlier participation in European economic developments. Nairobi with its industrial possibilities was built in Kikuyu country; Ganda became rich through the introduction of cotton in 1905 and later of coffee and through the building of a railway through their country; the Kongo were the Congo peoples who responded most quickly to the new economic opportunities in the mines and the railways. Luba travelled widely to become skilled technicians, mechanics and lorry drivers. Tanganyika with its enormous area, its widely dispersed population and its 120 or more small tribes has not had to face the problem of the self-consciously independent African kingdom, or of the single dominant and hence hated tribe; and separatism has not been such a problem for Mr. Nyerere.

The unequal economic development of different areas which has been so conspicuous in African territories has led to very sharp contrasts in educational facilities. Independence inevitably means a struggle for posts in the Central administration—posts formerly filled by expatriates and highly paid in relation to the rest of the bureaucracy. Members of the economically favoured tribes are naturally best fitted to hold such posts. It is almost impossible for the Ganda to accept the position that Ministers and heads of Government departments should be selected from members of what are, to them, savage tribes, and just as difficult for these latter tribes to watch the power in the Central government being wielded by the Ganda. Studies of the tribal composition of African *élites* and their educational qualifications in different territories are only now beginning. They show in a revealing way the differential access of members of different tribes to higher posts in the Central government, in political party leadership and in legislative assemblies.

Men in the Bush

ADDED to this is the fact that local government in British areas of Africa has generally been organized on tribal lines. Even when the theory of indirect rule was abandoned after the last war, and it was planned that British ideas of local government were to be introduced, the new local councils were more often than not reformed tribal councils. Social service officials, whether educational, agricultural or veterinary, were usually selected from tribal areas and employed in these areas; and for linguistic reasons it was difficult to do otherwise. Thus to the people at the village level "our government" was still our tribal government. In many cases "self-government" became in their

minds a return to our government as it was—to the state of affairs before a colonizing power started improving us. For instance Ganda villagers commonly said that self-government meant the end of measures against soil erosion and the return of polygamy and spirit worship.

With the introduction of universal suffrage the voice of these "men in the bush" counts. Political parties have had to centre their programmes on local and not national grievances, and where national political parties have been banned from time to time by the British authorities tribal parties have tended to take their place. Some of the first elections have also led to the return of more traditionally minded representatives than before, which was perhaps to be expected; for the majority of Africans still follow traditional ways. The 1953 elections to the Buganda *Lukiko* produced a council which was less educated and more traditionally inclined than the previous *ex officio* council of chiefs and nominated members; the elections of this year have resulted in a sweeping victory for the Kabaka's party and hence for separatism. The educational composition of the new council has not yet been analysed. African elections, like African leadership, are in fact only now being studied scientifically for the first time. Preliminary surveys show that the fixing of the new electoral constituencies has often strengthened inter-tribal tension. Professor Biebuyck's analysis of the pre-independence elections in the Congo shows for instance how the late Mr. Lumumba got into power with the backing of the small hitherto unorganized groups known as the Mongo, who were widely distributed in different constituencies. These unsophisticated and poor people supported the idea of a unitary State, whereas the richest and most powerful tribal groups like the Luba and the Kongo wanted local autonomy and hence a federal solution. Yet in uniting to support national unity the Mongo found solidarity for the first time, and even seem to be making towards an independent State.*

Hence the irony of the situation. Colonizing powers will not grant self-government until a territory has a central government elected by universal suffrage. Yet this very method of election may strengthen traditional rivalries or create new solidarities which threaten the newly constituted central governments. The difficulty of the African politician is very real, although he is often abjured to "forget petty tribal differences" as though this were a form of childish naughtiness.

Pan-Africanism and Negritude

WE return then to our paradox. Tribal jealousies and suspicion are all too inevitable under present conditions. How are they combined in the politician's mind with the excessively ambitious forms of African regionalism which have been described? First, it must be remembered that Pan-Africanism was originally an emotional protest, a creed or a crusade: it was not a practical plan for a United States of Africa as a political entity. So also Regionalism began as a movement of like-minded African militants fighting for independence in neighbouring territories, and not as a scheme for

* Biebuyck and Douglas, *Congo Tribes and Parties*, Royal Anthropological Institute, 1961.

political, military or economic co-operation. The dream of a mighty world alliance of peoples with black skins could give comfort to those who had not achieved centralized government in their own territories. A true political federation would not have been a possibility in these circumstances.

Pan-Africanism in fact was not of African origin. Marcus Garvey (1897-1925), one of its originators, who proclaimed himself the "Provisional President of a racial empire" was an American negro; Dubois, active in the organization of successive Pan-African conferences was an American negro; and George Padmore, who succeeded him, a West Indian. The Congresses did not meet on African soil until 1958, when President Nkrumah invited the members to Accra. Before that the meetings were held in Paris (1919); in London (1921); in Lisbon (1923); in New York (1927); and in Manchester (1945).

These Congresses discussed other subjects than Africa and they were attended by delegates from other continents, peoples with brown and yellow skins as well as black—peoples united by the fact that they all resented white superiority; that they had lived under white domination or were so living; or that they represented under-privileged minorities among white populations. They met to protest their human dignity, to proclaim their emotional unity, to reassure each other and give each other confidence, but not essentially to plan common political action.

"Negritude", a term now much used by French-speaking African politicians, was also a concept of New World origin, first employed by Césaire, a poet and a politician from Martinique, who was much admired by French surrealists. It stood for a triumphant acceptance of "blackness", which was to be no longer a badge of subjection but a sign of the superiority of all coloured peoples—a glorification of what Sartre called "the black soul"—"the oneness of blacks from Haiti to Cayenne". Mystic and esoteric as is this concept it yet served some of the same purposes as Pan-Africanism in giving confidence and support to intellectuals who felt frustrated, snubbed or under-privileged through the colour of their skin, whether they had ever been to Africa or not. The belief that there is a common African personality in spite of the many tribal divisions is also of West Indian origin. The term was first used by a Methodist clergyman from St. Thomas, Edward Blyden (1874). Those who live in Africa know how many stereotypes there are of the different tribal groups. One is known to be warlike; one good at trade or crafts; one upright, fearless, courageous, and another cruel, deceptive, untruthful; one clever and another simple. It is the New World negro of unknown slave origin who wants to glorify the African personality and perhaps the African living in Europe defending himself against derogatory remarks about "the African", not the inhabitant of Africa itself.

These Pan-African movements were clearly very far from political alliances in any ordinary sense of the term. One has only to instance the fact that though Indians attended these conferences and joined in the talk of common brotherhood, yet those Indians who actually settled in large numbers in Kenya, Uganda, Tanganyika and South Africa have not made common cause with African politicians in these territories, except for the isolated

instance of the short-lived Passive Resistance movement organized in South Africa in 1952. Indians in Uganda and Kenya have sometimes sided with Europeans as the two civilized communities in league against the barbarian Africans. At other times Africans have joined Europeans in their dislike of the Indian settlers. African students at Makerere College in Uganda have been heard exclaiming to their Indian fellow students "It isn't even as though you fellows were Christians like us"!

Even anti-colonialism, which developed later than Pan-Africanism, and came much nearer to a political objective, has so far been in the main a rallying cry, a movement of sympathy from the newly independent States to those still under foreign domination, and a focal point for joint voting at U.N. meetings, rather than the basis of any military or economic alliance. It is true that at this year's meeting of PAFMECSA some militant pronouncements were made as to the determination of the Powers represented to free the Africans in Portuguese territory and the Union by 1970. It is also true that Dr. Verwoerd has warned his countrymen that they should take defence measures against possible military action by well-armed and independent African States farther north, but such a planned offensive has not yet been launched.

Thus the new African politicians face the problems of Regionalism and Pan-Africanism with long traditions of a time when Pan-African conferences provided a get-together for African and New World negro militants rather than meetings of working diplomatists. It would not be surprising if such conferences as PAFMECSA were considered as stimulating and heartening interludes in the long struggle with local politics. The quasi-philosophical concepts of brotherhood evolved by negro intellectuals of other countries, who show little knowledge of or even interest in African administrative problems, must have a strong attraction for African politicians although they provide little help in present constitutional or economic difficulties.

Need for Alliances

IN the new conditions it is natural that African leaders should feel suddenly defenceless as Independence is proclaimed and that they should immediately look for alliances. English-speaking Ghana and French-speaking Guinea sign a treaty of Union in 1958; Senegal, the Sudan and Upper Volta form the Mali Federation in 1959. Dahomey offers to join but the union breaks up in 1960. The Ivory Coast, Upper Volta, Dahomey and Niger form an Entente in 1958. Twelve ex-French States set up a common Secretariat at Brazzaville in 1960—the so-called "Brazzaville group". Such alliances may be more difficult to form in East Africa with its long history of white settlement, but a union of Nyasaland and Tanganyika has often been mooted.

If we accuse African politicians of being over-ambitious about their regional schemes we must remember that they have come into power in an age of planning, and that they are constantly visited by economists who tend to under-emphasize the administrative difficulties of territorial union and who tell them their newly independent States are too small to support major industries. Indeed all short-term "visiting firemen" tend to underestimate the

importance of linguistic and cultural differences. American advisers are impatient of the smallness of some of the new States, as they are of European subdivisions. International finance prefers to give loans to big countries. Even Africans, not so far mainly swayed by economic considerations, now begin to desire union with other States in order to be able to build up better armament industries, and they clearly realize the advantage of including a wealthy mining area like Katanga in their federations. At the PAFMECSA conference the chief delegate for Ethiopia said that political union was necessary if the countries of East Africa want to diversify their economies, integrate their development programmes, exploit mineral resources and river potential. This is a sentence straight from the economic textbooks and a far cry from the mysticism of the idea of "negritude".

East African politicians also consider the wider Pan-African links. They realize they are behind West Africa in wealth, experience and numbers of university-trained citizens. They fear West African domination and patronage, but know it is only through an East-West union that they can obtain a position of world power on a level, or so they hope, with the USA, China, the USSR.

It is important too to remember that African politicians import their constitutions and do not hammer them out by trial and error in the do-it-yourself fashion that is all that was open to our own forefathers. We fought our way through to something like a centralized government by the tenth century A.D., but twentieth-century politicians in Africa think it their right not only to read about other constitutions but to go and look for patterns abroad. An African Minister from a small East African kingdom, encountered in Victoria Street with swinging cane and hat jauntily acock, explained that he was on his way to America "to have a look at their Federal system to see if it would suit us". Many Africans have now been educated in America, and it is difficult for them to believe that what America has federated they cannot federate as well! We live after all in an age of expanding politics. Even England, with boundaries that seemed so fixed, is a member of NATO and standing on the brink of a common market. If African politicians dream of a mighty United States of Africa while struggling to keep tiny tribal groups united within their own small boundaries we cannot criticize them too harshly.

A TURNING-POINT IN QUEBEC

THE SITUATION IN FRENCH CANADA

DURING the past two years, since the sudden death of Maurice Duplessis at the beginning of September 1959, French Canada has been in the throes of a political and social revolution which is bound to have far-reaching effects on future developments in that region of Canada. Quebec today is at one of the turning-points in its history.

After the disappearance of Duplessis from the political arena, it was almost inevitable that the Union Nationale Party, which was to such a large extent his own personal creation, would suffer from the withdrawal of his strong controlling hand. Paul Sauvé, his immediate successor as Premier of the Province and the leader of the party, and a former member of the Duplessis Cabinet, during his brief period of office in the last months of 1959, showed himself to be a political leader of great shrewdness and resource. He abandoned many of the policies which had been followed by his predecessor and began to draw up a programme of badly needed social reforms. This work was cut short by his sudden death at the beginning of January 1960 and he was succeeded, as a stop-gap Premier, by Antonio Barrette, the former Minister of Labour in the Duplessis Cabinet. But, by this time, the provincial elections could not be long delayed and they came in June 1960. And the results caused some important changes in the Quebec political picture. The Liberals were returned to power for the first time in sixteen years under the leadership of Jean Lesage, a former member of the Liberal Saint-Laurent Cabinet in Ottawa, and a man who is fully the equal of Sauvé as a skilled tactician. The Union Nationale representation in the Provincial Legislature in Quebec City was cut from 71 to 40 seats, while the Liberals increased their representation from 19 to 54. This was enough to give the latter party a majority in the Legislature, although a narrow one. But this majority has increased since June 1960 because of the results of subsequent by-elections.

After the elections, there was a bitter struggle for control of the Union Nationale between the various factions of the party, into which it is not necessary to go into detail here. Daniel Johnson, a former Cabinet Minister from the Eastern Townships region of the Province, and a wily politician, finally emerged as leader in the Assembly.

Mr. Lesage was no sooner installed in office at Quebec City in the summer of 1960 than he began to put into effect one of the most comprehensive social-reform programmes in the whole history of the Province. It has penetrated into almost every sphere of life in the Province of Quebec and it is only possible here to outline some of its most important features. Some of the most significant initiatives undertaken by the Lesage Administration have been in the field of education. There has long been great dissatisfaction among French Canadians of many groups and classes with the French

Catholic system of education in Quebec, which is still completely under the control of the Roman Catholic Church. It has long been apparent that, whatever its merits may have been in the past, it is not training young French Canadians in an adequate fashion to play their role in the modern industrial civilization which has sprung up in the Province during the past three decades. This is particularly true of the Collèges Classiques for the education of boys and young men, which are run by religious orders and which, together with the University of Montreal and Laval University in Quebec City, have been the chief institutions of higher learning in the Province. In the past, the courses which have been given in these institutions have centred on the Greek and Latin classics and on philosophy and theology and have tended to neglect the natural and social sciences. The French-speaking system of primary education in the Province is also in need of great improvement, especially when one remembers that compulsory education was only introduced into Quebec as recently as the year 1943 by Duplessis's predecessor as Premier, Adélard Godbout.

The Lesage Administration has been trying to make up for lost time in this field. It has passed legislation by which the school-leaving age in the Province has been raised and by which education in the Province will in the future be free for all French Canadians from the primary school to the university. The salaries of the teachers in the Catholic French Primary Schools, particularly in the rural regions of the Province, are being raised. In other words, the Lesage Administration is trying to make the benefits of higher education available to all groups of French Canadians, irrespective of income and social status, instead of limiting it to small groups of richer people as has been the case in this region of Canada in the past.

In this field of education some French Canadian intellectuals want to go beyond even the reforms which are being initiated by the Lesage Administration. A group has come into being in the city of Montreal called "Le Mouvement Laïque", which favours the complete divorce of education in the Province from the Roman Catholic Church and the establishment of a purely secular school system in the Province, which would offer French Canadians a choice between secular and Roman Catholic denominational schools. In view of the iron control which the Roman Catholic Church has exercised over education in French Canada during the past three centuries, the truly revolutionary character of these proposals may be grasped.

Province and Federation

ANOTHER field in which marked changes have taken place since the death of Duplessis is that of relations between the Quebec Government and the Federal Administration in Ottawa. As is well known, the relations between the Duplessis Administration and the successive administrations at Ottawa between 1945 and 1959 were strained in the extreme, since Duplessis always posed as the champion of the autonomy of Quebec and the rights of the French Canadians against the sinister centralizing designs of Ottawa. Now new signs of co-operation between these two governments are visible.

The Quebec Government has agreed to work with the other Provinces and the Federal Government in the completion of the Trans-Canada Highway project. The Lesage Administration has recently instituted a State Hospital Insurance Scheme in the Province, which closely resembles those in operation in some of the other Provinces and which is in accordance with the plans worked out by the Federal Government in Ottawa for the establishment of a National Health and Hospital Services Plan. But the most important field in which this new spirit of co-operation has been visible is in connexion with the vexed question of the "repatriation" of the Canadian Constitution and the future procedures to be used by the Federal Government and the Provinces in the amending of the British North America Act. During the past year a series of conferences have been held between representatives of the Provinces and the representatives of the Federal Government to discuss this question, and plans have been worked out for establishing a constitutional procedure for amending the British North America Act by the Provinces and the Federal Government without reference to London, by which the rights of the Provinces, especially in those fields which are vitally important to French Canadians of education and language rights, will be adequately safeguarded. Although this new plan has not yet received the approval of the Provincial Legislature, or of the Dominion Parliament, the chances for its ultimate adoption seem to be fairly bright at the present time.

But in spite of this new attitude of amity towards Ottawa, Mr. Lesage also poses as a French Canadian nationalist and a champion of the autonomy of Quebec. He has made it clear recently that he is not satisfied with the present division of taxing powers between the Federal Government and the Provinces, and that he feels that Quebec should have a greater share of the Federal revenue which comes into Ottawa. He also feels that his fellow French Canadians should have a much greater share in the industrial and economic development of their native Province. The significance of this attitude may be grasped when it is realized that today the great majority of the financial institutions and the industries of the Province of Quebec are not under French Canadian, but English Canadian, European and American control. This is one of the causes of the revival of extremist French-Canadian nationalist agitation in the Province, which will be discussed later. Mr. Lesage is particularly interested in the development of the secondary industries of the Province, so that such rich raw materials as iron ore will be processed in the Province instead of being exported southwards across the international boundary to the steel mills in the Eastern United States to be refined there. This again is a great contrast to the attitude and the policies of the Duplessis Administration with regard to this question. Duplessis gave over vast tracts of valuable mineral lands in northern Quebec to the uncontrolled exploitation of great American corporations such as the United States Steel Corporation and Kennecott Copper Corporation. Mr. Lesage wants French Canadians to invest on a much larger scale in the industries of their own Province. This question has come up recently in connexion with the discussion of the creation of a fully integrated steel industry in the province of Quebec. Mr. Lesage has introduced a Bill in the present session of the

Quebec Legislation for the creation of a corporation by which financial aid will be given for the setting up of new industries with French Canadian capital. The Government here is faced with the problem that the capital resources of the French Canadian banks and other financial institutions in the Province are too limited at the present time to make possible the development of such an ambitious programme without a great deal of direct aid on the part of the provincial government.

Nationalist Associations

NEW difficulties and problems have been created for the Lesage Administration by the revival in Quebec of the French Canadian nationalism and separatism which flourished in this region of Canada in the decade of the nineteen-thirties and which helped to bring Duplessis to power originally in the year 1936. A number of nationalist associations have been formed during the past year in Montreal which are trying to extend their membership and influence over the whole Province. There is the Alliance Laurentienne, which is headed by Raymond Barbeau, a member of the staff of L'École des Hautes Études Commerciales in Montreal, and there is also Le Rassemblement Pour L'Indépendance Nationale, which is headed by Marcel Chaput, a scientist and former member of the staff of the Defence Research Council of the Canadian Government in Ottawa, who was recently suspended from his post because of his political activities in support of the Nationalist Movement, and afterwards resigned. Then there is the left-wing separatist association in Montreal with the title of L'Action Sociale Pour L'Indépendance du Québec, headed by Raoul Roy. Both Mr. Barbeau and Mr. Chaput have recently published books in French in Montreal entitled respectively *J'ai Choisi L'Indépendance* and *Pourquoi Je Suis Séparatiste*, which outline the aims of their respective movements. Both of these books, which appeared in 1961, have already had a wide circulation in many regions of the Province and have received extensive comment in both the French- and the English-language press. Although they differ in details, the attitude of both these writers on the question of the relations of the Province of Quebec with the Federal Government in Ottawa, and with English-speaking Canada, is basically similar. According to them, Canada today is not one nation but two and the two races are just as far apart in most essentials today as they were two centuries ago at the time of the conquest in 1763. Neither of these men can see any future for French Canadian civilization or institutions in the Canadian Confederation in the form in which it exists at the present time. They maintain that the only possible way of preserving this civilization, in a predominantly English-speaking and Anglo-Saxon North America, is for the Province of Quebec to break all its ties with the Federal Government in Ottawa, and with the other Provinces, and form an independent French State in the Valley of the Saint Lawrence. Both writers claim that Quebec today has all the attributes of an independent sovereign State, including its own distinctive language and culture, a population of over 3 millions, and a well-developed industrial and economic structure.

Both writers analyse in detail the many grievances of the French Canadians

against the English Canadian majority group in Canada and against the Federal Government in Ottawa. There is no need to discuss most of these arguments in detail here, since most of these grievances are familiar and long-standing ones which date back to the early period of English rule in Canada in the nineteenth century, before Confederation. They claim that bilingualism has always been a complete farce in Canada as far as the English Canadians are concerned, that the language and the educational rights of the French Canadians have been continually disregarded and violated both by the Federal Government and by the governments of the English-speaking Provinces. They claim that even in the Province of Quebec the French language is in peril, because English has become to such a large extent the language of business and industry there. They also maintain that none of the Administrations which have been in power in Ottawa since 1867, whether Liberal or Conservative, has ever had sufficient regard for the interests of the French Canadians and of the Province of Quebec in the framing of national policies. They also claim that, if the present situation is allowed to continue in Canada, the forces of anglicization and americanization are so strong today that the French Canadians will eventually lose their language and their culture, and their identity as a minority group, and will suffer the fate of the French in the State of Louisiana.

Both these writers somewhat naïvely assume that the English Canadians and the Federal Government would not oppose this attempt to set up an independent State in eastern Canada, in spite of the fact that it would mean the physical separation of the Maritime Provinces and the regions of Canada along the Atlantic coast from Ontario and the western provinces. Both Mr. Barbeau and Mr. Chaput are somewhat vague as to the exact form which this future State would take. But Mr. Barbeau's thinking shows a reactionary corporatist tinge. He advocates the creation of a series of councils or chambers in which the interests of management, labour and agriculture and other groups would be represented and which would replace the Legislative Council or Upper Chamber of the Quebec Legislature.

L'Action Socialiste Pour L'Indépendance du Québec, on the other hand, is much more to the left in its general approach to this question. It calls for a programme of social reform in the provincial field which in many respects resembles the programme put forward recently by the New Democratic Party in English Canada. Significantly enough, it also advocates the creation of a completely secular system of education in the Province.

Partisanship Disclaimed

THUS far both Mr. Barbeau and Mr. Chaput have maintained that their movements are non-partisan and non-political, and they do not intend to enter candidates in the Federal or the provincial political fields in the near future. Nevertheless, it is quite certain that some of the members of the Liberal and the Union Nationale parties in Quebec City and some of the Liberal and Progressive-Conservative representatives from the Province of Quebec in the Federal House are in sympathy with some, although not all, the features of their programme.

Now there is nothing particularly new about the list of grievances which these writers have brought forward against the Federal Government and the English Canadians. As has been said, these have been aired in French Canada ever since the beginning of the nineteenth century and they have formed the stock-in-trade of the previous nationalist movements in the Province, particularly those associated with Henri Bourassa in the period leading up to the First World War, and with the historian Chanoine Lionel Groulx in the decades of the nineteen-twenties and thirties. This in spite of the fact that both Chaput and Barbeau are strongly at variance with Bourassa in their views on the impossibility of creating a Canadian nationality which will bring about some type of synthesis of the two national cultures. But there are several features which differentiate this movement from its predecessors. One of these is the fact that neither Barbeau nor Chaput seems to be particularly concerned about the fate of their French Canadian compatriots in the other Provinces and particularly in Ontario and New Brunswick, where the French-speaking minorities have been growing in numbers and influence in recent years. These two writers apparently regard these groups as being doomed to eventual complete anglicization. Both of them make the somewhat naïve suggestion that when the new French State is completely established it should make efforts to repatriate the French Canadians dwelling in other regions of Canada and bring them back to their native province.

Another feature of this movement which is new in French Canada is its almost completely secular origin and character. Certain members of the local Roman Catholic clergy, such as the Chanoine Lionel Groulx, played a leading role in the nationalist movements of the nineteen-thirties, but thus far few parish priests or religious seem to be giving the movements led by Messrs. Chaput and Barbeau much open and active support. Indeed, the leaders of the Roman Catholic Church in the Province seem to be reluctant to discuss the movement in public or to take any definite stand for or against it.

The most glaring weakness in the arguments put forward by these men in support of this movement is certainly in the economic field. An economically self-sufficient French State in Eastern Canada would certainly be quite out of the question when the economic ties which bind the Province of Quebec to the other regions of Canada and the United States are much closer than they ever have been in the past. Both men talk vaguely of the expropriation of some of the larger of the English- and American-controlled industries in the Province for the benefit of the French Canadians, but they fail to deal with the practical obstacles which bar such a course of action. It is hardly likely that the great American corporations such as International Paper, Johns-Manville Asbestos and the United States Steel, which control so much of industry in Quebec today, would allow their extensive holdings to be expropriated in this fashion without exerting strong and effective pressure against such a move in both Washington and Ottawa. It is, of course, almost impossible to assess the exact amount of support which this movement has at the present time in the Province of Quebec beyond the ranks of university students and frustrated nationalist intellectuals. The movement has not received the official backing of any of the important and influential French

Canadian national associations and societies such as La Société Jean Baptiste. Both the Quebec Federation of Labour and La Confédération des Syndicats Nationaux, which represent the ranks of organized labour in the Province, have refused to give the movement their official encouragement. But what is disturbing is the fact that few prominent figures in the political or ecclesiastical life of French Canada have thus far publicly attacked the movement and pointed out its dangers for the future both of the Province of Quebec and of Canada as a whole. An exception here is Marcel Trudel, Professor of History at Laval University in Quebec City. However, there are undoubtedly many French Canadians of every type of social background who, while they realize that this movement is completely impractical and visionary in its aims, yet give it a certain amount of tacit support because of its nuisance value in awakening the English Canadians in the other Provinces to the reality of their long-felt grievances. And it must be emphasized that many of the grievances of Messrs. Chaput and Barbeau against the Federal Government and against English Canada have a great deal of justification. Even although English-French relations in Canada have considerably improved during the past fifteen years, particularly in the cultural field, yet there is a great deal of ignorance of French Canadian civilization and the attitudes of the French Canadians on national problems and questions in almost every region of English Canada from Newfoundland to British Columbia. This is most apparent in the city of Montreal, the community in Canada where the two races come into the closest contact. The wealthy English-speaking oligarchy there obstinately refuse to learn a word of the French language, know nothing of French Canadians' recent achievements in the cultural realm and tend to look down on the French Canadian with the type of haughty and arrogant condescension that was typical of the attitude of European garrisons in African and Asian colonial territories in the nineteenth century, towards the native populations in these regions of the globe. And it is this English Canadian attitude which has contributed greatly towards the rise of this new nationalist movement in Quebec.

Federal Elections

BUT there is no doubt that this new movement is going to create difficulties for the Progressive-Conservatives in the approaching Federal elections and is already creating difficulties for Mr. Lesage and the Liberals in the Province. As we have seen, Mr. Lesage while posing as a defender of the autonomy of the Province of Quebec has been trying to hold these forces of nationalism and separatism in check; but if the agitation conducted by Messrs. Barbeau and Chaput grows in strength they may eventually succeed in forcing his hand.

In the meantime Mr. Lesage is facing hidden opposition from other groups in the Province. It is definitely known that there is a cleavage in the Roman Catholic hierarchy in the Province in the attitude of its members towards the social-reform programme of the Lesage Administration. Some of the Catholic bishops, particularly in the rural regions of the Province, feel that the Lesage Administration has been advancing too fast, particularly in the important

realm of education. They feel that dangerous secularizing trends are at work in the Quebec educational system today and will eventually be very harmful to the position of the Roman Catholic Church in French Canada. However, the more progressive elements in the hierarchy, led by Cardinal Léger of Montreal, have tended to support most of the reforms of the Lesage Administration, partly because they realize that they are inevitable and cannot be opposed with any success by the Roman Catholic Church, and it is probable that it is the views of this latter group within the Church on social policy that will prevail.

Even although Mr. Lesage's majority in the Legislature is not large, he does not seem to have much to fear from the Union Nationale at the present time. This party is still divided by internal rifts. Mr. Johnson's criticisms of the Federal programme have been mostly of a purely negative type from the nationalist standpoint, and the Union Nationale fails to suggest alternative solutions for Quebec's social problem.

Thus it will be seen that the general political and intellectual picture today in French Canada is very confused. There are many contradictory influences at work and it is very difficult to predict the future course of developments in the Province during the next few years. As we have seen, there is one set of influences at work in Quebec today which seeks to isolate French Canadians from their English-speaking compatriots and to preserve that "Chinese Wall" around the Province which has done so much to hamper and retard cultural and social progress there in the past. And there is another set of influences at work which is bringing French Canadians into closer contact with social and intellectual movements in English-speaking Canada and Europe.

As between the two, it remains to add that there is good ground for hoping, and believing, that the future lies with the second.

Canada,

May 1962.

AMERICA'S GRAND DESIGN

THE COMMUNITY OF INDEPENDENT NATIONS

A REASONABLY senior observer cannot remember any time when the purposes and hopes of the Government with respect to the role of the United States in the world have been better defined, and when policy-making and planning have been more assiduously related to those purposes and hopes, than is now the case. Defined purposes and relevant planning do not, of course, guarantee attainment. (It is not meant to cavil, but a prudent restraint is always indicated in such matters.) It will perhaps be agreed, however, that they heighten the possibility of attainment, and that is enough to justify gratification for what is being tried and some optimism as to the outcome.

What has been formulated is nothing less than a Grand Design. It has even been called that, consciously, perhaps a little self-consciously. Its nature and its scope can best be grasped if its principal elements are shown in summary at once, subject to a good deal of amplification further on. A summary simply does not do justice, and judgement on the merits should not be passed summarily. Here, then, are those principal elements:

The strengthening of the bonds of association among the more industrialized Free Nations, which mainly lie in the northern half of the world.

Long-term association of the United States with the developing nations of Latin America, Africa, the Middle East, and Asia.

The building not only by the United States but by all the northern industrial nations, in co-operation, of a new, expanded partnership with the developing nations.

A gradual drawing together of all men into the community of independent nations. This purpose certainly includes satellites of today which keep alive an aspiration for national independence.

The language used above is largely that of Secretary of State Dean Rusk, a fact which has a point to it. Secretary Rusk and other high officials of the Kennedy Administration have been talking about this design for months, beginning well before the end of last year. For some reason they have had extraordinary difficulty in making it register with this American public, let alone with leaders and peoples elsewhere in the world, who are declared by the terms of the design itself to have a substantial stake in it and ought to catch on without needing too much telling. One reason it has not registered at home lies in its scope. To the extent that it has been reported at all it has been reported in bits and pieces. There seems to have been a conspiracy of opinion that anything said to be so important must by its very nature be dull. As a result, what should be a statement of goals as exciting as any American Government has signaled within modern memory has been judged to be, at best, a pious expression of rather impractical hopes.

It is also true that the man who could give to the design its fullest measure of excitement and inspiration by reason of his official prestige and personal gift of eloquence, President Kennedy, has been slow to address himself to it.

Whether he will have done so between the time this is written and the time it is published is a matter of conjecture; so much the better if he does. Certainly however, he let many opportunities pass during a matter of months.

A Treatise on National Policy

HIS lagging may have been partly attributable to a concern for bureaucratic procedure not compatible in spirit with the nature of the design. As a definition of the Kennedy Administration's goals in the world, the design nevertheless seems to be subject to "approval" as part of an ever broader "paper", in this instance a National Security Council Paper. One cannot be sure unless the President takes the unusual step of saying so. NSC papers are secret, and this one is super-secret. (Obviously, the roof might fall in if it leaked out that the United States had intentions of strengthening its associations with Western Europe and Japan.) This is probably the Kennedy version of what, in any administration, is a paper to lord it over all other papers, a treatise on national policy, an encyclopedia, dictionary and operating manual for policy-makers. It involves military strategy and fiscal policy and all sorts of things, must not be talked about, and is almost never visible to outsiders even as a physical exhibit. But Secretary Rusk began talking last December about that part of it which is being dealt with in this piece, and has repeated his references in detail several times since. It has been talked about by McGeorge Bundy, special assistant to the President for National Security Affairs. It has been talked about by Walt Whitman Rostow, who moved from a desk next to Bundy's to become chairman of the Policy Planning Council of the Department of State. Rostow is in effect the editor in chief of this monumental NSC paper, and with particular respect to the Grand Design, no doubt a contributing author of prime importance as well. Apart from the major expositions of the theme by Rusk, Bundy and Rostow, there have been manifold references to it by other, lesser officials. The experienced ear begins to catch identities of language being repeated throughout the upper echelons of the Government, which is a sure sign that a matrix for policy utterance has been established.

An American thinking on this Grand Design finds his mind turning again and again to two propositions which are not included in the revealed version.

First, this is not and cannot be a United States plan. If its intended meaning is to be fulfilled, it must find concurrent endorsement by some scores of nations—roughly, all the free and independent nations there are, and some that at the moment are not enjoying those blessings. This is rather a large fact to try to handle. It means, in effect, that the Kennedy Administration is attempting to formulate not simply a framework for its own actions, but one for the actions of a dizzying array of sovereign Governments. This is where "leadership" is leading. Of the four main elements presented at the beginning, no one is within reach or realization by the United States alone. But far from being discouraging, this circumstance is all the more exciting and promising because concurrent endorsement and concurrent action by the other nations certainly seem to lie within the realm of possibilities. They are possible because of the circumstances supporting the second proposition.

That second proposition is that many of the things the Kennedy Administration wishes to see happen in the achievement of its Grand Design seem to be happening already, and seem to be happening partly by reason of natural forces at work in the world today. In other words, some progress would seem to be inevitable even if President Kennedy and Walt Rostow did not try to draw specifications for the future in a big secret book. Some things are happening because the United States Government is helping to cause them to happen, like co-ordination of interest rates. Others are happening by the spontaneous combustion of ideas soaked with necessities and opportunities, like the Association of South-East Asia.

Indeed, it is doubtful whether in the United States at least there is anything like a real understanding of the extent to which association, partnership, co-operation—the process of coalescence of what had been regarded as separate and even disparate societies—has already occurred in this world and is continuing to occur. But at least one high (not first-echelon) official of the Kennedy Administration has ventured the opinion that it has already gone so far that no economic or political action by an (external) opposition could stop it, let alone reverse it. The Kennedy Administration may understandably be thinking of its design as something new. Its hopes ought to be strengthened as it perceives how much self-contained momentum is already working for its purposes.

A Speech by the Secretary of State

SUCH a resource is not likely to escape Rostow's attention for long. While his talents as an economic historian and a student of growth are internationally known, he is sensitive to any suspicion that he never gets outside his ivory tower. He is fond of reminding people that he was a soldier during the Second World War, an operational planner for the British-based air assaults on Europe, and that as an operational planner he took into account such practical matters as flak, and cloud cover, and no doubt the technological assets of his flying machines. One is encouraged to assume that he is engaged in operational planning of equivalent practicality, not simply doodling tomorrows, in his present post in the Department of State.

Pending the unlikely official publication of the Grand Design portions of the national policy paper, there are no better reference materials on the subject than the formal speeches which have been made on it. These include a speech by Rusk before the American Historical Association in Washington on December 30, 1961; another by Rusk at Davidson College in North Carolina on February 22, 1962, and one by Rostow at Purdue University in Indiana on March 15, 1962. From them may be drawn amplification of the summary statement of basic elements in the design.

First: the stronger association within the industrialized northern community of nations. The United States proposes to adjust its affairs to the massive fact of Europe's movement toward unity. The aim is to develop a new partnership in military affairs, in sustained assistance to the underdeveloped areas, in trade, in managing the monetary problems connected with the quest for economic stability, and in the major issues of international

politics. The President's new trade program is part of this process of adjustment. It is not intended to join the European Common Market. The relationship would be one of partnership. NATO and the OECD are active instruments of that partnership. The United States being a Pacific as well as an Atlantic power, this part of the design includes closer association with friends in the Pacific, notably, of course, Japan.

Secondly: building a long-term association of the United States with developing nations in the southern hemisphere. This is an intent to work with a great revolutionary process. It recognizes a determination on the part of those nations to modernize their economic, social and political life, in their own way, in their own time and in accordance with their own history and aspirations. Fundamental changes will continue through this generation and beyond. Colonialism will complete its passage from the scene. Political and social power will complete its passage from the hands of the few to the hands of the many. New generations of men and women will assert new ambitions for themselves and for their nations, and insist upon the right to political responsibility. The process will surely be accompanied by some upheavals. With the virtue of independence in mind, the United States will seek to help to frustrate any effort to exploit the process to the end of installing totalitarian authority. The United States is undertaking to further this part of its design by its policy in the Organization of American States, by its foreign aid, by the operations of the Peace Corps, by the Alliance for Progress.

Two Ties of Partnership

THIRDLY: the partnership of the northern partnership (to put it one way) with the developing nations. It must be said that none of the formal expositions has succeeded in stating this in any way but awkwardly. It is necessary to review the steps: first, the United States develops its partnership with the industrial north; secondly: with the underdeveloped south; then the two partnerships become partners. It is not meant to suggest that these succeed each other in time; the succession is only rhetorical. The aim has been described as a free-world partnership among equals. One aspect is suggested by reference to the aid provided toward achievement of this goal by the transformation from colonialism to independence within the British Commonwealth and the French Community. Examples of such partnership of partnerships, always cited in the official expositions, are the concerts of several Governments in economic assistance to India, Pakistan, Tanganyika, Nigeria, Brazil and Bolivia. The OECD, the World Bank, the Colombo Plan and other instruments of international collaboration are, it is noted, already at work, and in conjunction with individual Governments will extend their efforts.

It is not meant that this should be only technical and economic partnership, but rather that it should include politics and, in fact, a wide range of human activities in scientific, cultural, medical and civic affairs. It is asserted that the ties between the people of the developed and the less developed nations are already becoming stronger. It is conceded that some differences

of view exist, including those arising from the colonial past. But it is at least premised that these are outweighed by a common interest in peace, independence and—a key Rusk phrase—“free choice.”

Fourthly: “Our policy,” said Secretary Rusk, “is gradually to draw all men into the community of independent nations.” That, of course, is the ultimate, comprehensive, goal of the Grand Design. In stating it, the Kennedy Administration postulates not only the normal difficulties of human progress, but an enemy: Communism as a creed and a system of international power dedicated in deadly earnest to the destruction of national independence and human freedom. The existence of such a postulate calls into being a policy of counter-measures to the whole spectrum of aggressive expansion, counter-measures from guerrilla battles to the nuclear deterrent. It generates also a policy of effective competition in the method of organizing societies, summed up as demonstrating that human and national aspirations can better be met under the banners of free choice and interdependence. The foregoing language is almost straight Rusk, and it may be noted that in this part of his exposition he comes to the point of carrying independence a further step, into a system of interdependence.

The fourth point of the design also asserts the premise that the idea of national independence is alive within the Communist block, that its peoples live in nations as well as in the Communist system, that their historic interests and cultures persist beneath the surface of forced conformity. It is perfectly clear that Rusk believes this to be a fact upon which much can be built. In dwelling upon it, he in effect marks the place the “liberation” policy of the early Eisenhower-Dulles period has come to in the Kennedy Administration. Rusk is convinced that the loyalty of Germans and East Europeans to their nationhood, their culture and their hopes for independence will outlast any wall and any régime imposed by external force. He believes that the cultural heritage of the mainland Chinese will survive the assault upon it by the policies of the existing régime. It is quite evident that Rusk does not expect the Communist system to fall apart tomorrow. Incorporated, by omission of any reference to it, is evidence that he does not propose to devise any active intervention to change internal conditions in Communist countries. He does suggest that in some instances there is an overlap of authentic interests between the free world and a Communist State, and that it shall be a matter of policy to seek areas of agreement and even of common action within that overlap. Co-operation with the Soviet Union in peaceful activities in space is an example of worthy dimensions.

One thing lies within the consciousness of the Kennedy Administration as it seeks the fulfilment of this design. It seems so commonplace as to deserve being left unsaid, and it is not said explicitly in any of the formal expositions, but it does not claim much attention and so may be said. It is that the United States, in the role in which history has cast it at this time, is actually in a unique position. It cannot impose its will. It can articulate its best wishes for the world, but despite the petitions of which it is the object, which in some cases amount almost to exactions, it cannot make anybody do anything. The Kennedy Administration is at least partly aware that no nation holding

a comparable position toward the rest of the world in the past ever found itself limited so fully to reason and persuasion as instruments of leadership.

Altruistic Motive

THE most concise example of the way in which the United States is going about the realization of its design probably lies in its performance in the Organization for Economic Co-operation and Development. There it furthers its association with the industrial north. There it seeks to extend the activities of that partnership in promoting progress in underdeveloped countries to the south. Through the channels OECD offers to the nations of the British Commonwealth and the French Community, the United States carries on part of its effort to establish its own strong associations with Africa, the Middle East, and Asia, concurrently with a generally separate effort to improve its traditional association with Latin America. There—in the OECD—it finds one of the strongest instruments for the work of development in all fields which, it is hoped, will accelerate the preparation of new nations for their part in the community of independent . . . and interdependent . . . nations. There, it may be added, it has established a connexion for Japan in Europe, or perhaps it could better be said, in the Atlantic basin. In the OECD, not yet officially a year old, the United States has gone to extraordinary lengths to make itself useful and to make the OECD useful. It has sent a steady stream of its high officials to OECD meetings, and assigned distinguished men to permanent roles there. It is developing a supporting organization of high quality and driving energy in Washington. It has put forward significant initiatives—the growth goal for the OECD as a group, the critical confrontation of development programs, the pilot exercise in the “coordinating committee” method of concentrating and rationalizing multinational donor efforts in individual recipient countries, and the proposed establishment of a Development Center, as a meeting place in Paris for the skills and resources of the OECD countries with the talents and potential talents of the developing countries.

The Grand Design will become just another dream unless the United States pitches in with the immeasurable requirements of energy, imagination, intellectual resource, physical output and diplomacy. The extent to which this is already being done in the OECD—an operation, by the way, which is almost out of sight of the American public—gives hope that it will try as hard on the rest of the task.

It can honestly be said that no one seems to be asking what there is in it for the United States. The reason for all this activity was briefly stated by Rusk at the end of his speech at Davidson, from which he graduated: “Our main lines of policy are open for all to judge and to debate. It looks to the spread throughout the world of the principles of independence and liberty on which this nation and this society have been erected.”

United States of America,
May 1962.

FAILURE OF A FEDERATION

CAUSES OF BREAKDOWN IN THE WEST INDIES

MANY West Indians themselves, and innumerable men and women in the United Kingdom, Canada, the U.S.A., and elsewhere, who love the West Indian islands and their people, have been deeply distressed over the breakdown of the West Indian Federation.

In the House of Commons recently, deep regret was expressed by all political parties during the debate on the West Indies Bill, and at the opening of the debate the Colonial Secretary, Mr. Reginald Maudling said, “This is not a Bill that any Secretary of State could propose to the House with pleasure. It marks the end of an experiment in government, in which many of us placed high hopes.”

To understand one must look at the background of the people of the West Indies, the early history of the West Indies Federation, which was entered into with such high hopes and goodwill, and after years of study, discussions and conferences. Were vital mistakes made at the inception of the Federation, or possibly even earlier, and what of the future? Failure was inevitable after the result of the Jamaica Referendum in September last year, when the people decided by a 35,535 majority, with only a 60 per cent poll, that they wished to pull out from the Federation, and achieve independence alone.

The Background to Federation

THE people of the West Indies are a fascinating mixture of every race, colour, class and creed. By far the greatest number are of African descent, but Trinidad and British Guiana have large numbers of East Indians, brought in after the abolition of slavery as indentured labour, and British, Portuguese, Syrian, Chinese, French and Spanish, and Carib Indians have all contributed to the West Indian population.

For longer than most people realize, in fact since 1922, it has been the view of successive British Governments that Federation of the West Indies should be brought about, but that this could only be done with the concurrence of the majority of the inhabitants of the territories concerned.

Why, with their background of education and culture, was nationalism not the urgent matter which it is in the African colonies? Why did the demands for self-government not come sooner? The reason is mainly because of the insular habit of mind natural to islanders, which has always stood in the way of closer relations between the different units. The islands, in addition to having their collective population of 3,153,000 very unequally divided, suffer from two grave disadvantages, one physical, and one traditional. They are widely dispersed over the Caribbean, Jamaica being over 1,000 miles to the west of the Eastern Caribbean, which stretches northwards from Trinidad to St. Kitts for a distance of over 500 miles. On the

traditional side, they have had a long history of separate governments and resultant insularism.

As a result of these two factors, there has been little to link the ordinary people of the territories together, and even in racial make-up each island shows some variation. Under Colonial Office rule, each of the units was kept quite separate, with different governors, legislatures, taxation, economic development. Was this the earliest mistake of all, and the reason why Federation failed, because when we did have the power over the different areas, under Crown Colony Government, we kept them apart, rather than try to bring them closer together?

Gradually though, since the war, and during it, popular opinion was influenced towards a closer association by a number of factors. There were the common difficulties faced by the West Indies during the war, there were institutions for the whole area, such as the Imperial College of Tropical Agriculture in Trinidad, founded as early as 1924, and the University College of the West Indies, started in Jamaica after the war. The University has taught the young West Indians from all the territories the meaning of West Indian nationhood as apart from local patriotism, and the tragedy is that this feeling could not have been more widespread.

The idea slowly spread among the people of the West Indies that the linking together of the islands would improve efficiency, and inter-island trade, through the establishment of a Customs Union and unification of some branches of the Civil Service.

The Montego Bay Conference

ALL this led up to the famous Montego Bay Conference, held in Jamaica in 1947, and very ably presided over by the then Secretary of State for the Colonies, Mr. Arthur Creech Jones. The various points for a closer association were all discussed; representatives from all the territories attended, including British Guiana and British Honduras. Here it may make the picture clearer to have a table of the exact population in each territory, which emphasizes the difficulties that beset the smaller units now that Federation has failed.

Jamaica	1,651,000	St. Vincent	82,000
Trinidad and Tobago	801,000	Dominica	67,000
Barbados	238,000	St. Kitts, Nevis, Anguilla	59,000
St. Lucia	92,000	Montserrat	14,000
Grenada	92,000	Antigua	56,000

On the mainland in Central America,

British Honduras 85,600

In South America,

British Guiana 540,000

Why had all these representatives from the various units come with such enthusiasm and interest to that first conference? It was not only that the

leaders of the various territories felt that the time had come for closer consultation and association between the territories: it was because the individual units felt that alone they themselves could never become fully independent. Here was the beginning of national feeling and unity, which sadly enough was not fostered and nurtured as it should have been, when the actual Federation of the West Indies came into being. It seemed then, that the only way for them to reach a viable status was by coming together in some form of Federation, and thereby securing Dominion status.

After this conference in 1947 various committees were set up, to which British Honduras and British Guiana sent observers, but these two countries did not change from their original decision to stay out of the Federation. One of the most important committees was that of Sir Hubert Rance, which was set up in Barbados to discuss the Closer Association of the West Indies. Much time and thought and help was given by the Colonial Office, politicians and others who wished the West Indies well throughout this formative period. The Rance Report was published in 1950 and stated that there is a general desire "to seek the shortest path towards real political independence for the British peoples of the Region, within the framework of the British Commonwealth.

"There is general agreement that this object cannot be attained without some form of Federal Association between the territories concerned."

This was followed by a conference in London in 1953, and a full draft of the Federal Constitution was drawn up and put before the London Conference of February 1956. Mr. Alan Lennox-Boyd, now Lord Boyd of Merton, presided. The Federation of the West Indies finally came into being in 1958. It is unnecessary here to go into all the details of the Federal set-up, the Legislature, the Judiciary, &c., but should we perhaps look among the decisions taken during the period of discussion and conference for the causes that led to the ultimate failure of the great adventure on which the West Indian people had set out?

One of the most vital and probably the most disastrous decisions taken was that there should *not* be dual membership of the Federal and local island Legislatures. Were there really enough West Indian leaders with real political experience, character and personality, to man both the Federal and Island Legislatures? This especially in islands where the personality of the politician is of such tremendous importance.

West Indian Personalities

IN Jamaica the two great political leaders since the first general election under universal suffrage in 1944 have been, and are, Mr. Norman Manley, Q.C., Premier of Jamaica when Federation came into being in 1958, and Sir Alexander Bustamante, his cousin, the winner of the first elections in 1944, and now in office again after the recent elections in April.

Mr. Manley is well known to the British public with his excellent interviews on television, and frequent visits to Britain while he has been Premier. He is the leader of the People's National Party, the more radical of the two

political parties; but though an avowed Socialist, he has encouraged private enterprise and the flow of capital to Jamaica. He is a brilliant, distinguished, and dedicated West Indian. The fact that he felt he could not leave the Jamaica Legislature and his political party for the Federal Parliament in 1958 was most unfortunate, perhaps even disastrous. If there had been dual membership it is very likely he would have been Federal Prime Minister as well as Premier of Jamaica.

Sir Alexander Bustamante is also a very vivid personality, with great political instinct, beloved especially by the poorer people of Jamaica. He is the leader of the Jamaica Labour Party, believes in free enterprise, is very loyal to the British Crown. He and his party were strongly against Jamaica's remaining in the West Indies Federation.

In Trinidad Dr. Eric Williams is the outstanding political leader. His party is the People's National Movement, and he and his followers have had brilliant successes at the polls. Dr. Williams is also a Socialist, a brilliant, hard-working and determined politician. He also decided in 1958 not to stand for the Federal Legislature.

So the great adventure of the West Indies Federation was launched without having in the Federal Parliament the two outstanding Premiers and personalities of Jamaica and Trinidad, the two largest units of the Federation! With neither Mr. Manley nor Dr. Williams in the Federal Parliament, without doubt the obvious choice for Federal Prime Minister was Sir Grantley Adams. Sir Grantley is a most charming and distinguished West Indian, but perhaps without the strength of character and personality which was needed to hold the Federation together.

Added to this, was the appointment of Lord Hailes as Governor General really the right one? Everyone who knows the West Indies well, and has watched events since the inauguration of the Federation, will pay a tribute to Lord and Lady Hailes. They have done a tremendous job, worked very hard, showed a splendid understanding of the racial set-up in the West Indies; but all the same, how could they know the intricacies of West Indian politics, and the characters of the West Indian politicians they were dealing with? Was this the third mistake? Should Sir Hugh Foot, now one of our Ambassadors at the U.N., have been given the appointment. He had a great understanding and a great affection for the West Indies, and might have been better able to deal with the rivalries between Jamaica and Trinidad and the smaller units, or the Little Eight, as they are now being called?

In addition to this, there were other factors which certainly contributed to the breakdown of the Federation, and the fact that Jamaica seceded, to be followed by Trinidad, thereby making the Federation as founded in 1958 impossible to work.

With Jamaica 1,000 miles away from Trinidad, and with more than half the population of the entire Federation, surely there should have been enough foresight to give them either the Federal capital, or the Federal Prime Minister? As it was, the Federal capital was sited in Trinidad, and the Federal Prime Minister came from Barbados. With the insularity bred for centuries, the ordinary men and women in the street felt the Federation was

very remote from their everyday lives. The people of Jamaica wanted independence, and had agreed to come into the Federation, originally with some enthusiasm, but more and more they felt isolated. In a way the position was something like that of the United Nations today, where, because the U.N. building is in New York, the American people take a much greater interest in the day-to-day happenings there, and feel much closer to the work of the U.N. than do other nations, continents away from it.

There has always been a great deal of local patriotism in all the West Indian islands, but one of the mistakes made was that neither the Federal politicians nor the local Jamaican leaders really encouraged the people to think in a wider and more unselfish way about the real object of the West Indian Federation, which should have brought nationhood and independence to all the people in the units of the Federation. Jamaica took a short-sighted and selfish attitude. Her economy and development were booming, and she saw no reason to pay additional taxation to help the poorer islands.

The smaller units, the Little Eight, were obviously always greatly in favour of the Federal concept, for here was economic salvation and the possibility of nationhood.

In June 1961 the West Indies Constitutional Conference was concluded in London. This was to review the Federal Constitution of 1958, and to arrange for independence of the West Indies. It was a momentous conference. There was a wide divergence of opinion between the compact, strong Federal Government advocated by Trinidad, and the very loose Federal Association demanded by Jamaica.* Public opinion had meanwhile mounted in Jamaica, which resulted in the Referendum, and led Jamaica to pull out, to be followed by Trinidad later on.

Federations are obviously never easy to create: we need only look at the difficulties we face today in the Central African Federation.

The immense problems that faced the West Indian Federation should be realized clearly, whatever mistakes may have been made. There were the problems of distance and separation by sea, the conflicts of personality and island interests, the difficulties of freedom of movement and of trade, and rival methods of taxation. Above all, the spirit seemed to be lacking.

The Future

JAMAICA becomes an independent nation within the Commonwealth on August 6 this year. Much more than many already independent countries in the Commonwealth, Jamaica is well able to govern itself. There is an efficient Jamaican Civil Service, a strong two-party political system, a great many well-educated and cultured people, a booming economy, with revenue from bauxite added to agriculture, many new factories and industries, and a strong sense of Jamaican nationhood.

The colony of Trinidad and Tobago is making moves now for independence, and will also be viable like Jamaica. In fact the Independence

* But everything was done by all present at that conference to give Mr. Manley a good prospect of winning the Referendum.

Conference for Trinidad and Tobago started on May 30 in London, with the Colonial Secretary, and a delegation from Trinidad and Tobago. This Conference is to produce a Constitution and a date for Independence. Unfortunately the draft Constitution brought from Trinidad was not worked out with the Government and the Opposition working together in harmony, as was the case in Jamaica. There may be difficulties between Dr. Williams, the Premier, and Dr. Capildeo, the leader of the Opposition. Dr. Williams in his opening speech at the Conference emphasized two vital issues for the Independence Constitution: the first, "the survival of Democracy", and the second "the improvement of the material foundations of our Society".

What of the future of the Little Eight? A Conference took place in May in London with the Colonial Secretary, Mr. Maudling, and the Ministers and their advisers of the Little Eight. It was agreed that there should be a Federation of Barbados and the Windward and Leeward Islands, to be called the West Indies Federation, with its capital in Barbados. The form to be taken by both Federal and Unit Legislatures will be set out in a White paper, which will be referred to the Unit Governments for full discussion and approval, after an interval for full public discussion in the territories. This is most important, for the people themselves, from the ground up, must show real desire and decision to federate. Final decisions about the form of the new Federation and the date for Independence will be reached at a later date. The most important factor is that the new Federal Government, when it is set up, should be strong, in both political and economic matters. The problem remains whether the West Indies Federation of the Little Eight can be viable.

Agriculture is still the life blood of these islands. Tate & Lyle and Geest Industries have improved the sugar and banana industries, but the brightest hope is perhaps tourism. With the beauty of the beaches, scenery, and sea of Barbados and the Windward and Leeward Islands, why should they not build up a great tourist industry as has been done in the Bahamas and Bermuda?

The Colonial Development Corporation is already building three hotels in Antigua, Grenada, and St. Lucia. British, Canadian, and American capital, for the development of tourism in the new West Indies Federation to be, could make all the difference to the economy.

One can foresee in the future that the independent nations of Jamaica and Trinidad, and the Federation of the Little Eight, if this takes place, which seems nearly certain, will get together eventually of their own free will to form some kind of Union. These are a sensible people, and it must make sense for them to be one nation, perhaps joined by British Guiana and British Honduras.

It may not be too long before we see the West Indians themselves decide the time has come to become one nation, one people, with a great future lying ahead of them.

UNITED KINGDOM

MIXED RECEPTION FOR THE BUDGET

CONSERVATIVE leaders and party managers have no doubt at all that Mr. Selwyn Lloyd's economic policies in the last year have been the prime cause not only of this year's electoral discomfiture but also of some disquiet among most Conservative backbenchers in the Commons and party workers in the country. This is not to say that the policies have been disapproved of; quite the contrary. It is held that the condition of the patient last summer called for strong medicine, however nasty on the palate, to bring back full health. The criticism has been that the policies have not been well enough explained either to the Administration's supporters in Parliament or to the country. The force of this complaint has been tacitly admitted by Cabinet Ministers, and in the last few months there have been almost desperate efforts to explain in an abecedarian way why sterling must be defended, why inflation must be resisted, why home demand must be controlled, why exports must be increased and why personal incomes must be brought into a new relation with increases in production.

This was the background to Mr. Lloyd's second Budget, which has had an interestingly mixed reception. The Conservative backbenchers were well disposed to it, but leader-writers and commentators in newspapers that habitually support the Government were largely hostile. For their part, Conservative backbenchers especially warmed to the Chancellor of the Exchequer's promise that next year he would begin to remove Schedule A income tax from owner-occupiers—a victory for one of the most sustained party campaigns since 1951—and were also profoundly relieved that the capital gains tax, threatened a year before, turned out to be leniently limited to speculative gains. They also, in the main, approved Mr. Lloyd's caution in not giving the economy just yet a burst of the accelerator; and no doubt they privately thought that the Chancellor of the Exchequer is deliberately keeping some big boons in reserve for next year's Budget, which will have more relevance to the general election to come. The Conservative opinion-makers in the newspapers, however, tended to be eloquently critical of the failure to invest in a growth economy, especially in view of the likelihood that before the next Budget Britain will be on the point of entering the European Economic Community. They felt that Mr. Lloyd had done little more than tinker with one detail after another to produce a wholly neutral Budget when the need was for bold and imaginative economic leadership. The difference of opinion about what the economy needs just now arises, of course, from a difference in forecasting trends. The Chancellor of the Exchequer and the Cabinet believe that in the coming months there will be both a substantial increase in export opportunities, particularly in primary producing countries, and that there will be an accompanying boost in home demand attributable to the hire-purchase cycle. They have held, therefore, that it is

necessary still to be on guard against inflationary tendencies. (At the back of their thinking there must also be the reservation that they are arming themselves with another 10 per cent surcharge or rebate, which could be used in July or the autumn if home demand needed to be reduced or increased.)

Apart from the Chancellor of the Exchequer's underlying economic theory, the main interest in the Budget statement, and the Finance Bill that puts it into legislative form, has been concentrated on the speculative gains tax. This has been seen from the beginning as an act of social equity. Mr. Lloyd spoke of the widespread feeling in the country that it was inequitable that those who supplemented their income by speculative gains should escape tax on these gains, and he did not try to argue that the yield was his objective. The principle is that profits on the disposal of stocks, shares, securities, land and buildings, commodities, and interests or rights in such assets are to be taxed, with effect from Budget day, under Schedule D of income tax if they have been acquired and disposed of within a stated period of time. For interests in land and property on it the period is to be three years; for other assets, six months. Conservative backbenchers have learned from experience that new taxes once brought in tend to stay through all eternity, and also that the Treasury and Inland Revenue, bringing in a new tax, like to start leniently to feel their way; but they did not jib at this innovation because Mr. Lloyd avoided the abomination of retrospect and because he also made clear that speculative losses are to be an off-set to the speculative gains. Not to put too fine a point upon it, most Conservative backbenchers thought that the Chancellor of the Exchequer had taken good care to strike at the speculators with carefully retracted claws.

Another point of interest in the Budget was the decision to bring to an end last year's surcharge regulator but to stabilize indirect taxation at the level of last year's 10 per cent surcharge. This meant the consolidation of the ruling duties on football-pool betting and television advertising, and also ensured that there would be no change in the retail prices of such things as tobacco, alcoholic drinks, petrol and so on. The Budget also broadened the scope of Purchase Tax to include for the first time, at 15 per cent of wholesale value, sweets, chocolates, chocolate biscuits, soft drinks and ice cream. (Conservatives welcomed this move, but it was the one Budget resolution that the Opposition divided against.) None of these changes in indirect taxation altered the essentials: the Chancellor of the Exchequer had decided neither to add to nor to withdraw purchasing power. As he explained, the proposals as a whole were intended to consolidate a firm base for sound expansion.

Crucial Conference

THE significance of the calling together of the Commonwealth Prime Ministers in conference, on September 10 in London, is that by then the British Government hope to have got from the six countries of the Common Market a practical and fairly detailed plan for Britain's entry. Some details will remain to be settled, but the essentials, including the safeguards that are available for the Commonwealth, home agriculture and other members of the

European Free Trade Association, should be known. On this basis, then, Mr. Macmillan will be able to put Commonwealth opinion to the crucial test, and thus prepare a way for the Government's definitive decision whether to go into Europe.

There is no denying that all the signs are that the Government feel compelled to enter, unless the Six offer hopelessly unsatisfactory terms—and it happens that those engaged in the negotiation at the time of writing seem to have lost more of their confidence that the terms will be acceptable. The Government could not at any time initiate such a fundamental change in British policy without broadly reconciling the Commonwealth Governments to it, simply because the Commonwealth means so much in the thinking and the instincts of ordinary electors, not only on the Conservative side. With domestic political trends as they are, the Government will have to move with extreme caution; any strong outburst of protest from the Commonwealth would plunge the Government into trouble at home. It is largely a matter of guesswork, but just now the chances seem to be that the Europeans and the anti-Europeans on the Conservative side, in and out of Parliament, are roughly equal, but the overwhelming majority of the party are still uncommitted and could be swung either way when the crunch comes. At the best, this is not a very comfortable prospect for a Government who have suffered serious setbacks in by-elections and who are conscious of a loss of confidence among the Parliamentary rank and file.

If Mr. Macmillan secures broad acceptance of the decision to enter from the Commonwealth Prime Ministers, the next step will be the formal announcement to Parliament of the intention to sign the Treaty of Rome. This could come some time in October, before the present session of Parliament is prorogued, with a long debate in both Houses. Then, as the Government's provisional timetable envisages the possibilities, the Queen's Speech early in November would commit the Government to bringing in during next Session the first batch of Common Market Bills, which will probably deal with adjustments of Britain's agricultural arrangements, adjustments of innumerable economic arrangements, and the reconciliation of British law with Roman law. These would not be the only Bills necessary, but they would allow Britain formally to settle a date for entry—perhaps in mid-1963—and the remaining Bills could be brought in later, if necessary after the next general election.

All this serves to show that the pace of Britain's advance towards a decision is now increasing. Mr. Gaitskell and other Opposition leaders have recognized this, and after maintaining an official policy of non-commitment for the best part of a year they are now engaged in detailed studies as a preparation for fixing a party line. There are almost as many dangers for Labour in the decision as for the Government: the Common Market controversy has split Labour, just as much as the old defence policy dispute, with the difference that now the traditional right and left wings are thoroughly mixed up in a new set of alliances. Conservative strategists may hope that Labour's confusion will be a help to the Government if trouble breaks out in their own ranks.

The group of Conservative backbench anti-Marketeers also sense that the crunch is approaching quickly. Led by Sir Derek Walker-Smith, Q.C., Mr. Robin Turton (both former Ministers of Health), and Mr. Peter Walker, the most outstanding chairman of the Young Conservative movement since the war, they are preparing a considerable parliamentary campaign for the summer months and the autumn, and are also planning to alert Commonwealth politicians and businessmen to the fact that there is more than one view on Europeanism within the Conservative Party. Mr. Walker, for instance, intends to stump the Commonwealth during August with the set purpose of warning the Governments that if they fight for the best possible safeguards at the Prime Ministers' conference in September they will have the backing of much Conservative opinion.

Great Britain,
May 1962.

NORTHERN IRELAND

LORD BROOKEBOROUGH, on his Easter vacation in Greece, is said to have visited Delphi. But it is hardly likely that he had to consult the oracle as to a date for the general election. The pattern of events preceding his departure, including the absence of a Budget, pointed to his intention to dissolve Parliament on his return and to go to the country in June. By which time the Prime Minister, who bears lightly his 74 years of life and nearly 30 of office, will be in trim to face the electorate for the fifth time. That he will win once again is not in doubt, but he himself has named Labour as the enemy at the gate. Its challenge is indeed one to show whether Unionism is as proof against a new order of things in Belfast as it is against Nationalism elsewhere. In 1958 the Labour Party seized a foothold by capturing four city seats: its aim this time is to win eight and by so doing alter the face of Ulster politics. As well the Government stands to lose two seats previously forfeited by anti-partition, but now almost certain to revert to their former masters. It could, therefore, be returned with the lowest of all the majorities it has held since 1921. Yet even if it is there will be no question of a change of thinking on the constitution. Labour in Northern Ireland, for all the Roman Catholic support it attracts at the polls, is committed on this issue. Its further advance would be no more than the development of local politics on a basis other than that of Orange and Green, a not improbable result of forty years of devolution. How far such a division of the pro-British vote will influence the stability of the régime is something yet to be discovered. Unionists, with their historic singleness of mind, view it with misgiving.

As for its own record the Unionist Party has no cause to lack confidence. The ending of the five-year war carried on by the Irish Republican Army is but one vindication of its capacity for strong government. The attack on Northern Ireland was defeated by firm policing and the refusal of the civil

population to be drawn into conflict. Severely criticized as it has been from outside for its use of extraordinary powers, the Government today has peace to justify its policy, and the knowledge that if (as it still believes to be possible) lawlessness again breaks out the public will back it in every necessary act of security.

In domestic policy, too, no Labour complaint can gainsay the steady approach to social parity with Great Britain represented by a massive expenditure on housing, schools, hospitals, water, electricity and roads. Were it not for the fact that the economic problem remains unsolved and unemployment at a persistent level of 8 per cent there would be no manifest reason for an electoral swing. On this front also the Government has its successes, and within the past few weeks a promise from the British Government of further "exceptional measures", a term used by Unionist members in a motion at Westminster accepted by Mr. R. A. Butler. But these will not be defined until the joint Civil Service committee which is inquiring into the lag in the economy has reported.

Earlier Mr. Butler had spoken at the annual meeting of the Ulster Unionist Council, an occasion which set the seal on his reputation as the Home Secretary who has done most for Northern Ireland. This has been true of his initiative in industrial planning, his bold support for the maintenance of the border, and most recently his refusal to allow travel to and from Britain to be controlled as a concession to the opponents of the Commonwealth Immigration Act. With this evident goodwill he was well entitled to say, in a way that Conservative leaders who have found themselves on the same platform have too often failed to do, that unemployment will not be cured without greater competitiveness on the part of local manufacturers; that the farmers cannot always expect to be sheltered, and that entry into the Common Market will be in the national interest and will be a Treaty of, and not with, Rome. This was an amusing but timely rebuke to those Unionists who scent a Popish plot and who are too easily credulous of Mr. Sean Lemass's repeated boast that with North and South joined to Europe partition will be no more.

Lord Brookeborough in an apt rejoinder pointed out that Mr. Lemass's acknowledgement, that if the United Kingdom joins the Common Market the Irish Republic had no option but to apply for membership, had destroyed the myth of political and economic independence on which Republicans had fed for forty years. He was also able to say that, alone among the statesmen of Europe, Mr. Lemass had achieved the remarkable distinction of giving public expression to a hope that his country's membership of EEC could be used for the purpose of territorial expansion at the expense of a neighbour. Nevertheless, enough has been said and imagined about the Common Market at home and in Great Britain to make it an embarrassment on the Unionist platforms. Lord Brookeborough has obtained assurances from Mr. Macmillan and the right to be represented as necessary at the negotiations in Brussels, but the issues of industrial aids, farming and the movement of labour are capable of being doubly disturbing in an area at present much dependent on special protection. The effect of the February Price Review on

farm products, to which Northern Ireland is largely committed, has been a foretaste of unpalatable things to come.

The comparative quietude of relations between Protestant and Roman Catholic has been unexpectedly broken by objections from the Hierarchy to the Northern Ireland Bill when it was debated in the House of Lords. This measure was promoted by the British Government to widen Northern Ireland's constitution by enabling Parliament at Stormont to legislate for the Supreme Court and the compulsory acquisition of property for purposes of slum clearance and social improvement. In so doing it amends Section 5 of the Government of Ireland Act, 1920, introduced to protect religious bodies.

While the proposal does no more than give Stormont the same powers as Westminster, the Roman Catholic bishops successfully represented to the Lord Chancellor that safeguards were required if local councils were not to show discrimination in the making of vesting orders. Amendments have since been passed to allay the bishops' "grave disquiet", but there is a fear that the effect of these will be to make small church halls owned by the proliferation of sects in Belfast a stumbling block to the long-overdue schemes of slum clearance planned by the Corporation. It is of interest that Section 5, inserted in the Protestant interest, should be pleaded by the Roman Catholics and that the bishops should have gone to London to press their case. In the same way Mr. Butler received Nationalist M.P.s in Belfast, a rare recognition by them of the British Government's overriding responsibility for Northern Ireland's welfare. The Hierarchy's fears cannot be said to be wholly unfounded. There are areas in which Unionist councils would use compulsory powers to prevent Catholic "encroachment", although the Government and public opinion are now much stronger than formerly in condemning any action suggestive of injustice. What has been shown is the rivalry between the factions, which is never still even when, as now, public utterances are much more restrained than in the fairly recent past.

As he looks forward to another five years' premiership, Lord Brookeborough can reflect that in Cabinet-making the fates have been against him. Major Maynard Sinclair, who would have been his successor, was drowned in 1953, and in January he suffered the sudden death of perhaps the most able of his lieutenants, the Minister of Education, Mr. Morris May.

For all its forty years of efficient administration the Unionist Party has failed to persuade enough people of public spirit to enter active political life, and the general election has not so far brought out a new generation of candidates. Not alone the rise of Labour, but the nearing of the time when Lord Brookeborough must relinquish his remarkable personal hold on the Unionist Party at all levels, is reason for speculation about the election and its aftermath.

Northern Ireland,
May 1962.

Postscript. On his return Lord Brookeborough duly announced the dissolution of Parliament and the holding of a general election on Thursday, May 31. The new Parliament will meet on June 20.

IRELAND

REQUIEM FOR SINN FEIN

ONE of the most significant political events which has taken place since the foundation of the Irish state has recently occurred almost unnoticed. When Mr. Lemass, as the representative of the Irish Republic, applied last January in Brussels for full membership of the free trade European Economic Community, accepting without reservation the heavy obligations this step implies, he was also celebrating a requiem for the unhappy Sinn Fein policy which has so long bedevilled our affairs. This policy was first advocated in 1905 by that stubborn, doctrinaire journalist Arthur Griffith, who maintained that Free Trade was the enemy which Union with Great Britain had admitted within the gates, an enemy which could only be defeated by the attainment of complete national freedom and the power it would give to protect Irish industry; it was first put into practice in 1918 by the withdrawal of the Irish members from the Westminster parliament, led after prolonged and bitter guerrilla warfare to the Treaty of 1921, and has since been the guiding light of our political leaders. The centrifugal policy of the Cosgrave government which began the disintegration of the old Commonwealth, Mr. de Valera's "uneconomic war" over the land annuities, his policy of external relations all but severing the last link with the Commonwealth, our cold neutrality during the Second World War, our policy of high protection for any and every Irish industry, and finally the strange Republican antics of Mr. Costello which, coupled with the inflammatory speeches of Mr. de Valera and other politicians and the glorification by our educators (notably the Christian Brothers) of past violence in 1916 and 1919-21, naturally led to the revival of the I.R.A. and the outrages on the Northern border. All these developments were the children, legitimate or illegitimate, of Sinn Fein. If you extol the merits of violence long enough to idealistic young people they will eventually use violence themselves. Conceived in selfishness, born in frustration after the betrayal of John Redmond by Lloyd George, and nourished by violence which culminated in the disastrous Civil War of 1922, this unfortunate policy has ended in a republic for twenty-six counties of Ireland, politically isolated, economically spangled, permanently divided from the North, and completely impotent. Faced by an unsympathetic and largely indifferent Europe, our Government has now no alternative but meek following of Great Britain's lead. Whatever road Britain eventually takes the prospect is not pleasant and the consequences uncertain.

Approach to Europe

THE approach of Mr. Lemass to the Ministerial Council of the EEC was almost fulsome in its terms. The reception given him by the Council was apparently cool and correct, but certainly not enthusiastic. Mr. Lemass, however, could hardly have gone further to satisfy their requirements. After

paying a glowing tribute to the political motives embodied in the Treaty of Rome, and emphasizing our complete acceptance of them, he gave what was obviously meant to be a hint that his Government might even consider joining NATO if this was necessary. "While Ireland did not accede to the NATO Treaty it had always agreed with its general aims." Stating that agriculture was of "particular importance to our economy" he asked that our long-standing agricultural connexion with the United Kingdom should be borne in mind "during the discussions on the British application for membership on which ours was contingent", and agreed to accept the agricultural policy of the Community. With regard to industry he expressed the hope that the EEC would agree to "an appropriate general rhythm of tariff reductions", but he indicated that Ireland hoped to complete the elimination of industrial tariffs, with a few special exceptions, by the end of the transitional period. He asked for some modifications in the common external tariff, mostly downwards, and for power to protect Irish industry against dumping, but he omitted to state that our decision to join the EEC was taken perforce after Britain's application had been made. Much of what he said was obviously designed to reassure the European experts, who apparently doubt the ability of Irish industry to survive full membership; but no comments or questions were raised by the Council. The Irish representatives have now been summoned to a further meeting in May for the purpose "of clarification". As Lord Brookeborough, with Northern asperity, has somewhat unkindly commented, the Republic viewed from Brussels is a small agricultural area with little industry which has carved itself off from the United Kingdom, although a substantial number of its citizens have had to emigrate there!

From the continental point of view another important factor is the fact that Ireland as a full member of the EEC would be a dangerous competitor in the large British food market on which the "Six" are already casting covetous eyes. But the main European objection to the Irish request is undoubtedly political. As one highly placed critic in Brussels is said to have remarked, "If we take in Ireland just where do we stop?" The "Six" are realists, not philanthropists as Mr. Lemass seems inclined to think. They have no desire to absorb the "fringe countries" of Europe even though they be as European as M. Monnet, or as dedicated as General de Gaulle. Owing to our past anti-European record at the UN, and elsewhere, the "Six" are naturally sceptical about the value of Mr. Lemass's protestations, even though backed by the more grandiose visions of the Anglo-American-European Alliance advocated by Mr. James Dillon T.D., the leader of Fine Gael. The truth of course is that we are now beginning to suffer the full results of our stupid withdrawal from the Commonwealth and we are nobody's child.

Mr. Aiken, the Minister for External Affairs, who is notoriously antagonistic to the idea of joining the EEC, and who strangely enough did not accompany Mr. Lemass to Brussels, recently told the Dail that "our admission fee as the Treaty of Rome stood was merely the gradual disappearance of our tariffs". To round off this inaccuracy he added "but we also recognize that at the back of the minds of the people who signed the Rome Treaty there was

the ideal of European political unity, and that ideal was attractive to Ireland". Mr. Aiken must surely know that this explanation is to say the least disingenuous, for the fundamental aim of the Rome Treaty is political unity, and that when Mr. Lemass applied for membership of the EEC he pledged our unreserved acceptance of the Treaty's purpose. It is peculiar that Mr. Aiken, who is so fond of airing his views on world problems from "China to Peru", which do not really concern us, should break his long silence concerning the EEC by such an inaccurate and misleading pronouncement.

Mr. Lemass and several of his colleagues have been trying to gild the EEC pill by assuring us that by the removal of the tariffs between the republic and Northern Ireland partition will be ended. Nothing could of course be further from the truth. It is foolish to imagine that membership of the EEC will automatically end a deep political and spiritual division which is based on something far more vital than economics. Mr. Aiken, indeed, appears to think that Great Britain could remove the border by a mere order or request. Simplicity could no further go. *The Irish Times* rightly stated that "it is naïve to the point of absurdity to maintain that the British are now responsible for partition". Incidentally it is right to say that the present tariff wall between North and South was erected by us, and not by the people of Northern Ireland who would of course welcome its removal. But, as Lord Brookeborough has just said, our inclusion in the Common Market could just as easily restore the union of the British Isles as remove partition.

Strategical Implications

WE have, however, one strong card in our hand, which obviously Mr. Lemass would like to play if he dared—namely the strategic importance of our position in the event of nuclear war. One of the main aims of the EEC is to create a common defence policy. Mr. Lemass assured the EEC Ministers that the fact that we did not accede to the North Atlantic Defence Treaty was due to special circumstances, namely the belief that it involved the recognition of partition, and that our non-adherence to it did not qualify in any way our acceptance of the ideal of European unity, or our intention to observe the duties, obligations and responsibilities the Treaty imposed on us. But in spite of these, no doubt sincere, declarations our Government's attitude towards this fundamental question remains obscure, an obscurity that has not been lightened by some recent political pronouncements. Mr. O'Morain, the Minister for Lands, who is a relatively unimportant member of the Government, has just flown what was obviously a political "kite" designed to test public opinion. Speaking at Castlebar on January 28, he said it would be unrealistic to ignore the fact that all the members of the EEC were also members of NATO, and that the policy of neutrality in the present world division was never envisaged by our people. "Neutrality is not a policy to which we would even wish to be committed", he said.

Mr. O'Morain's statement, deliberately made from a prepared manuscript, raised an immediate political hubbub. Mr. Corish T.D., the leader of the Labour Party, declared that it appeared from Mr. O'Morain's speech that the Government was preparing to join NATO. Acceptance of the Treaty of

Rome did not mean, he said, that the people of this country were now prepared to join a purely military pact which up to now they had refused to join for good reasons. Later in the Dail Mr. Lemass, replying to questions concerning the Government's attitude, stated that there had not been any official suggestions that we should join NATO, nor had the Government been considering any change in its policy of neutrality. Completely reversing past declarations he added, in reply to questions suggesting that membership of NATO would involve the recognition of partition, that the agreement by the members of NATO to consult together whenever the integrity of one of them was threatened was *not* an undertaking to preserve partition, and that a similar provision was included in the Charter of the United Nations to which we had subscribed without demur.

This statement completely disposes of the ingenious excuse for not joining NATO made by Mr. Sean McBride when Minister for External Affairs in the inter-party Government, which excuse was later adopted by the present Government. In fact any defence policy for Europe which emerges from the current discussions concerning the future political framework of the EEC must inevitably be far more onerous and definite than that of NATO, and it is to this new policy that we must subscribe if we are admitted to full membership of the EEC. Lieutenant-General Costello, one of our brightest retired soldiers, who is now the general manager of the state-controlled Irish Sugar Company, added fresh fuel to the controversy by a forthright speech in which he rightly declared that those who were not willing to strengthen the forces of freedom should stand up and be counted. The present position seems to be that the Government because of internal differences is not able to make up its mind on this vital question, agreement on which is clearly our best chance of admission to the EEC. Mr. Aiken, the Minister for External Affairs, as already mentioned, seems unwilling to admit the full implications of EEC membership, and he has managed to antagonize both France and Belgium by his pro-African policy at the U.N. Assembly. But if Mr. Lemass decides to go the whole hog, as he well may, Mr. Aiken is hardly likely to break away from his party.

The Fine Gael Party, much handicapped though it is by its shabby past, is not likely to oppose a policy of active association with European defence, but the Labour Party, which more accurately represents the timorous urban proletariat, will certainly do so. As it has only sixteen seats in the Dail it cannot prevail against the two large parties. The small group of malcontents who call themselves Sinn Fein, but have now no parliamentary representation, have naturally proclaimed their undying hostility to both EEC and NATO. But whatever our politicians may say or do in this context the Republic cannot much longer evade its responsibilities.

For over 400 years Ireland has played an important part in European strategy. Our neutrality in the last war was, indeed—and it is a humiliating thought—only possible because Northern Ireland was available as a naval base, and a bridgehead for the American army. In the next world war our deep, well-sheltered, and remote Western bays and harbours will be essential for the defence of the free world. It would be interesting to see the Pen-

tagon's plans and reports on this subject. The development of American world power, and of nuclear weapons, have made neutrality impossible for us in any future conflict, nor could we, having regard to our principles and traditions, justify such a course. Mr. McEntee, the Minister for Health, has recently pointed out that if Russia were to overrun the West the fate of Ireland would be the same as that of the Baltic States twenty-two years ago. But Mr. McEntee and his colleagues have only themselves to blame if this happens, for it is they, and their predecessors, who by their misrepresentations and temerity have kept the people of the Republic in a fool's paradise.

Collapse of the "I.R.A."

FURTHER evidence of the demise of Sinn Fein was afforded by the announcement from the "Irish Republican Publicity Bureau" on February 26 that "the leadership of the Resistance Movement" had ordered the termination of "the campaign of resistance to British occupation" begun in 1951. The statement added that "all arms and other materials have been dumped and all full-time active service volunteers have been withdrawn". This pretentious verbiage simply means that the campaign of the self-called "I.R.A." has finally collapsed. This satisfactory dénouement is due primarily to the fortitude and common sense of the people of Northern Ireland who refused to be provoked into reprisals and stood firmly on their guard, but also to the complete rejection of militant Sinn Fein by the people of the Republic in the last general election, the utter failure of its attacks on the North, and finally to the belated firmness of the Dublin Government in seeing that appropriate punishment was meted out to the young miscreants concerned.*

During the campaign, if it can be so termed, some sixteen men (10 I.R.A. and 6 R.U.C.) lost their lives, damage to property estimated at £1 million was caused, and heavy preventive expenditure was incurred by both Irish Governments. Seventy-four young men are still serving sentences in jail, 45 in Belfast and 29 in Dublin. As *Le Monde* aptly commented—and it is indicative of the European attitude towards our affairs—"Dublin is getting ready to join the EEC and to seek admission to NATO. Were fifty wasted years and so many corpses necessary to reach this stage?" This last sentence might well stand for the epitaph of Sinn Fein. Reason has no doubt scored a resounding victory over violence, but it is tragic that it has been so long delayed. The cynical men who were responsible for the senseless murders, the wanton destruction of property, and the incalculable injury to any chance of Irish reunion, have now publicly admitted their failure. It is to be hoped they have also learnt their lesson, but that is more doubtful. For the present neither Irish Government can afford to lower its guard because there remains an outer and more lunatic fringe, which even the I.R.A. does not control. The latter, moreover, is merely "convinced that the time has come to con-

* See THE ROUND TABLE, No. 206, March 1962, p. 190. On Good Friday, however, the Dublin Government, without explanation, released all the I.R.A. prisoners, none of whom had given an undertaking to obey the law. This is the third time an Irish government has sought to placate terrorism by a general jail delivery. One is entitled to wonder whether the real motive for this display of weakness is fear or sympathy, but the result may well be the same as heretofore.

serve its resources, to augment them, and to prepare a more favourable situation". Whatever this nonsense may mean, every decent Irish person must pray that this situation will never arise.

Economic Progress

DESPITE the large European question-mark which continues to hang over our economic future, recent economic progress has been quite satisfactory. Last year the output of our transportable goods industry rose by 9 per cent, thus showing a faster rate of expansion than in any other European country except Italy. The overall rate of industrial growth was $7\frac{1}{2}$ per cent, and in three years industrial output had risen by a quarter. Agriculture, however, did not keep pace and only showed an increase of 2 per cent in net output. The total national output rose by $6\frac{1}{2}$ per cent in value and $4\frac{1}{2}$ per cent in volume. But the most striking and encouraging feature of our national expenditure last year was the rise of 13 per cent in the volume of fixed investment, being double that of recent years. There has also been a welcome reversal of the long decline in unemployment—the total number at work being estimated at 6,000 more than in 1960. Net emigration fell to 25,000, a figure equivalent to the natural increase in population. The recent OECD survey states that if the number of new jobs can be maintained at the present rate Ireland can look forward to a rising population. Finally the balance of payments shows a surplus of £1,200,000 due to a sharp rise of some 14 per cent in our invisible receipts.

The sound Budget which Dr. Ryan, the perennial Minister for Finance, introduced on April 10 reflects this satisfactory economic position. His estimates of revenue and expenditure showed a trifling deficit of only £741,000, but the Minister for obvious political and social reasons increased public service, non-contributory, old age, blind and widows' pensions; provided new incentives for industry in the shape of loans, grants and tax allowances; increased the agricultural grant to farmers; and abolished the entertainment tax, no doubt to compensate the cinemas for the coming of television. State aid to agriculture is now equivalent to 5 per cent of the national income, and much higher than in England. The recent protests of the farmers against their small share of the national cake have apparently had a salutary effect. To meet the additional expenditure involved by these reliefs the Minister added 2d. to a packet of twenty cigarettes, 2d. to each glass of spirits and a penny to each pint of beer. A record capital programme of £66 million is planned to hasten economic development and will be met in part by a National Loan. Dr. Ryan has significantly directed the Revenue Commissioners to examine the continental tax systems so that broadly based taxes on expenditure may be devised to meet the deficiency in revenue which will arise if we have to terminate the existing high protective tariffs. A general overhaul and simplification of the income tax code is also under consideration and long overdue.

Ireland,

May 1962.

PAKISTAN

THE NEW CONSTITUTION

THE sharp contrast in which Pakistan's new constitution stands out in the Asian political landscape can be as misleading as a fable. In most Asian countries democracy based on universal adult franchise has come to be regarded as the most effective instrument to ensure a people's sovereignty and to provide the necessary checks and balances against a concentration of power into too few hands. It is indeed astounding to find that the patent and persistent inadequacies of such a system in meeting the peculiar requirements of the newly emergent countries has not evoked the realization that there are neither universal truths nor universal remedies. Each country has to seek ways and means for a proper functioning of democracy in its own given context. But perhaps the tremendous spectacle of millions of voters flocking to the polling booths dazzles rather than illuminates the mind. And to those addicted to textbook maxims any departure from the parliamentary system is nothing short of depriving a people of their inherent rights.

Set against such pre-conceived notions, Pakistan's new constitution would not only seem to be a retrograde step, but also a reversal of the democratic processes which alone guarantee the induction into office of a truly representative government. It provides for a Presidential Cabinet that will not be responsible to the National Assembly, which itself is to be elected on a drastically restricted franchise. Still more, the ban on political parties, imposed immediately after the promulgation of Martial Law, has not been lifted and the country is having the unique experiment of holding elections on a non-party basis.

A flashback to 1947 will be helpful to put things in their correct perspective. In the first flush of enthusiasm generated by Pakistan's establishment as a free and independent country, it was understandable that the stark realities which faced her were pushed into the background. This enthusiasm, combined with undoubted selflessness among the broad masses of the people, produced a patriotic fervour which found it difficult to believe that anything could ever go wrong with the country. And then came the Korean boom, apparently further sustaining and strengthening such an attitude but in fact only lulling the country into a false sense of security. Naturally therefore the unfavourable developments which were soon to follow caught the people completely unaware and proved more shocking and confounding than they should have been.

By 1953 Pakistan had proclaimed her political and economic bankruptcy and "the Prime Minister" in the words of a political commentator "went round with a begging bowl asking for food gifts and loans from all over the world to save millions of Pakistanis from starvation". The exuberant enthusiasm and the sense of security among the people gave way to "a general sense of insecurity, social, political, economic and even religious".

How did all this come about? Obviously such a sweeping and rapid deterioration in the affairs of the country cannot be traced down to any one single factor. But any unbiased attempt will at once highlight the fact that the failure of parliamentary democracy was mainly responsible for bringing the country to such a pass. Almost from the very inception of Pakistan, the executive had come under serious pressure by the elected Assemblies. But it was hardly noticed then. Nevertheless the malady was there and as it struck deeper and deeper roots the affairs of the country went from bad to worse.

The absence of well-organized political parties further aggravated the situation. The Muslim League, which at the time of Partition commanded the enthusiastic and unstinted support of the Muslims of the sub-continent, was not even a shadow of its former self. Other parties which took the field were a queer assortment of divergent and conflicting interests. They were a house divided amongst themselves. There were factions within factions and groups within groups, and so rapid and numerous were their permutations that it was difficult to say who was for or against whom.

Such a confused state of affairs gave a free reign to a leadership which had lost all sense of purpose and direction except that of personal aggrandizement. Pakistan's second Prime Minister, Khawja Nazimuddin, was dismissed from his office by the then Governor General at a time when he was in undisputed command of the Muslim League Parliamentary Party. A year later the same Governor General dissolved the Constituent Assembly. It is beside the point whether or not such drastic steps were called for. What is important to note is that the country's leadership had become a law unto itself. It gave the scantest respect to the observation of constitutional proprieties and disregarded them with impunity.

Naturally enough under such conditions successive Central and Provincial governments, always precariously balanced, always dependent on the whims of a fickle-minded Assembly membership, could do precious little to tone up the administration. The country was rushing headlong to disaster and could only be pulled back by the imposition of martial law.

The immediate task before the new regime was to clear the Augean stables—the appalling legacy of years of maladministration. But the more important and vital one was to devise a constitution which was suited to the country's conditions and could effectively respond to its requirements. An under-developed country like Pakistan with its agricultural economy and a disturbingly increasing population has to develop at a very rapid pace not only to provide a better living standard for her masses but for her very survival. As such what she needs above all is a strong, stable and efficient administration.

The question, therefore, was how best to achieve the objective of providing such an administration. Should she once again revert to the beaten track of parliamentary democracy? The answer was an emphatic No. A satisfactory functioning of the parliamentary system presupposes such conditions as the existence of trade unions and cooperatives on a large scale, a high level of education, economic prosperity, public spirit and widespread and elaborate means of dissemination of news and views in every nook and corner

of the country. As yet it cannot be said that these basic requirements are obtainable in any satisfactory manner in Pakistan. The only course, therefore, open to her was to adopt the Presidential system with all its built-in defences and safeguards.

The continued ban on political parties and indirect elections to the Central and Provincial legislatures have come in for much sharp and ill-informed criticism. In the light of what has already been said in the course of this article, it is hardly necessary to lay more stress on the havoc wrought by political parties in Pakistan. There is a section of opinion in the country which is strongly in favour of letting the ban on political parties continue at least for some more years to come. It is of the view that only in the absence of them can a climate be created which is likely to foster national solidarity and a singleness of political ideology. President Ayub has time and again expressed his distaste for political parties, and the senior minister in the Presidential Cabinet, Lieut.-General W. A. Burki, has gone to the extent of characterizing their re-emergence as "a great tragedy for Pakistan".

Nevertheless, the prevailing mood in the country is in favour of letting political parties function again. The Constitution Commission itself, strongly recommending such a step, observed:

If we want to have a democratic form of government our endeavour should be to create conditions in which parties are based on principles and we hope that such parties will soon come into existence in the form of government we have recommended, because, as we have said more than once, the Legislators hereafter will not be like their predecessors, coming into the political field solely to exploit their position to their personal advantage.

Although the revival of old parties or the creation of new parties will not be a necessary corollary to the lifting of martial law, it now seems that the present regime has reconciled itself to their inevitable re-emergence soon after the newly elected National Assembly holds its first session. Confirmation of such an interpretation came from the Foreign Minister, Mr. Manzur Qadir, who, in a Press interview, disclosed that the Government was considering a law, to be promulgated before the first meeting of the National Assembly, laying down conditions under which political parties were to function. This step is considered to be a *via media* between the two extreme opinions obtaining in the country on the question of political parties. While they will be allowed to function, they will also be subject to certain conditions.

Coming to the question of indirect elections it must be borne in mind that, unless the present regime intended to perpetuate itself indefinitely, there was no other way out. To hold elections on the basis of universal adult franchise would have taken an inordinately long time. And the net result of such an arduous task would have been to call on the voters to give their verdict on questions whose importance and intricacies they could not be expected to understand. More importantly such a step could well have set in motion processes which would have gravely jeopardized the system of Basic Democracies which Pakistan has evolved from the lessons of her own trials and tribulations.

So what Pakistan has really done is to steer clear of the pitfalls that beset

"the primrose path of government 'by the people' ". She has realized the limits of massive popular vote as also the necessity to correct functional derangement between the governments and the mass of people, so much in evidence in many countries today. As Walter Lippmann sums up brilliantly:

There has developed in this century a functional derangement of the relationship between the mass of the people and the government. The people have acquired power which they are incapable of exercising and the governments they elect have lost power which they must recover if they are to govern.

To dispel further misgivings it must be observed here that the present restrictions on franchise are purely of a temporary nature. They are aimed to give a breathing space for the rehabilitation of democracy in an atmosphere free from the pulls and pressures of parochialism and vested interests. It is indeed a curious phenomenon that democracy has gone further in times of limited franchise. When the constitution of the United States of America was adopted, the community numbered nearly 4,000,000. Of these no more than 160,000 voted and not many more than 100,000 voted for it. In 1900 U.K. voters were only 11 per cent of the population.

Obviously, therefore, it is not the popular vote which leads to democracy, but democracy which leads to popular vote. As Pakistan paves the way for a smooth and successful functioning of democracy she can think of enlarging the franchise step by step. Such a process has already started. The system of nomination to Basic Democracies has been discarded. As such the number of elected Basic Democrats will go up from 80,000 to 120,000. Still more the Franchise Commission will examine the whole question afresh. It is likely that it may provide a much wider franchise for future elections. One can only hope that in fulfilling its delicate and arduous task the commission will be guided by the realities of the situation in Pakistan and not by any textbook maxims. To provide immediately for universal adult franchise will only militate against the restoration of effective and responsible powers to the executive which, under the present conditions in the country, alone can save liberal democracy. Pakistan is just not in a position to adopt universal adult franchise—at least for some more years to come.

Pakistan,
May 1962

CANADA

THE COMING GENERAL ELECTION

THE 24th Federal Parliament of Canada was dissolved on April 19 and June 18 has been fixed as the polling day for the election of its successor. Few people are mourning the demise of the late House of Commons, for experienced observers of the parliamentary scene in Ottawa rated it the poorest in their recollection. One reason was the huge unwieldy majority of the Government, and another was that an abnormally large proportion of its members were parliamentary novices who lacked experience of public life and were not intellectually equipped for the Federal political arena. So they tried to atone for their inability to make intelligent contributions to debates by silly rowdy interruptions and exchanges of petty backchat across the floor of the House. Far too much time was wasted in long petty squabbles about procedure, partisan recriminations, and the rehashing of bygone controversies, and towards the close of the session there was in the House an atmosphere of bitter acrimony, which boded ill for a good-tempered election. Moreover in the last month of the session with an election clearly imminent far too many members were more concerned with the mending of their political fences than with their parliamentary duties and attendance was very slack, while there was also an electioneering flavour to many of the debates.

But during the session a certain amount of useful work was accomplished. There were some interesting debates. Mr. Green, the Secretary for External Affairs, who is popular with all parties, secured unanimous support for most of his policies and earned great praise for his vigorous efforts to prevent the complete collapse of the disarmament conference at Geneva. He also persisted in his opposition to Canada's acquisition of nuclear weapons, and his clash on this issue with Colonel Harkness, the Minister for National Defence, who favoured it strongly, was an obstacle to clear-cut decisions about policies for defence.

There were intermittent discussions about Britain's move for entry to the European Economic Community and its implications for Canada; Mr. Pearson strongly criticized the obstructive attitude of the Diefenbaker Ministry towards it and reiterated his earlier advocacy of the formation of a North Atlantic trading block on a broad basis. But there are signs that Prime Minister Diefenbaker, encouraged by the results of British by-elections and the visit of Mr. McEwen, Deputy Prime Minister of Australia, has been stiffening in his hostility to the project. In a speech delivered in Montreal on April 16, he laid great emphasis on the political dangers of the adventure. After asking what would be Canada's position if Britain entered the EEC on the terms prescribed by the Treaty of Rome, he proceeded thus:

The Commonwealth must be preserved. Its sacrifice or even its weakening would be a tragedy. It was because of this threat to the Commonwealth that Canada had pressed so vigorously for the convening of a conference of Common-

wealth Prime Ministers to consider all the implications of British membership in the Continental alliance before any irrevocable decisions were reached.

He also rebuked correspondents writing from Canada for oversea papers for questioning in their dispatches Canada's right to protest against a British policy.

Authority was secured during the session for increases in pensions for the aged, the disabled and the blind, and increases in the special allowances for war veterans, and some other useful legislation of a minor nature was passed. But owing to the sudden dissolution some governmental measures, which aimed at useful reforms, had to be dropped. One of them, which had the approval of all parties, proposed that the redistribution of seats in the House of Commons, which must follow every decennial census, and has hitherto been entrusted to special committees of the House, whose sessions have invariably produced partisan quarrels and accusations of "gerrymandering" by the ministerial majorities on them, should be transferred to an independent commission composed of four senior judges and the Chief Electoral Officer. Another Bill, also doomed to perish, was introduced by the Prime Minister in fulfilment of his pledge to reform the Senate, but it fell far short of the drastic reform deemed necessary by many to make the Senate a more representative and efficient body than it is. It proposed merely the compulsory retirement with a pension of \$6,000 per annum of any Senator reaching the age of 75, and the filling by Tories of the vacancies thus created and some others caused by deaths would have given this party a majority in the Senate for the first time for many years.

The dissolution was also a mournful event for 327 mismatched couples from Quebec and Newfoundland whose divorce bills, after passing the Senate, were before the House of Commons. On the ground that the Government had not lived up to its pledge to divest the House of Commons of responsibility for divorces, two Socialist members had renewed a blockade of divorce bills, started some years previously; and they remained deaf to a special appeal by the Prime Minister to pass the Bills. The Government was under fire at intervals for its failure to ratify the treaty with the United States about the projected development of power on the Columbia River, but there are now signs of a settlement by mutual concessions of the controversy between the Federal Government and the Government of British Columbia which has been the main obstacle to ratification.

The standing of parties at dissolution was as follows: Progressive-Conservatives 203, Liberals 52, New Democrats 8; there were 3 vacancies. The Government can therefore afford to lose 50 seats and still retain a majority in the Commons. But the latest Gallup poll taken in March showed that the Liberals were then running ahead of the Tories in popular favour, their percentage of support being 43 per cent as compared with 38 per cent for the Tories, 12 per cent for the New Democratic party and 6 per cent for the minor factions. But an abnormally big proportion of the voters tested were undecided and the political experts predict a very close contest.

The Government are reconciled to the loss of a substantial number of seats in Quebec but are confident that, as the result of their success in making

large sales of wheat to Communist China and other forms of assistance to the farmers on the prairies, they will hold nearly all their 47 seats in the three prairie Provinces. They concede most of the seats in Newfoundland to the Liberals, but expect to keep most of their seats in the other three Maritime Provinces and have sought to make sure of their four seats in Prince Edward Island by a pledge to build at a cost of 105 million dollars a causeway between the Island, which has only 100,000 inhabitants, and the mainland. Politics in British Columbia are in such a state of confusion that results there baffle prediction. The real battleground of the election will be in Ontario, where the Tories hold 61 out of its 85 seats and the Liberals, encouraged by the results of recent provincial by-elections in this Province, hope to make considerable gains.

The New Democratic Party has a very able leader in T. C. Douglas, Premier of Saskatchewan for seventeen years, but it enters the campaign handicapped by an internal feud in the Congress of Labour and evidence that many western farmers who formerly backed the C.C.F. are unwilling to vote for the new party of the Left because of their belief that the labour unions have a controlling voice in its policies.

A lead in such defection has been given by Mr. Hazen Argue, who has been acting as parliamentary leader of the New Democratic Party, but has now suddenly crossed the floor and joined the Liberals. But the manner of his desertion has involved him in considerable personal discredit, since the day before he announced it he attended in Regina a meeting of the local leaders of the New Democratic Party and, professing complete amity with them, undertook to deliver some addresses on behalf of its cause. Mr. Douglas argues that since there are only fine shades of difference between the ideologies and programmes of the two senior parties, his party is the only trustworthy champion of the plain folk and that the real issue of the election should be "The People versus Big Business"; but he will probably do well if he gets a score of followers elected and the Social Credit Party, now unrepresented at Ottawa, can only hope for a few gains.

The Budget

ON April 10 Mr. Fleming, the Minister of Finance, presented the Federal Budget. It was to the credit of the Government that it contained only one proposal—an increase in the deduction for income tax allowed for dependent children—which could fairly be described as bait for the allurements of votes in the coming election. Mr. Fleming had to admit that his balance-sheet for the fiscal year 1961-62 with revenues estimated at \$5,772 million and total expenditures at \$6,563 million showed a deficit of \$791 million, which was 141 millions in excess of the forecast of his last Budget speech, \$650 million. For the fiscal year 1962-63 his estimate of a yield of \$5,780 million from the revenues and of \$6,525 million for the expenditures compelled him to forecast another large deficit of \$745 million. In the expenditures the largest item, which accounted for 26.1 per cent of the total, was the vote for outlays on national defence which were increased from 1,667.2 to 1,701 million dollars.

The basic rates for personal and corporation income tax were left unchanged, but the deduction in income tax available for children eligible for family allowance was raised from \$250 to \$300 and for other dependents such as children over 16 years of age, who were attending a school or university, from \$500 to \$550. It is estimated that this concession will completely free some 80,000 persons from income taxation and that it will cost the Treasury \$52 million in the current fiscal year and \$128 million in a full fiscal year.

Several items in the Budget were designed to stimulate an expansion of economic activities. One was a tax incentive for an increase in production and employment through a reduction in the corporation income tax upon profits derived from increased sales. Companies engaged in manufacturing and processing are granted cancellations of 50 per cent of their income tax on the first \$50,000 worth of taxable income arising from increased sales, and a cancellation of 25 per cent of the tax on additional income arising from increased sales. For example, if, as the result of enlarged sales, the taxable income of a company rose by \$25,000 the tax on it, which without the relief would have been \$10,250, will be cut in half to \$5,125. A scheme introduced in 1960, under which an allowance of double depreciation for income tax is permitted for assets acquired to promote the manufacture of products heretofore not made in Canada or the establishment of new enterprises in areas designated as showing a surplus of idle manpower, is extended to January 1, 1964. Another concession to corporations is a deduction from income tax equal to 150 per cent of increased expenditures on scientific research for industrial purposes in Canada; it will apply to capital as well as current expenditures. A stimulus is also supplied to greater exploration for oil and gas and the inducement of persons normally engaged in other fields of industry to undertake such exploration, by granting individuals and all companies, including those not normally engaged in petroleum or mining industries, the right to charge expenses of exploring and drilling for petroleum or gas against income received from oil or gas production, and to count among such expenses amounts paid for a right or licence to explore or drill for oil and natural gas. The lumber industry is also given an easement of taxation by the allowance of a credit against the federal income tax equal to two-thirds of the special logging taxes imposed by the Provinces.

In the customs tariff not a single increase is proposed and the few decreases fall into two categories. A number of temporary provisions for free entry, due to expire on July 1, 1962, are extended: they apply to uranium, metal, heavy water, aircraft and aircraft engines of a type not made in Canada and other articles. Secondly a transfer for the first time to the free list is proposed for certain articles destined for use by doctors, in libraries and schools and on farms, such as dietary preparations, parts for scientific instruments and heaters for orchards.

The comments of the press upon the Budget have as usual had a partisan coloration, but most independent papers endorse the claim of its defenders that it is a conservative and constructive budget. In the House of Commons the criticism of the Opposition has been pitched on a mild key and Mr.

Pearson was content to describe it as a "feeble Budget". The critics contend that the tax incentives for the expansion of economic activity are trivial and will only yield meagre fruits, and they are also directing their fire against the continuous series of deficits since the Progressive-Conservative Party came to power in 1957. They point out that on March 31 the net national debt of Canada was estimated at \$11,008 million and that its figure for March 31, 1963, is forecast to rise to \$13,973 million, and accuse the Diefenbaker Ministry of increasing the national debt through its deficits by nearly \$3,000 million in six years. But the defence of the Government is that on March 31 last the percentage of the net debt in relation to the annual value of gross national production was at the same figure, 36 per cent, as it was on March 31, 1957, and that the burden per head of Canada's debt is still substantially lower than in the United States.

The Columbia River Project

THE great power project on the Columbia River remains in a state of suspended animation, but there have been some interesting developments in connexion with it. On his recent retirement from his post as Chairman of the Canadian section of the International Joint Commission, Major-General A. G. L. McNaughton, who was one of the negotiators of the treaty about the Columbia, issued a statement in which he complained that he had been "forced" to retire by "a dictator" and made the charge that Canada's interests had been sacrificed in the negotiation of the treaty. But the Government had a good answer to the first charge in its assertion that he had been retired for the simple reason that he had reached the age limit of 75; and it was also argued that if he disapproved so strongly of the terms of the treaty he ought to have resigned his post in protest against it instead of concurring in its signature.

General McNaughton favoured an alternative scheme, under which a series of dams would have been constructed on the Columbia north of Revelstoke and the inundation of prosperous old-established settlements by the projected high dam on the Arrow Lakes averted; but the provincial government of British Columbia opposed it, because it conflicted with its own plans for power development. However, Mr. Fulton, the Minister of Justice, who headed Canada's team of negotiators, has expressed the view that, if the acquiescence of the government of British Columbia in McNaughton's plan could have been secured and it had been embodied in the treaty, it would have been a better deal for Canada. He also said that, as the result of further conferences with Mr. Bennett, the premier of British Columbia, he had detected a modification of the latter's attitude, although he could not predict an early solution of the controversy. One of the questions at issue is the export of power, now banned, but Mr. Diefenbaker at a recent Dominion-provincial conference about a national power grid hinted that under certain circumstances his Government might be ready to relax this ban.

Canada,
May 1962.

AUSTRALIA

THE WEST NEW GUINEA DISPUTE

BRINGING world tensions right to the doorstep, the Dutch-Indonesian dispute over West New Guinea has further dissipated some of the detachment Australians have felt towards international affairs. Two wars have crystallized the Australian feeling of integrity with New Guinea. At the onset of the First World War, local concern over German activity in the north-eastern sector of the island ended with the Australian landing at Blanche Bay on September 11, 1914, and the quick and painless victory over German and native troops. Much greater was the impact upon the Australian consciousness of the grim struggle between the Japanese and Allied forces for control of New Guinea in the Second World War. Since then, the tenor of the time has insisted on the evils of "colonialism", and the need to advance the interests of native peoples. Sensitivity resulting from overseas interest, sometimes critical, in Australian administration of its New Guinea territories has heightened the awareness of New Guinea, and of identity with it.

These sentiments have been formulated by the Australian Prime Minister, Mr. R. G. Menzies, in these terms:

Australia's interest in New Guinea derives from our desire to see the economic and social progress of its inhabitants and from our natural interest in the character of its political future. It is an interest which has been emphasized by the significance of New Guinea to us in two wars, and more particularly in the second. It does not derive from hostility to Indonesia, for there is no such hostility in Australia.

Australians nevertheless experience a conflict within themselves over this issue.

It has been difficult for Australia to determine its policy because of the many conflicting issues involved. Its policy, in essence, has been that it will not interfere with attempts to settle the dispute by negotiation, and will abide by the results of such negotiation, but insists that these negotiations should be conducted without use of force or duress. It is true, as the Prime Minister has intimated, that, at least until the exacerbation of feelings due to constant worsening of the present dispute, there was no hostility towards Indonesia in Australia. Good relations between the two countries have been faithfully nurtured. As part of this policy, facilities have been provided in Australia for the education of significant numbers of Indonesian students and for the training of limited numbers of soldiers. Some Australians, especially equipped to assist Indonesia in the solution of its acute domestic problems, are currently serving in that country.

Racial, religious and historical affinities instinctively tend to align Australian loyalties with the Dutch, rather than with the Indonesians. In addition, by

virtue of their common blood line with the people of Great Britain and their own sense of participation in the British imperial tradition, Australian instincts still largely identify themselves with the expropriated, rather than the expropriator nations in the current processes of colonial disengagement. This factor is real, quite apart from Australia's own position as, in Afro-Asian eyes at least, a colonial nation in so far as New Guinea itself is concerned.

These loyalties have been strengthened by the tone the dispute has assumed from the outset. On the Indonesian side, this tone has clearly been threatening and aggressive; while on the Dutch side it has been conciliatory, with a nice respect for the traditional forms of international law and order. This, of course, is understandable, since the Dutch are in possession, and it is only through disruption of the *status quo* that Indonesian claims can be given effect, yet it continues to have a decisive influence upon Australian attitudes. This aggressive tone has been evident since long before the mammoth gathering in Jogjakarta on December 19, 1961, when the Indonesian President, Dr. Soekarno, delivered his command for the "liberation" of West Irian (West New Guinea) in the following terms:

Listen, O all Indonesian people. This is my firm command, that you foil the establishment of a State of Papua. And what more do I command? Fly the Flag, the red and white flag, in Papua. Foil them and fly our own flag and be prepared for the coming of general mobilization—general mobilization covering all Indonesian people to liberate West Irian from the claws of Dutch imperialism.

Militaristic statements of this kind have been reiterated again and again. On March 17, 1962, Dr. Soekarno ordered his military planners to continue preparations to take West New Guinea by force, if necessary. In an instruction to his West New Guinea Operational Command, he ordered it not to be influenced by the peaceful atmosphere of negotiations between the two countries, then about to begin in America.

Is It Justifiable?

IT has been repeatedly urged, with Australian backing, that the dispute be referred to the International Court of Justice, but Indonesia has declined on the ground that the dispute is political and historical, but not legal. In September 1961 Holland had presented to the United Nations a dramatic proposal to pass to an international administration its declared ~~side of~~ preparing the 800,000 Papuan inhabitants for self-determination, and to transfer sovereignty to them. Holland had then already entered upon a ten-year plan, to end in 1970, for stimulating the economic, social and cultural development of the territory, and had offered in 1960 to have the United Nations scrutinize Dutch administration of the territory. Legislation passed in November 1960 was "to accelerate the political development of West New Guinea aimed at self-government" and provided for the creation of the Dutch New Guinea Council—objectives which the Indonesian President has categorized as being aimed at a "puppet state of Papua".

Commenting in Federal Parliament on March 15, 1962, upon the Dutch

proposal of the previous September to "internationalize" the administration of West New Guinea, the Australian Minister for External Affairs, Sir Garfield Barwick, said that it appeared to presage a shorter period of preparation for self-government and independence. Holland appeared to be preparing to quit the territory much earlier than had been envisaged. This represents a much more pliant approach to the pressures of Afro-Asian opinion generally upon the Colonialism issue than Australia herself has been prepared to adopt in relation to her own position in New Guinea.

On March 19, 1962, the Minister for Territories, Mr. P. M. Hasluck, said that although East New Guinea's defence significance had declined, Australia had accepted a trust, and would remain there until almost the end of this century.

In so far as the well-being of the indigenous inhabitants of West New Guinea is concerned, the Australian tendency again is to prefer the Dutch to a prospective Indonesian administration. The Dutch were believed to be sharing policies very largely common with those pursued by Australians themselves in the eastern half of the island. That the Netherlands has, on balance, no very significant economic advantage to win through staying in the island appears to Australians confirmed by the Dutch readiness to hand the territory over to an international authority, and by their own experience.

Presenting the Australian experience and viewpoint upon this aspect of the matter in a national election broadcast on November 24, 1961, Mr. Menzies said:

So far from being "colonial exploiters", we have put into Papua and New Guinea in hard cash and devoted service by hundreds of Australians far more than we ever hope to get out of it. Our great ambition is that when these territories determine their own destiny their people will look on us as friends who have been faithful and just to them.

Why should we deny the same policies to the Netherlands?

It seems clear that the general Australian feeling is that Indonesia lacks both the experience and the financial resources, and possibly also the will, to foster the interests of the inhabitants to the extent that the Netherlands has done. Certainly the Indonesians show no interest in the principle of self-determination upon which both the Dutch and the Australians found themselves. The Indonesian argument in reply, as presented by the Indonesian Minister for National Security and Army Chief of Staff, General Nasution, during his visit to Australia in April 1961, was that West New Guinea, as a matter of historical right, already was part of Indonesia, and that there was no more reason for conceding self-determination to it than to any other racial group or geographical area in Indonesia. It is an argument which, in Australia, is viewed as affording cold comfort to the indigenous inhabitants of West New Guinea.

There is also a strong conviction that Indonesia's overwhelming domestic shortage of capital and its own backlog in development would prohibit any real attempt by it to develop West New Guinea. Indeed, one opinion frequently expressed in editorial columns and elsewhere is that Indonesian

sabre-rattling over New Guinea is designed primarily to distract the attention of Dr. Soekarno's followers from their troubles at home.

History and Ethnology

THE historical pattern of the dispute, and the legal niceties to which it gives rise, have been well canvassed, from both the Dutch and the Indonesian viewpoints. It is difficult for an Australian to make an objective assessment of the opposed claims and counter-claims. It is clear, however, that the Indonesian claim is a claim of some substance, and not a mere fiction trumped up for the purpose.

West New Guinea clearly was part of the Netherlands East Indies, as far back, so the Indonesians claim, as an agreement negotiated between the Dutch and the Sultan of Tidore (now part of the Indonesian Republic) in 1660. The Dutch authorities on frequent occasions leading up to the formal transfer of sovereignty from the Netherlands to the new Indonesian Republic on December 27, 1949, appear to have referred to West New Guinea as being part of Indonesia. Three years before this transfer of sovereignty, by Article 3 of the Linggadjati Agreement between themselves and the revolutionary Indonesian administration, the Dutch agreed that a future "United States of Indonesia shall comprise the whole territory of the Netherlands Indies". The final transfer of sovereignty did not, however, include West New Guinea, and the course of a number of round table conferences between the parties must be examined to make any assessment of the propriety or impropriety of that omission, which is the crux of the present dispute.

So far as the legal issues are concerned, the Australian Government has on the whole been more sympathetic to the Dutch argument and has repeatedly stated that it recognizes the sovereignty of the Netherlands in West New Guinea. The Australian Government has, however, dogmatically rejected the argument that there is an ethnological affinity between the peoples of West New Guinea and of Indonesia. In his statement to the House of Representatives upon his talks with General Nasution, Mr. Menzies said:

As has been frequently pointed out in this House, the native inhabitants of New Guinea have no ethnological association with Indonesia. General Nasution retorts to this that there are several distinct ethnic groups in Indonesia, and yet they are within one political structure. . . . In answer to this, we have pointed out that the indigenous inhabitants of the island of New Guinea have more in common, both ethnologically and otherwise, than any of them have with the various races of Indonesia.

While this argument that there is an affinity between the native peoples of both West and East New Guinea is expedient today to rebut Indonesian claims that there is an affinity between its own people and those of West New Guinea, it would become a double-edged sword after any occupation of West New Guinea by Indonesia. It would then support Indonesian extension into Australia's territories in eastern New Guinea.

Australia must live in an Asian world, with Asian neighbours, for the whole course of its lifetime. Holland itself shows an inclination to vacate the

Indies in the very near future. The rest of Asia, as United Nations voting shows, overwhelmingly supports Indonesia in this dispute. Russia has been supplying Indonesia with military equipment, including TU-16 jet bombers and motor gunboats.

In February 1962 the United States refused landing rights to Dutch aircraft carrying replacement troops to West New Guinea.

In Australia, this American action provoked a bitter statement from the Federal Opposition and Labor Party Leader, Mr. Caldwell, in which he accused the Government of appeasement. He said:

If Indonesia seeks to deny the principles of the United Nations Charter and to use force to create a potential threat to Australia's security, then I say, with all due regard to the gravity of the situation, that the threat must be faced. . . . This is a moment in our history when bold and decisive action is not only the proper course, but the safe course. Indonesia will retreat quickly enough if we stand firm.

The Prime Minister replied that it was crazy and irresponsible to suggest that Australia should declare war against Indonesia in the event of armed Indonesian aggression against Dutch New Guinea, and that Mr. Caldwell's "vaguely bellicose attitudes" could do nothing but harm.

Six Points of Policy

AUSTRALIAN Government policy on the West New Guinea dispute has been reduced to six points, originally formulated by the Prime Minister during the course of visits by the Indonesian Foreign Minister, Dr. Subandrio, and later by General Nasution, and re-expressed by Sir Garfield Barwick in his statement to the House of Representatives on March 15, 1962. These are:

1. Australia recognized Dutch sovereignty, dealt with Holland as the sovereign Power and approved of the policy of ultimate self-determination which Holland had adopted in relation to the indigenous inhabitants of West New Guinea.
2. Australia was not prepared to put pressure on Holland to negotiate for the transfer of sovereignty or to abandon its policy of self-determination for the indigenous inhabitants.
3. Australia would recognize and respect decisions of Holland as that sovereign Power, with respect to the transfer of sovereignty of the territory, or the pursuit of its policy of self-determination, Australia being neither a party principal nor a self-appointed arbitrator in these matters.
4. Australia was on most friendly terms with both Holland and Indonesia and its recognition of Dutch sovereignty should not be construed as indicating any hostility to Indonesia.
5. There should be no recourse to force to resolve the differences between Holland and Indonesia. Australia had no military commitment with Holland, but armed conflict in West New Guinea would present Australia, in common with other countries, with a grave problem and would certainly not be ignored by the United Nations. It would threaten

world peace and could well bring disaster to South-East Asia by its encouragement of Communist activity and intervention.

- Australia sought for peaceful negotiation at all times, and said that such negotiation should be conducted without threat of force of any shape or kind. It emphasized that it attached the greatest importance to the renewed assurances that Indonesia would pursue its claims peacefully.

Subsequently Mr. Caldwell enunciated the policy of his Party as being absolute loyalty to the United Nations and the acknowledgment of the principle of self-determination by the indigenous population of West New Guinea. He did not, however, challenge the statement by Sir Garfield Barwick that when the dispute was before the United Nations no Asian country favoured the offer of the Netherlands to deliver control of the disputed area to an International Commission and that all such countries supported Dr. Soekarno's claims to "West Irian".

More recently, General Nasution has commented that Australia will not go to war with Indonesia in its way. While this is an over-simplification of the problem, it is clear that Australia's attitude is to rely on political rather than military action.

Australia,
May 1962.

NEW ZEALAND

AN ABORTIVE INDUSTRIAL VENTURE

A PROMINENT item in the New Zealand scene over a period of months has been what is known as the cotton-mill case. It has had international repercussions and has provided an object lesson of value to home consumers, oversea investors and supplying countries. Additionally, the outcome has an important bearing on New Zealand's emerging industrial and trade development because of the incidental high-light thrown on some aspects of the New Zealand economy.

The facts are that the Labour Government, during its 1957-60 term of office, decided to take a more direct hand than hitherto in giving practical form to the concept of industrial development. Except for some sections of the farming community, there was—and is—a general acceptance, inside and outside political parties, of the need to reduce the dependence of the New Zealand people on a predominantly agricultural economy, to provide more avenues of employment for labour, to utilize the country's resources more extensively, to increase total production, and to conserve oversea earnings. The differences which occur are over the means employed to achieve that end, and the present case provided the sharpest and most notable example of that to date.

Indeed, although the cotton mill was only one of a number of industrial projects for which the former Government had entered into contracts with various business concerns, the belated revelation of the provisions of the others came as an anti-climax. Only in one instance—to be mentioned later—was there any public criticism of the arrangements which had been entered into; but, by comparison with the cotton mill affair, the storm in this instance had diminished to tea-cup proportions.

All these agreements, designed to accelerate the industrialization of New Zealand in depth, involved Government on the one hand and local or oversea ownership on the other, or both. They all related to undertakings of considerable size; the capital aggregated £30 million. The industries concerned were aluminium fabricating, merchant bar production using New Zealand ferrous scrap, oil refining, gin manufacture, steel and brass wood screws, steel wire drawing and galvanizing, steel wire ropes, telephone cables and sheet-glass manufacture.

The nation-wide controversy which developed, however, was over the agreement effected with an old-established United Kingdom firm which was approached by the then Government and which agreed to set up a New Zealand company to start and work a cotton mill at Nelson, a provincial centre in the South Island, which earlier had been the loser in a political battle over a local railway started by the Labour Government and stopped by its National successor.

Criticism of the wisdom of Government in extending special conditions, including import quota protection, to any concern for the manufacture of cotton goods in New Zealand was being publicly aired as early as March 1960. The then Prime Minister (Mr. W. Nash) announced in May of that year that a £4 million cotton spinning, weaving and processing mill was to be established, to produce, in the first stage, meat wraps, denim, drills, bleached sheeting and pillow cases, extending later to flannelettes, winceyettes and similar materials, bleached, dyed and unbleached yarn, shirtings, canvas and duck, towels, ticking and similar products. Initially, the mill would employ about 300 persons, said Mr. Nash at the time, and would operate 24 hours a day over a five-day week; but as production developed in planned stages it would require more labour. The products of the mill would be at prices to compete with imported goods, and the quality would be fully up to world standards. Part of the output would be exported.

Criticism by the national organization of farmers continued, but had little to feed on because Government declined to reveal the details of the agreement entered into; and then the General Election intervened in November. The rejection of the Government by the electors (who were not called on to consider the cotton-mill question as an election issue) and the first few months of the "running in" of the new Government caused the subject to lie fallow, little being heard of the agreement for a fairly long period. Then, because of a belief that the National Government intended to continue with the agreement, unease spread, not only among the farming community but also among importers, wholesalers, merchants, retailers and affected manufacturers, the common understanding being that a monopoly arrangement existed between the State and the company. Because of continuing public criticism, the company itself, in September of 1961, raised the question whether the agreement was to continue. Despite the continuing public criticism, the full terms of the agreement were not released by the Government until October. While the terms were by no means definite on critical points, it was clear that the corporation was being provided with both tariff and import licensing protection over virtually the entire range of cotton-textile fabrication, as well as with powerful rights against any future internal competition, such monopoly rights to operate without limit of time.

Following a spate of criticism, the directors of the company were asked in mid-November to come to New Zealand to discuss with the Government the implications of the agreement. This they did, intensive and protracted discussions took place and, after two months, the Government decided not to go ahead with the mill project. In a joint statement the Government and the company said they had agreed to terminate the agreement, and that the Government would pay compensation to the company and to mill workers already recruited. It was clear, it was stated, that conflicting interpretations had been placed on certain clauses of the agreement by the Government and by the company and that some of the provisions of the agreement would have proved difficult of interpretation. The Government, for its part, had reluctantly come to the conclusion that the development of the project would not have fitted harmoniously into its plans for the industrial development of

New Zealand. These reasons were amplified in a number of subsequent statements by and on behalf of the Government.

In an assessment of the whole affair in retrospect, there is no doubt that the Government has suffered from criticism, not only because it persistently refused to tell the public what the public was committed to under the agreement that had been made, but also because it took no steps to assess the effects on the country until outside pressure forced it to do so, when it took the drastic course of terminating the agreement. On the other hand the Government, on assuming office, examined the agreement, found it was legally binding and recognized it as such. It was only when the terms were fully gone into, and the interpretation of vital clauses and provisions plumbed, that it became clear that (1) the consumer's choice of cotton fabrics would have been restricted and prices considerably increased, (2) the company would have had a limited monopoly on a cost-plus basis, (3) endless controversy would have ensued on the interpretation of ambiguous or indefinite terms in the agreement, and (4) it would have limited the endeavours of New Zealand to increase the sale of its primary produce to those countries producing cotton and other goods.

Indeed, out of all the agreements New Zealand could have made in the industrial field, including those which it did make, the cotton industry would seem to be strikingly unsuitable to establish in New Zealand. The long-established United Kingdom cotton industry has not succeeded in effectively meeting growing competition from France, Italy and Asian countries, and has contracted considerably despite attempts, subsidized by the British Government, to reorganize it. Compared with costs in England, those in New Zealand were more likely to be higher than lower, the scale of operations would be smaller, and our overseas funds would need to be called on heavily for the importation of raw materials and plant, thus offsetting to some extent any saving in imports of manufactured cotton goods.

New Zealand cannot ignore its customer standing with the Asian countries. Quite apart from new markets which might be offering in the very places which might be hit by a protected cotton industry, Japanese official and business visitors in particular had made it quite clear that they expected to be given reasonable access to our market if they were to continue to buy wool, meat and dairy produce from us at present levels, let alone increase their purchases. With half of New Zealand's imports from Japan consisting of cotton goods, it is difficult to understand how the establishment of a cotton mill in this country could have been regarded as good business.

Besides offending friendly supplying countries, and thus prejudicing our own overseas market prospects, this particular agreement relied as a key provision on the use of import licensing—indeinitely extended into the future—as well as of tariffs, thus, in the former connexion, going contrary to the provisions of GATT and the International Monetary Fund, to which organizations New Zealand has given an undertaking to discontinue import licensing, except to meet a serious deficit in the international balance of payments.

From the point of view of the company, it had obtained the type of

agreement which was necessary to justify its undertaking the mill project in New Zealand. It was faced with high labour costs in this country, necessitating its providing the best machinery possible, at no small cost, in addition to which it needed to have protection against competition, particularly Asiatic competition, if it was to survive.

On balance, it seems that the Government, in coming to a joint agreement with the company to terminate the agreement, has taken the wisest course in New Zealand's interests as an external trading country. While no Government would lightly abrogate an agreement held to be legally binding, the mutual determination arrived at has been reached with a reasonable degree of tolerance and good will on both sides, and full compensation is to be paid, so that the ending of this industrial venture cannot reasonably be held to be a deterrent to further overseas investment in New Zealand.

In the meantime, a contretemps has been revealed through the publication by the Government of the terms of the other agreements entered into with business concerns by its predecessor in office as mentioned earlier in this article. In an endeavour to protect new industries, it overlooked the impossibility of giving effective protection to two commercial rivals simultaneously. On the one hand, it purported to guarantee a company (Alcan) permission to import from its parent company (Aluminium Ltd., of Canada) all its requirements of aluminium ingots for processing for ten years, and half of its requirements for a further five years. Moreover, the Labour Government undertook to use its powers and influence to ensure that Aluminium Ltd. would not face competition which would render its enterprise uneconomic. On the other hand, the Labour Government, after making its bargain with Alcan, apparently encouraged the company concerned in another agreement (Consolidated Zinc) to believe in its own freedom to process and market its own aluminium products in New Zealand. The future will show how the situation will work out; it is a question whether it is a matter of practical consequence.

Active Trade Promotion

THERE has been considerable activity of late in the sphere of New Zealand's trade relations and external trade promotion. The Minister of Trade (Mr. Marshall) returned in late March from an important mission to Asian countries. This followed on a round of economic and trade conferences by the Minister at the end of last year, when he presented a vigorous advocacy of the New Zealand case against agricultural protectionism. While, on that occasion, there was little to show in the form of concrete results, Mr. Marshall performed a vital task by expounding the problem to the forty nations represented at the Geneva meeting of GATT signatories.

On his latest mission, the Minister, while declaring in Hong Kong the desire of New Zealand to trade on a multilateral basis, has come closer to a trade affinity with Asian countries as a means of solving the problems of New Zealand's primary industries. In Japan, he signed on behalf of the New Zealand Government an agreement under which the two countries will enter into tariff negotiations as soon as possible. The Dominion undertook to

withdraw its invocation against Japan of Article 35 of GATT—this being the “escape” clause which is operated only when certain local industries require protection.

The agreement provides for reciprocal consultations between the two countries in the event of damage caused to domestic industries by excessive imports. In cases of emergency, remedial measures can be taken in advance of consultation. The agreement effected bindings in respect of the present levels of duties on mutton and lamb on the one hand and on canned salmon, crustacea and mollusca on the other hand.

Japan is, today, New Zealand's sixth best customer. There is no doubt about the great new market which exists for New Zealand in the Pacific basin, and it is interesting to recall the public expressions of last year by Japanese exporters to the effect that they were preparing to capture a major share of Britain's Commonwealth trade if Britain joined the European Common Market, that they had “their sights lined” on New Zealand, and that Japan was ready to replace Britain as the main single market for New Zealand produce. On the other hand, the New Zealand Minister stated on his return that while he was hopeful of increasing New Zealand's trade with the Far East, that could not become a major market for a long time.

Coincidentally, there has been signed a short-term trade agreement with the United States, incorporating concessions exchanged at the recent tariff negotiations held under GATT. A binding of the existing duty-free status of certain wools imported into the U.S.A. is particularly valuable to New Zealand, which was the principal supplier of carpet wool to the United States in 1961, sending one-third of the U.S.A.'s carpet wool supplies for that year.

On the other side of the picture, there have been expressions of resentment in New Zealand at the trend of the country's trade with Australia, which has been to increase the Dominion's adverse balance. After the experience last year of an unprofitable attempt to comply with elaborate quarantine requirements imposed by Australia on potatoes, New Zealand smarted under a decision of the Australian Government immediately to increase the tariff on imports of New Zealand onions, and then cried out at the reported intention of the Australian Government to impose quotas on the importation of timber and paper. The Associated Chambers of Commerce and other national organizations called on the Government to let Australia know in plain terms that, unless she is prepared to buy more extensively from New Zealand, then New Zealand will give notice that she intends to take steps to divert trade to other countries with whom better reciprocal trading arrangements can be made.

This and other external trade problems will fall to the lot of the newly announced Trade Promotion Council which the New Zealand Government has stated is to be a co-ordinating and advisory agency in a concerted, continuous trade drive. It consists of fourteen experienced business advisers. Although the Council was considerably overdue in making its appearance, having been promised by the Government long before, the blame for the delay appears to lie rather with the producer boards which either market, or are concerned with the export of, dairy produce, meat, apples and pears. The

boards, according to a public statement by the Prime Minister on March 9, had been invited by the Minister of Overseas Trade and himself to be represented on the Council, but, said Mr. Holyoake, “they had refused to be associated with it in any way”. In a simultaneous public statement on behalf of the boards, Mr. Ormond, chairman of the Meat Producers' Board, explained that each of the boards had its statutory responsibilities in the matter of marketing and that those responsibilities could not be shed to anyone else.

At the same time, the boards have been criticized on the ground that they do not want to co-operate with commercial interests in the marketing of produce, thereby possibly introducing the wedge into producer marketing monopolies, and that they were thus damaging national interests by a dog-in-the-manger attitude. It was also suggested that the marketing boards were reluctant to forfeit their direct links with the Ministry of Agriculture and to enter into any alliance with the Department of Industries and Commerce (which the Prime Minister announced would give secretarial and research assistance to the Trade Promotion Council) which could be regarded as being less closely allied to their interests.

World Bank Mission

As a result of last year's decision by the Government to join the International Monetary Fund, a mission of economists and other experts, representing the World Bank, has been visiting New Zealand. It had been asked to examine the New Zealand economy, and to look especially into projects for electric-power development and improvements in railways' rolling stock, for which the Government hopes to raise long-term finance from the Bank.

In addition to its discussions at the official level, the mission has moved around freely and made contacts with numerous interests and national organizations. The informality of these “soundings” of the views held by the various groups on the nature of New Zealand's economic problems, and the best means of solving them, has led to free discussions which have proved of value to all concerned.

The Bank may lay down specified conditions as attaching to loans it may make. While the New Zealand Government is not bound to accept these, and can always try to raise overseas finance elsewhere, the advisory service of the World Bank could prove as valuable in the long run as its financial accommodation. The report of the mission could be a valuable guide to the future economic prospects of New Zealand.

New Zealand,
May 1962.

RHODESIA AND NYASALAND

THE FEDERATION CRUMBLING

WHILE Northern Rhodesia and Nyasaland continue to be the responsibility of Her Majesty's Government, British Ministers state that they cannot intervene in the internal affairs of Southern Rhodesia. On the other hand, Lord Kilmuir, on behalf of the British Government, has made a statement which underlines the truth of an earlier pronouncement by the Monckton Commission:

The Federation was established and its Constitution defined by an Order in Council made by Her Majesty under the authority of an Act of the United Kingdom Parliament (The Rhodesia and Nyasaland Act of 1953), Section 1 (2) of which expressly reserves the right of Parliament to revoke or amend the Order in Council. Thus Her Majesty's Government retain unfettered power to make provision for the future of the Federation in any manner they think fit.

When the Federation was established our political leaders did everything possible to reduce the influence of the Colonial Office in Central Africa. Every power that Britain would permit was transferred from the State to the Federal Government. The latest estimate of finances shows that while the Federal Government will spend £70 million in the present year, the three States together will spend only £52 million, almost half of which will be included under the three headings of police, service of loans and African education. In contrast to the limited powers of the State Governments the Federal authority controls defence, European education, external affairs, transport, the larger power schemes, collection of major taxes, communications, the development of commerce and industry, &c.

As Britain is responsible for the future of the Federation she holds in her hands the final disposal and control of major functions of government which used to belong to the three States. The United Kingdom Government could therefore exercise enormous influence in Southern Rhodesia, for the Colony has no authority to demand the return of the powers which she has surrendered to the Federal Government. Decisions regarding these powers, so vital to the Colony, lie entirely with Her Majesty's Government in the United Kingdom.

The Prime Minister, Mr. Harold Macmillan, has stated, with understandable pride, that in the past twenty years Great Britain has brought more than 500 million people to self-government. The world now watches to see how a nation with so much experience and with such great power will face the problems in the Federation of Rhodesia and Nyasaland. The creation of a Central Africa Office under Mr. Butler shows that the Prime Minister recognizes the seriousness of the challenge and that Her Majesty's Government has accepted it.

Three years ago Nyasaland was in turmoil and Dr. Hastings Banda was in jail. Today the situation has been clarified and the Malawi Party, under

Dr. Banda's leadership, is in control of the Government. While ultimate authority lies with the Governor, Sir Glyn Jones knows that the less he has to impose his own will the more successful is his leadership. The British civil servants recognize that they are working in an African country, that they belong neither to the people nor to the land and that their places will rightly be taken by local men as soon as these are trained and available. Of the 2,920,000 people of Nyasaland, 10,700 are Asians, 8,900 are Europeans and 1,500 are of mixed race. The new Constitution made it possible for 100,000 voters to register on electoral rolls, and the will of the majority now prevails in State matters but not in Federal affairs. Europeans have lost the control they once possessed but, under an African Government, they have been told that they are welcome to stay and share equal rights with other citizens.

In Northern Rhodesia, while a similar tide of nationalism flows inexorably, the position is far from stable. The African people themselves are divided under the leadership of Mr. Kenneth Kaunda and his United National Independence Party and Mr. Harry Nkumbula and the African National Congress. The A.N.C. is a supporter of Mr. Tshombe and it is also considered to be a possible collaborator with the United Federal Party. UNIP has far wider support and will emerge as the Government at the election later this year if the framework of the electoral regulations is found to allow any African party to obtain a clear majority. It is possible that the present confusion may continue for a year or so but, if white liberals and UNIP are able to co-operate at all effectively, the position in the north could be clarified within a few months. Nothing will stop the early transfer of power to the majority; and Mr. Kaunda and Mr. Nkumbula have at least one aim in common—to break up the Federation.

The situation in Southern Rhodesia is very different, mainly because there are three times as many Europeans in the south as there are in the two northern colonies combined. The ratio of white to black in Nyasaland is 1:320, in Northern Rhodesia 1:32, in Southern Rhodesia 1:13, the actual number of Europeans in Southern Rhodesia being 221,000 to 2,960,000 Africans.

Continued White Domination

UNDER the new Constitution, which is being introduced by stages, the elections to be held about October will give us a white Prime Minister and Government. It is true that in some ways the new Constitution could be regarded as a liberal measure in that it makes provision for 15 African members in a Legislature increased to 65, but it also effectively limits African participation in government for so many years to come that the chief effect of the new measure will probably be to inflame African resistance and increase racial antagonisms. The Prime Minister sees African participation as continuing mainly on a B, or lower, roll for a very long time. He has said that at present the B votes will have full value but that "there will no doubt come a day when there will be hundreds of thousands of B voters and then devaluation will be severe. This is a well thought out scheme." There is no doubt that the present Constitution has been devised in such a way as to keep

dominant political power in the hands of an A roll, predominantly white, for the foreseeable future.

Such stability as exists in Southern Rhodesia today is based upon repressive legislation supported by a police force which numbers, including reserves, some 30,000 men. As the cost of the Federal army has risen in the past three years from £4,400,000 to £8,200,000, so, in similar fashion, police expenditure in Southern Rhodesia has risen from £2,700,000 to £4,100,000.

In Nyasaland the battle between white and black is over; in Northern Rhodesia it is no longer in doubt though a clear issue may be delayed at most a year or so. If, in Southern Rhodesia, the new Constitution were to prevail it could be many years before majority rule is achieved. African nationalist leaders recognize this fact and have stated categorically that their people will not accept the new Constitution and that passive resistance to it will be organized. Statesmanship would long ago have scrapped the new Constitution and another Conference would have been called to seek agreement amongst the people of all races. It is recognized that the British Government were informed that the Constitution would be accepted by the African people, and it was emphasized that Mr. Nkomo's utterances should not be taken too seriously, for he did not really represent the true feeling of the people. This is still the official attitude, but a drive to bring 60,000 voters on to the rolls has been a failure and, despite every enticement that has been offered and every pressure that has been brought to bear, only about 3,000 new voters have been added to the B roll since the campaign started some three months ago. This contrasts very adversely with the registration of more than 100,000 voters in Nyasaland in the period of one month. Mr. Nkomo's statement that Africans will not accept the new Constitution is supported by a very effective boycott of the new rolls. This is the present position in the struggle between white control and the rise of African nationalism. Relationships between the races continue to deteriorate and there is no longer a significant multi-racial political group in Southern Rhodesia.

If it is right that the great African majorities of Nyasaland and of Northern Rhodesia should have power transferred to them, then the new Constitution for Southern Rhodesia should have been designed to bring Africans to power in a clearly defined period. It is understandable that Africans are frustrated and angry when they recognize that the Constitution was so framed as to delay the transfer of power. There are more educated people in Southern Rhodesia, more Africans with university degrees, than in the two northern territories combined. In the light of this knowledge Africans recognize that the main reason for their continued exclusion from political power is that there is a considerable group of European people settled in the country. Their reaction to this situation is dangerous for whites.

Prime Ministers at Odds

WHILE the United Federal Party has lost its position and power in Nyasaland and in Northern Rhodesia it is still supreme in both the Federal sphere and Southern Rhodesia, but there is a growing divergence both in opinion and in policy between the two Prime Ministers. Sir Roy

Welensky is so determined to hold the Federation together that he has warned us that he would use force in certain circumstances. Until recently the Federal Prime Minister could claim with truth that he was supported in his views and in his determination by the great majority of the white electorate, but that situation is now changing.

Sir Edgar Whitehead has said that if nationalist leaders took office in the north Southern Rhodesia would secede from the Federation. If Sir Roy Welensky was determined to maintain the union then it was up to him to see that Sir Edgar's terms were met. No one can say that the Federal Prime Minister did not do his best, but he has failed. When Britain produced the first of the three variations of the Northern Rhodesian Constitution, Sir Roy Welensky showed his disagreement with its terms by mobilizing the army. The United Kingdom Government hastily withdrew its proposals and later produced another set which were more to the liking of the Federal Prime Minister. Only actual violence by Africans forced Britain to withdraw the second set. During this period Sir Edgar Whitehead again insisted that he would withdraw Southern Rhodesia from the Federation if African nationalists were given power. When pressed to state if that meant secession if Mr. Kenneth Kaunda won a majority, the Prime Minister would give no direct reply but said that he considered it most unlikely that Mr. Kaunda would win.

Now that Dr. Banda's position is assured and there is a growing possibility that Mr. Kaunda will gain a majority, Sir Edgar Whitehead appears to recognize that the Federation will break up. When Mr. Kaunda recently said that then the only association between the Rhodesias would be the factual one of Kariba and the railways, the Prime Minister did not say that the Federation must be maintained but simply that the association would have to be on a broader basis than that suggested by Mr. Kaunda.

It is true that on his recent visit to the United Kingdom Sir Edgar Whitehead suggested in vague terms that the developed areas of Northern Rhodesia should be joined to Southern Rhodesia and that the undeveloped areas of the Federation should be joined in another association, the developed area to provide financial assistance to the undeveloped. This suggestion, however, appears to have been born in a moment of desperation and it is one of the most unrealistic plans that have yet been put forward.

Northern Rhodesia goes to an election later this year. The internal situation, with two African nationalist parties, the present Liberal Party under the leadership of Sir John Moffat, the remnants of the United Federal Party, and the new and reactionary Rhodesia Republican Party, is full of possible strife and even tragedy. However, in the confused internal situation only the United Federal Party continues to call for the maintenance of Federation.

In Southern Rhodesia the Prime Minister will endeavour to implement the new Constitution, despite majority opposition to it, and will prepare to go it alone rather than be linked with the northern states under nationalist leaders. The majority of the people in Southern Rhodesia, continuing to be denied any adequate voice in government, will organize a passive resistance movement. This increasing danger is already costing the Prime Minister support,

especially from the more reactionary rural areas. The latest organization to appear, named the "League of Rhodesians", has as one of its aims the federating of Southern Rhodesia with the Republic of South Africa and the territories of Portuguese East Africa; this association to be sought after the electorate declares Southern Rhodesia to be a Republic and withdraws from the Commonwealth. If the reactionary groups organize for a clear-cut policy of continuing white control, it is possible that Sir Edgar Whitehead and his party will be ousted at the next election. Yet in face of our dangers, when our only hope is to have Britain's assistance to achieve a widening of the franchise and the transfer of power to the majority, Her Majesty's Government say they are impotent to take the action which only they have the right to take.

Great Britain's Responsibility

A GAINST this background one thing stands out starkly: the Federation, under white control, is doomed. A year ago the Federal Prime Minister had sufficient support from the white electorate to have tempted him perhaps to have called out the army to hold his position by force. Today it would be difficult to find sufficiently wide support for Federation amongst the white community to justify such an attempt.

Today, in a British territory, the will of 300,000 whites, based upon legal power and supported by an army, defies the growing strength and determination of almost nine million Africans who demand that they should govern themselves and defend their claims by moral right.

In this time of crisis, the greatest power and the widest responsibility rests with Her Majesty's Government. Britain alone could take such action as would permit the will of the people of Central Africa to have its way. Only if this is done can tensions be relieved and government given stability. Britain, on her own profession, exercises power over every aspect of government in Central Africa except those comparatively few matters left to the Government of Southern Rhodesia, which are represented by the expenditure of £24 million out of a total of government expenditure of £123 million. Such a statement over-simplifies the issue but it does highlight the extent of Britain's responsibility, and emphasizes once again that the powers of the Federal Government and of the Governments of the two northern Colonies are subservient to the decisions of Her Majesty's Government.

When the major political problems have been solved, Governments will then have to face the real problems of the future, those concerned with stimulating a vital economy, with educating people, with providing a democratic framework of law and administration which will give men and women an opportunity to lead the good life. There are strong arguments in favour of preserving a federal system of government to assist in this great task. The one overwhelming objection to Federation as it has been seen by the African people is the fact that it has been used as a device to maintain the political dominance of Europeans.

If the outcome of the Federal Review Conference which must be held within the next few months is the dismemberment of the Federation of

Rhodesia and Nyasaland, then the people, the African people, will take over the entire government of the two northern Colonies and Southern Rhodesia will be left with an unstable situation which may well result in strife. It could then only be a matter of time when, after bloodshed and bitterness, this territory would also be governed by its African people. If Britain is now prepared to act firmly, wisely and generously she might well be able to grant the African people majority power, but at the same time she might also be able to win wide support from Europeans for a new order.

To gain the support of the African people, the present Federal Government would have to go. This would happen if the Federal franchise was broadened to allow a large majority of Africans to register. To gain support from Europeans there must be a period during which a new and inexperienced government will not have complete control of Federal affairs. There are various ways in which, during a period of transition, some control could be maintained by Her Majesty's Government. Nyasaland is passing through such a stage at present and no doubt the same will be required of Northern Rhodesia. It is not beyond the ingenuity of statesmen to design a suitable pattern of government for the Federation for a time of adjustment.

Today, especially in the Rhodesias, Europeans are growing much more concerned with the worsening economic situation than with possible political developments. Many people are now saying that the race or colour of those in government is of little importance when compared with the threat to their jobs, their homes and their businesses. If it were possible to link strong economic revival to sound political changes a large number of whites would be persuaded to give their support. The extent of the economic help which would be necessary might be beyond Britain's ability to provide, but Africa is important, not only to Britain, but to the free world. If Her Majesty's Government and the Government of the United States of America were prepared together to underwrite a major plan for economic aid for a continuing Federation under African control, the entire situation in Central Africa might well be changed within twelve months.

Central Africa,
May 1962.

SOUTH AFRICA

THE BUDGET

SOUTH AFRICANS in recent years have been accustomed to see large surpluses, both budgeted and unbudgeted, transferred annually from revenue account in order to ease the problem of financing expenditure on loan account.

When Dr. Dönges introduced this year's budget, on March 21, he estimated that only a small surplus of R 5 million* would emerge at the close of the financial year 1961-62 (the final figure seems likely to be in the neighbourhood of R 15 million). However, he departed from recent practice and proposes to retain this surplus within the revenue account, notwithstanding that a contrary intention was announced as a settled item of budgetary policy by a previous Finance Minister, when introducing the 1954-55 budget.

The reason for this change is not far to seek. In the coming year, covering expenditure out of revenue seems likely to bring greater difficulties than financing the loan programme, even though the latter (including repayments totalling nearly R 87 million) calls for R 316 million. Perhaps the most important development scheme yet undertaken in South Africa, a vast scheme for the conservation of the waters of the Orange River, is to be inaugurated. But its initial effect upon the loan programme is slight. Only R 2 million (out of R 85 million for the first stage alone) will be spent during the coming year.

On the other hand, on Revenue account Dr. Dönges has to find R 70 million more than in the previous year, of which an additional R 48 million is to be devoted to defence. The defence vote has increased to R 120 million. The total expenditure on revenue account has been budgeted at a little over R 795 million. It would have topped the R 800 million level had not R 10 million out of R 19.7 million voted to the South African Native Trust for land purchases for Africans, the establishment of villages, irrigation, land reclamation, forestry and other developments, been transferred back into the Loan Account. The boundaries between loan items and revenue items are thus rather obviously fixed by fiscal convenience and not through the application of a consistent classification reflecting settled administrative principles.

The shortfall estimated on revenue account for 1962-63 (taking into consideration the increased revenue collections which would have taken place at existing levels of taxation) is R 40.7 million. The Minister of Finance proposes to recover R 14.2 million of this by withdrawing an existing 10 per cent rebate on the standard tax payable by individuals to the central government and an existing 3 per cent rebate on the portion of income tax of companies going to the central government, when calculated at the standard

* In order to establish a decimal currency, the South African pound has been divided into two Rands, of 100 cents each.—*Editor.*

rates. He hopes to recover approximately the same amount by new liquor taxes ranging downwards from an additional 18 cents per bottle for spirits, to include, for the first time, a tax of 2½ cents per bottle on table wines. The impact of these duties upon the wine-farmers and the liquor trade may, later in the year, be cushioned by the impending removal of prohibitions on the drinking of wines and spirits by Africans.

Petrol and diesel oil (apart from that used for agricultural purposes or bus operations) have had 1 cent per gallon added to existing duties, which is estimated to bring in another R 5.4 million, and other small indirect tax increases have been imposed to add a further R 1.8 million.

A minor item amongst these is a duty of 5 cents per copy on paper-back fiction, which seems to have been imposed more for sumptuary than for revenue purposes. Unfortunately, this has proved exceptionally vexatious to the book trade, since booksellers normally import many of their books through the post in smallish quantities and hitherto no customs clearance had been necessary. Now it has become necessary for every book-packet to be opened for customs examination and much inconvenience and loss of time have ensued. Possibly a more complete censorship is facilitated.

In this instance Dr. Dönges's ingenuity seems to have been rather misplaced. It is, however, in other connexions that this attribute of the Minister of Finance is most in evidence; in particular, in trying to turn the difference between the London prices and Johannesburg prices of South African securities to budgetary advantage. This is to be attempted in two forms.

The first consists of a controlled repatriation of foreign-held South African securities (at present blocked), arranged so as to assist in financing the loan account. Blocked rands proceeding from the sale of South African securities on the Johannesburg Stock Exchange are to be eligible for investment in five-year 5 per cent non-negotiable bonds, repayable in five equal annual instalments, each of which can be repatriated at ruling exchange rates. Up to R 20 million of such bonds will be open for subscription during 1962-63 and a total issue of R 50 million is envisaged.

The second exhibits Dr. Dönges's virtuosity in full (and perhaps his tendency to see too beatific a vision arising from it). It is linked with recent legislation designed to encourage the formation of "open-ended" unit investment trusts. These, in turn, are being encouraged with a view to mobilizing the smaller investors' savings, under suitable expert guidance, to provide "risk" capital for South African enterprises.

One of the difficulties in the way of launching such trusts is the very narrow market in which scrip may at present be purchased for making up the initial investment portfolios. Dr. Dönges proposes to broaden this by making available up to R 20 or R 30 million, under strict Reserve Bank control, for the purchase of South African securities on the London Stock Exchange at London prices. The price to be paid by the purchasers, however, will be the ruling price on the Johannesburg Stock Exchange. The difference will be paid to the Treasury as a special contribution towards defence equipment.

Thus the Minister aims at killing quite a covey of birds with the one stone.

He will virtually tax the foreign holder of South African securities who shows lack of confidence in his investment, for the privilege of selling out. By introducing a new element of demand in London, he hopes to push up the London prices of South African securities, thus teaching the faint-hearted, who had sold at a lower price, a lesson. This, it is hoped, will encourage others to hold rather than sell and, with fewer sellers and more buyers, a cumulative improvement of London prices will result. In the process of bringing London and Johannesburg security prices into line, the Treasury will make a welcome profit, while the confidence of the foreign investor will be restored. In South Africa, the new investment trusts will be able to acquire well-assorted portfolios and, as they grow, and wish to add to these portfolios, will find an increasing amount of fresh scrip of well-managed companies, whose directors will be encouraged to seek a stock-exchange quotation for their shares because of the wider and more active local market for equities which the investment trusts will have created.

The English are credited with having turned their public debt to advantage in the closing years of the seventeenth century and in the eighteenth century by building an efficient banking system and money market round it. So far only Dr. Dönges seems to have had the vision of turning to advantage the existence of blocked rands and of the substantial discount at which South African securities stand in the London market below their Johannesburg level. One is compelled to admiration for his ingenuity. But then one recalls that the same ingenuity led by tortuous paths to the Senate Act, and wonders.

South Africa,
May 1962.

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