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Britain's second opportunity

A generation ago the statesmen of the great coalition which defeated Imperial Germany had in their hands an opportunity unique in the history of the world. They missed it, and we are to-day living out the dismal lessons of their failure. That opportunity is about to recur; and, by a miraculous conjunction of events, Britain is once more a protagonist in the great combination of peoples which will shortly find itself in undisputed mastery of the world. British statesmen will once again play a leading part alongside those of the other United Nations in framing a settlement which may mould the whole shape of human society for half a century or more to come.

This time they cannot afford to miss the opportunity. Britain cannot hope for a third time to emerge from a major war as one of the principal arbiters of the world's destinies. The responsibility thus falling on the architects of our foreign policy is immense, and the scope of their task unprecedented. The world conflict for whose settlement they must prepare is not an isolated phenomenon, but the culminating episode of a major revolution which is transforming the whole shape of civilisation. Both in our national society and in international society a new pattern is emerging. In these circumstances the basic presuppositions on which our foreign relations in the nineteenth century were based, and which permitted of a remarkable stability and continuity of policy, can no longer be accepted as valid. The very fundamentals of our policy have to be rethought, and new presuppositions hammered out which will

permit of similar continuity of policy in the coming years. This means thinking in terms, not merely of this year and next, but of decades and even half-centuries; not merely of diplomatic relations between sovereign governments, but of the whole range of relations between the peoples of the world—political, economic, social, and cultural.

To formulate a policy adequate to these new conditions will call for exceptional audacity. There will be no lack of pessimists to harp on the theme that Britain's material power is declining; that we must abjure forward-looking policies because we "cannot afford" them; that we are dependent on our major allies and must therefore defer to them in all things; that we must shirk our world responsibilities because we cannot ask of a war-weary or indifferent British public the sacrifices necessary to discharge them. To all such talk there is a clear answer, and our statesmen must have the courage to give it. Effectively mobilised, the resources of this country, both material and moral, are, potentially, as vast for peace as they are for war. Given leadership, the new spirit which is abroad amongst the British people will carry them forward to sacrifices in winning the peace of the same order as those which they are to-day making to win the war.

Finally, our statesmen must work quickly. The shape of the peace grows continuously, from day to day, out of the events and decisions of the war. To postpone the working out of our new policy until hostilities cease would therefore be little short of disastrous. The pattern of that policy must emerge in the shaping of events to-day and to-morrow.

This broadsheet is largely a summary and development, from the viewpoint of future British policy, of conclusions published by PEP during the last three years in a series of broadsheets on international questions. Starting with an analysis of the new world conditions within which our future foreign policy must be shaped, and an estimate of the strengths and weaknesses of Britain's position in the light of those conditions, it goes on to state some of the main problems which the architects of our policy must face, and to sketch out some provisional outlines for the new design.

BRITISH FOREIGN POLICY

The new conditions of foreign policy

It is now widely recognised that the two world wars of the twentieth century and the intervening period of armistice must be regarded as episodes in a major revolution which is reshaping

the whole pattern of civilised society. No one can hope to sketch out even the bare outlines of a foreign policy for Britain in the coming years who has not first grasped the nature of this revolution, for it determines the conditions within which policy must be formulated, perhaps, for the next half-century. In this revolution three main elements stand out as having a particular bearing on foreign policy:—

The first and most obvious is the high degree of integration and interdependence in human affairs which technical advance has brought about. The consequences of events, the repercussions of new policies, the impact of new ideas, have long ceased to stop at national or even continental frontiers. They are world-wide.

It follows that many of the shibboleths of nineteenth-century ideology have become meaningless. "Splendid isolation" has become a backward-looking Utopia. Neutrality has gone the way of the sailing ship and the stage coach. Major issues of national policy can no longer be dismissed as "matters of purely domestic concern." Forethought, planning, organisation, as we are slowly and painfully learning from the experience of total world war, must be world-wide; and, being world-wide, they must also be long-term.

The second relevant factor in this revolution is the change which it has brought about in the rôle played by the state within the community. The functions of the state are no longer restricted, as in the nineteenth century, to the maintenance of internal order, external security, and the conduct of diplomatic relations. The old division between the "political" and the "economic" spheres, the latter maintaining a more or less autonomous existence as a state within the state, has been irreparably broken down. Gradually at first, rapidly as a result of the war, the state has been reaching out its powers of direction and control into every sphere of the community's activity. In some countries, such as the U.S.S.R., this process has been carried forward on a tide of conscious political volition; in others, such as Britain and America, it has lagged in face of the resistance of an outworn ideology of non-interference, only to be hastened forward by the imperative demands of total war. In all countries the process is, in its general direction, irreversible, because it is the inevitable consequence of modern technical conditions.

It has vital consequences for foreign policy. If twentieth-century states are different in kind from those of the nineteenth, then the relations between them will be different. Their contacts with each other will no longer be limited to a single facet

of the community's life ; they will extend to every phase of the community's activity—economic, social, and cultural. The interdependence of domestic and foreign policy will be closer than ever before, with potentialities of far greater richness of relations between peoples, but also of far more frequent friction. A corresponding change and development is needed in the machinery for handling these relations.

And there is a further point. Parallel with this change in the character of the state there is going on a change in the character of the personnel who direct or control the processes of the state. A new type of man is coming to the fore in every modern community—who is neither the landed aristocrat nor the independent entrepreneur and owner of capital, but the administrator, the organiser, the highly skilled technician. Everywhere he is bringing with him a new outlook and a new approach. No foreign policy will succeed which does not take into account the importance in national and international affairs of this emergent type, and seek to win its co-operation both at home and abroad.

The third relevant factor in this revolution is the profound change which has been effected in the constituents of national power. The technical conditions which made possible the co-existence of a patchwork of scores of completely independent, and theoretically equal, sovereign national states or "Powers" of varying size and strength have passed once and for all. The attempt of the Versailles peacemakers to give new life to that system was in many respects a retrograde step which made its ultimate overthrow by violence inevitable. In sweeping it away, Hitler's armies were in a sense no more than the unconscious agents of the revolutionary forces; and any attempt to rebuild it a second time in its old form could only lead to the same result. Whether we like it or not, the world politics of the post-war years will, in fact, be shaped primarily in terms of the relations between three or four great World Powers; and this is the fact which must determine the outlines of the new international system which we aim to create.

To qualify for the onerous role of World Power a nation must possess a formidable combination of resources. It must possess an extensive and highly developed industrial potential; the ability to control or ensure the supply of vast quantities of raw materials, often from sources scattered throughout the world; a high order of technical and administrative skill; and, last but not least, the ability in its leaders to command the continued and active support of the increasingly powerful and politically conscious masses.

But it must also possess something further. The type of association between a powerful nation and a group of smaller peoples which modern conditions require will only be durable if that nation possesses in exceptional degree a capacity for leadership—a leadership which is willingly accepted because it is recognised, not as the selfish attempt of the stronger to impose his will by force on the weaker, but as the most far-sighted and disinterested expression of the common interests and purposes of all.

It is this moral element in power which, if there is any validity in the idea of the twentieth century as the century of the common man, must and will become increasingly fundamental to the whole concept of power and its exercise in the modern world. It is precisely in this respect that Hitlerism, with its self-centred lust for "racial" domination and its belief in the omnipotence of force, has most obviously and disastrously failed, thereby forfeiting Germany's claim to be a World Power. It is precisely in this respect that the British people can hope to find a lasting source of strength, thanks to the value which their long experience in democratic evolution, both at home and within the Commonwealth, has taught them to set on this element in power.

Britain's weaknesses

But we must first analyse in greater detail both the weakness and the strength of Britain's world position in the light of these new conditions.

Of our weaknesses, the first and most obvious is that our material power has declined and is declining relatively to that of the other World Powers. The material pre-eminence which was ours in the nineteenth century has passed once for all. Our now almost stationary and ageing population of less than 50 millions is less than half that of the United States and barely a quarter that of the U.S.S.R. The days of a "two-power standard," based on a navy which was undisputed mistress of the seas, are gone for good. Unlike the U.S.A. and U.S.S.R., we only contain within our own island territory a small proportion of the vital raw materials upon which industrial power is built. The rest, together with the greater part of our foodstuffs, we must draw from the four corners of the world over long and vulnerable lines of communication from sources often not in our own control.

Even more important is the passing of our pre-eminence as the workshop of the world, the mainspring of the world's commerce and capital investment, and the master-mechanic of the

world's financial machinery. The centres of gravity of the world's heavy industry have shifted Eastward and Westward. In steel production, which is the hard core of industrial power in the modern world, the United States could show an output in peace-time of 51 million metric tons (1937) and the U.S.S.R. 19 millions (1939), as against Britain's 13 millions (1937).

Our other basic weakness lies in a less material sphere. Living on the moral capital of our past greatness, we have still failed to adapt ourselves sufficiently to the realities of our new situation. We have been too slow in shaking off the outworn attitudes of mind and social and economic forms which once stood us in good stead, but now clog our thinking and frustrate our national will and energy. Though second to none in inventiveness, we have been shy in the application of new methods and techniques, whether in the sphere of warfare, industry, or social organisation.

Lastly, we have been content to present to the world an incomplete and distorted picture of ourselves, or rather to leave its presentation in the hands of a type of Englishman who has become increasingly unrepresentative of the life in Britain. And, what is even more important, we have so far failed to generate, either in our domestic or foreign affairs, a sense of mission, of standing for a set of values and a way of life. Of all the Powers which in recent years have made a bid for world status, each one, Germany, the U.S.S.R., America, Japan, even Italy, has in its different way generated a sense of mission, has offered the world an ideal. We alone, though we had at least as much to offer as any other, were content to offer nothing but merely negative appeasement and the stale appeal of past ideals.

These weaknesses are fundamental, and it is essential that in the framing of our foreign policy they should be squarely faced. But it is equally essential that they should not be exaggerated and made into excuses for inaction and timidity. Even in the material sphere what will count above all will be not the absolute amount of our resources, but our will to use them. If we listen to the pessimists who trounce every bold proposal with the cry that we cannot afford it, or that the British public will not stomach it, then, whatever the extent of our ultimate resources, we shall condemn ourselves to the status of a second-rate Power. If on the other hand we have the will, the administrative capacity and the leadership to mobilise our resources as fully for peace as for war, accepting sacrifices in peace-time of the same order as those we have accepted in war, then, as our war-time achievements have shown, we need have little fear of the limits imposed by our physical resources. And as to our more intangible weaknesses, these, though highly

damaging, are even more remediable by our own efforts. Not the least of the tasks awaiting the framers of our foreign policy will be the exercise of such imaginative leadership as will ensure that those efforts are forthcoming.

The elements of British strength

Moreover, against these weaknesses we must put into the balance the durable elements of our strength. First, there is our geographical position between Europe and America, a position reinforced by our historical role as the bridge between the old world and the new. There is our position as the nucleus of a world-wide Commonwealth of free peoples—an association whose cohesion the war has once again strikingly demonstrated, and for which the more rationally planned world of the future will open up new possibilities of intimate collaboration, imparting new strength to all its member nations.

In the sphere of industry there is the high degree of technical skill and the high quality of British workmanship—to which our achievements in the air and in many other phases of the war bear witness, and which has been yet further enhanced by the extensive development in training and technical skill resulting from the war. This will qualify us to play a leading part in a world economy directed towards rising living standards.

In the cultural and intellectual field, quite apart from our inherent potentialities, we shall have a special position for two reasons: first, because the people of war-ravaged Europe will look to us, as the temporary repository of European culture, for help and guidance in picking up again the scattered threads of the European tradition, and in rebuilding the institutions—churches, universities, trade unions and many others—in which it is largely embodied. Secondly, in a world where English will become more and more the language of international intercourse, we shall share with the other English-speaking peoples the benefits of that development.

But it is in the social and political field that our greatest potential strength lies. Here geography and history have endowed us with an exceptional wealth of experience, expressing itself in our capacity for tolerance and compromise and for combining change with continuity; in the strong sense of national unity which we combine with a development of the free institutions and associations that give vigour and variety to a modern community; in our social and political inventiveness and adaptability, whether it takes the form of a new constitution for the Commonwealth, of a Beveridge Plan for Social Security, or of the spontaneous organisation of an A.R.P. shelter concert.

The same factors of history and geography have given us, through our world-wide associations, great experience in the handling of world affairs and of relations with foreign peoples, from the most advanced to the most backward; and they have had another and even more important consequence. The British people have begun to learn, as other nations of world importance have often failed to learn, the necessity of harmonising their own national aims and aspirations with the basic aims and values of civilisation. That most deep-rooted and powerful of social instincts, the instinct of patriotism, which in Nazi Germany or Fascist Italy has been mobilised for ends fundamentally in conflict with the basic values of civilisation, can in Britain be summoned up for ends which are of world-wide appeal.

Such are the potentialities in the British people which the framers of our foreign policy must turn to account. By no means all of them are fully realised in our society as it is now organised. Many of them have long been frustrated by economic and social inequality, by the persistence of obsolete ideas and methods, by the obstruction of vested interests, by timid and unimaginative leadership. Given the necessary adaptation of our society and a courageous leadership, both in home and foreign affairs, which will release these latent potentialities, they will be enough not merely to outweigh our material weaknesses, but to carry us on to what may be one of the great periods of our history.

Some main principles of British foreign policy

From this analysis certain important conclusions may be drawn as to the basic principles of Britain's future foreign policy.

First, granted the relative decline of our material power, we have a greater interest than any of the other World Powers in encouraging and rendering permanent the process of integration or "mixing up" of the affairs of nations which is already powerfully at work. With this in view we must take a lead in formulating common policies of international action and in devising common mechanisms to carry them into effect.

Secondly, recognising that there are necessary limits to this process of integration, and that for many years to come the great World Powers at any rate will retain a large measure of separateness and individuality, we must put our relations with those Powers, and particularly with the U.S.A. and U.S.S.R., on a sound and lasting basis.

Thirdly, acknowledging the impact of changing conditions on our geographical position, we must learn to think of our-

selves as more than ever a European Power, with new and heavy responsibilities in Europe and the obligation to work out a new and lasting relationship with the peoples of Europe.

Fourthly, recognising that the conditions of the twentieth century call for a new type of relationship between the advanced and the less advanced peoples, and that we, as the trustees of large territories inhabited by less advanced peoples, have a particular responsibility for working out that relationship, we must set out to do so without delay and to apply the results, in co-operation with the other World Powers.

Fifthly, we must plan to turn our special talents and advantages as a nation to maximum account, for the benefit both of ourselves and of the world at large. We must find new types of export to replace the textiles, the business men and the liberal constitutions upon the export of which our nineteenth-century greatness was largely based.

Finally, the planning and execution of a foreign policy of this order will call for the far-reaching overhaul and expansion of a mechanism for conducting foreign relations still insufficiently emancipated from the preconceptions of nineteenth-century diplomacy.

The remainder of this broadsheet is devoted to analysing some of the implications of these six conclusions.

(1) Common policies and common machinery

We have seen that it is now more than ever before a vital British interest, in order to hasten the process of "mixing up" of the affairs of nations, to take a lead in formulating common purposes and policies of international action and in devising common machinery to give them effect.

This does not mean that we should commit ourselves to the Utopia of World Federation which is too apt to befog the current discussion of questions of international machinery. Every common policy and mechanism which we propose must invariably satisfy two tests. It must be designed to meet some real and basic need which is common to ordinary men and women everywhere; and it must also be capable of giving concrete results commensurate with men's expectations.

Let us therefore begin by asking what international policies and mechanisms are required to meet the two most immediate needs of the common man everywhere—freedom from fear and freedom from want; and having found the answers, let us set their realisation in the forefront of our policy.

Freedom from fear

Freedom from fear arises as a practical aim of international action, and therefore of British policy, at two levels. First, there are many countries in which fear is endemic, either through lack of efficient systems of internal security and policing, or through the deliberate policies of governments in persecuting minorities. Of the latter, the most glaring, though by no means the only, example in recent years has been the Nazi treatment of the Jews. Such questions recent British Governments have been only too ready, on the basis of an allegedly traditional policy of non-interference, to dismiss as "matters of purely domestic concern." This is a policy which is no longer in keeping either with the realities of the age or with Britain's responsibilities. So far from being "matters of purely domestic concern," the failure of states, whether by negligence or deliberate policy, to uphold internal security has repeatedly had international repercussions of the most dangerous kind. There was a period in British history when this fact was fully recognised and its implications unhesitatingly acted upon; and it must once more become a cardinal principle of British policy. British Governments, in concert with the governments of like-minded nations, must be fully ready to use their influence to uphold the rights of the common man everywhere to freedom from fear, by encouraging the recognition of civic rights, by assisting where necessary in the development of internal security systems adequate to guarantee them, and by opposing policies of persecution and discrimination.

Secondly, there is the epidemic fear which arises from war and the threat of war. Here the attainment of freedom from fear requires a policy of security against aggressors, implemented by joint policing machinery. As regards the policy, the foundations have already been laid in the Atlantic Charter, with its provision for the unilateral disarmament of the aggressors of this war; and its implications need not be enlarged upon here save in saying that it would be disastrous if the United Nations, through the withdrawal of some of their leading members into an irresponsible policy of isolation, repeated the error of the victors of the last war in forfeiting their pre-dominance of armed power within twenty years of their victory.

The question how far it is possible to create joint policing machinery to give this policy effect requires closer consideration. On the technical and administrative side the events of this war have shown conclusively that the pooling between partners of armaments and supplies, bases, plans, commanders, even of uniforms, presents no insuperable difficulties. A number of war-time arrangements offer valuable models for peace-time

application in an international policing system, from the leasing of bases by Britain to the U.S. and the lease-lend arrangements, to the operation of the combined material and planning boards, and the inclusion within the framework of the R.A.F. of Allied squadrons. The experience of war suggests that sea-power in particular, to which the development of the air arm has given new reach and striking power, lends itself to organisation on an international basis; and the special position occupied in respect of sea-power by the English-speaking peoples should render such a development all the more feasible by providing a ready-made nucleus round which a system for policing the oceans could be built. This would provide a secure basis for a world security system; and the next stage, that of developing an international air-police force, perhaps linked up with small but highly mobile land striking-forces with standardised equipment and training, presents no insuperable difficulties of a technical kind.

The limitations and difficulties lie not in the technical but in the political sphere. Does there yet exist, or will there exist before the war is ended, that permanent and indissoluble unity of strategic purpose as between the major World Powers which a complete internationalisation of security arrangements presupposes? The answer will depend partly on developments which take place in the direction of combined strategy amongst the United Nations in the course of the war itself; but mainly on the extent to which, in the long run, the unity of purpose amongst the United Nations survives the defeat of the common enemy and the elimination of Germany and the other aggressors as military powers. Thus in seeking to promote developments in the direction of international policing, British policy must ensure that these developments keep in step with evolution in the wider political sphere.

Vital as they are in providing a framework within which a new international system can grow, the policies and mechanisms for securing freedom from fear will constitute only one element in that system. They are the negative and static element; and they will in the long run prove useless unless they are complemented by the emergence of common purposes and policies of a positive and creative character, which will supply the dynamic of the new system. Indeed, without this positive element, the attempt to build a scheme of international security will prove worse than useless, for it will create a state of affairs in which the sole unifying factor amongst the victorious United Nations will be their common determination to hold down the vanquished. That way no hope lies, either of a durable unity amongst the United Nations or of the eventual

reintegration of the peoples of the defeated countries into the community of nations. It is imperative, therefore, that side by side with their efforts to realise international security, British statesmen should take a lead in formulating common aims and purposes of a positive character which will unite ordinary people everywhere in a common determination to get results.

Freedom from want

Those aims are most likely to be found in the social and economic sphere, and they may be summarised in the idea of freedom from want. This is an idea which for the first time in recent history presents itself as a practicable aim of international policy. It has often been pointed out that the failure of the League of Nations to provide adequate machinery for the handling of economic problems was one of its major defects. The judgment is no doubt a fair one; but the defect was inevitable because of the still prevailing attitude of hostility towards the intervention of the state, and therefore *a fortiori* of interstate machinery, in economic affairs. The past twenty years have seen a radical change in this respect. In every advanced community to-day the State both plays and is expected to play a major part in economic and social life. It follows that economic and social policy and machinery must in future constitute an essential factor in any system of co-operation between states.

To this new view the Atlantic Charter has given general expression. It has formulated the wide measure of agreement which already exists amongst all the United Nations as to the ends of economic policy—namely, that it shall be directed towards the raising of living standards everywhere, and the full mobilisation of the world's resources, material and human, for that purpose. What is now needed is a more concrete and precise definition of this common aim, and the devising of the international machinery necessary to implement it.

A social charter

This definition should take the form of a Social Charter, clarifying and extending the economic and social clauses of the Atlantic Charter. The Charter would enunciate two principles, acceptance of which would be required of all the United Nations: First, that every government should treat as a paramount obligation and a first charge on its national resources the provision, for all its citizens in all circumstances, of a certain basic standard of living in respect of food, clothing, housing, and the other prime essentials of life, calculated in terms of the real needs of its citizens and the real resources of the country; and, second, that it is a particular obligation incumbent upon

the economically advanced nations to extend aid in attaining those standards to the less advanced and prosperous, who would have a recognised claim to such assistance to the extent that they effectively planned their resources in accordance with the Charter. Such a policy, and its embodiment in a solemn world-wide pronouncement, would not only give a more immediate reality, in the eyes of peoples living below the poverty line everywhere, to the hitherto somewhat abstract promises of freedom from want. It would at the same time give to the peoples of the more advanced countries a new sense of purpose and a new assurance that, in devoting their resources to the fulfilment of that purpose, they could free themselves from the frustration and mass unemployment which has been the most potent source of fear and want in their own countries. It is therefore a policy which Britain has every reason to encourage and support.

What machinery will the implementation of such a policy require? It is clear that many of the objectives contained within the broad aim of freedom from want, the carrying out of schemes of social security such as that outlined in the Beveridge Report, and of policies for improving housing and medical services, must remain primarily within the sphere of national governments. What is important here is that such schemes and policies should be framed with full knowledge of the methods and experience of other countries and on lines which will help and not hinder similar developments elsewhere. For these purposes what is needed is the development on a much wider scale of machinery of the kind which already existed before the war in the International Labour Office and the economic organs of the League of Nations; and British policy must be ready both to encourage the growth of such machinery and in general to show a much fuller awareness than in the past of the implications for other countries of social and economic developments in Britain itself.

In certain spheres, however, there is clear need for international machinery of an executive character. In some cases this may be expected to work best on a world scale, in others on a regional basis. In every case we should conceive of it not as created suddenly out of nothing in accordance with the requirements of some tidy blueprint, but as growing organically out of existing war-time machinery or out of the actual needs of the immediate post-war situation.

Thus there will be need at an early stage for machinery both to control the supply and distribution of basic raw materials, and to finance the reconstruction and development of devastated or undeveloped areas. In both cases the machinery will best operate on a world scale, since the sources both of

available capital and of basic raw materials are world-wide. In the case of the raw material controls prototypes already exist in the war-time Combined Raw Material and Combined Resources Boards, and, in another sphere, in the International Wheat Council; all of which could be adapted and developed to include all the United Nations. The principles upon which such machinery should operate in peace-time have been more fully discussed in a previous broadsheet—No. 174, *Commodity Control Schemes*.

As regards the financial machinery required to ensure that the necessary credits are available from the economically advanced countries to finance the development of the less advanced, extensive precedents have already been set by the operation of the Lease-Lend agreements. The principles upon which this machinery would work must differ radically from those on which international financial bodies have operated in the past, in two ways: First, the loans should be neither private nor simply inter-governmental but operated through an international clearing system, whose object would be an equitable pooling of the burden of international investment; secondly, the criterion should be not whether a given investment is likely to prove financially profitable, but whether it provides the most economical means for relating available resources to the most urgent human needs. This is not to say that its objects would be philanthropic, or that it would impose a burden on the advanced countries for which they would see no return. The return would be none the less important because it would appear in the form, not of short-term profits appearing on the balance-sheets of the more successful private undertakings, but of a social dividend accruing to the community as a whole—new and expanding markets for producers, greater security of employment for workers, and a heightened sense of political and social security for all.

For purposes of planning the development of resources and the raising of living standards, it may prove best to constitute Economic Planning Authorities on a regional basis (the region for this purpose being an area of substantial dimensions such as Europe or Latin America). The function of these authorities would be to plan the overall development of the area on the lines laid down in the Social Charter—that is, maximum use of the area's resources for the satisfaction of human needs. They might well operate in terms of five-year plans for the attainment of living standard targets throughout the area. Here a prototype already exists in the Middle East Supply Centre (see PLANNING No. 195); and a similar body or bodies for Europe can well be conceived as growing out of the European machinery set up for immediate post-war relief.

Finally, there will in many areas be need of international executive agencies for specific purposes of more limited scope, such as the control of transport or the development of power. Prototypes of such agencies may already be seen in such bodies as the United Kingdom Commercial Corporation or the United States Commercial Corporation; or in another sphere in the Tennessee Valley Authority, which, with the necessary adjustments to a widely different political environment, might provide the model for similar developmental experiments—e.g., in the Danube Valley. International public authorities might also be set up to supervise industrial development in advanced areas where industrial groupings overlap a number of frontiers—as in the Westphalia-Rhine-Luxemburg or the Silesian group.

Political machinery

The ultimate decisions of international policy, and therefore the ultimate control of the various international mechanisms described above, must clearly devolve on authorities of a political nature. Here we must think primarily in terms of a World Political Council, which may be expected to grow out of the war-time co-operation of the United Nations, and which will be the ultimate focus of all major international problems; and possibly of subordinate regional councils, such as a Pan-American, European, or Far Eastern Council, to consider questions of purely regional concern.

On the World Council the representatives of the four World Powers will inevitably play a leading part; and on the degree of co-operation and common purpose existing between those Powers its effectiveness will ultimately depend. This point cannot be too strongly stressed. Until the process of "mixing-up" between the peoples of the world, and particularly between the peoples of the great World Powers, has gone far further than to-day we even conceive of, we must recognise that any world political institution must be an organ of co-operation and no more. It will not and cannot be an organ of World Federation, enjoying the power and cohesion of a federal government such as that of America or Australia.

In the present stage of evolution the organs here described represent, in respect of machinery, the strategic points which must be occupied for the winning of the peace. They are inter-dependent in the sense that none of them will give adequate results unless all the others are firmly established. All of them are mechanisms which can be conceived as growing organically out of existing institutions or out of concrete needs which will arise in the near future; for many of them prototypes already exist.

As regards Britain's part in framing and operating them, there is one point of special importance. Granted that it is a vital British interest to effect the maximum integration in the affairs of nations, it follows that, wherever international institutions exist and show signs of achieving results, our policy should be to work with, and through, them to the maximum extent. To the argument that this will entail a dangerous curtailment in our "sovereignty," it must be answered that we should be the first to make those sacrifices which we expect from others, and that in proposing to plan for others we should show at least equal readiness to be planned for ourselves.

(2) Britain and the other World Powers*

We have seen that in the world of the future it will be the relations between four World Powers—Great Britain, U.S.A., U.S.S.R., and, in the Far East, China—which will constitute the essence of international politics, and on whose character will ultimately depend the efficacy of all the common policies and machinery which may be devised. The first task of British policy is, therefore, to build Britain's own relations with the other World Powers, and above all with the U.S.A. and U.S.S.R., on a sound and durable basis.

In this task we shall succeed on three conditions: first, that we always keep before us the long view. The longer perspective will remind us, for instance, that Russia may in twenty years rival America in the extent of her resources, both material and moral; that America, even if temporarily infected by a mood of doubt or withdrawal, must in the long run be drawn by steady pressure of circumstances into an acceptance of full participation in world responsibilities.

Secondly, we must keep no less clearly in view our ultimate aim, which, in a world in which our own material power has declined and is declining, must be to consummate the process of integration and to hasten the tendencies towards interdependence in world affairs. And, as a corollary to this, we must ensure that the international policies which we ourselves pursue are always such as we could wish and expect to see adopted by the other World Powers.

Finally, we must have a clear and positive picture before us of the role which we ourselves are best fitted to play in the new world balance. We should think of the future neither in primarily Anglo-American nor in primarily Anglo-Russian terms. Attractive as it may appear to many in view of the ties of culture

* Britain's future relations with U.S.A. and U.S.S.R. are more fully discussed in two earlier broadsheets, *An Anglo-American Economic Policy* (No. 187) and *Britain and Europe* (No. 182).

and tradition which unite the English-speaking peoples, the predominance of the material resources which they jointly command, and the proved viability in this war of Anglo-American collaboration, an exclusively Anglo-American partnership is full of dangers. Not merely will it militate against our chances of success in the equally important but—for reasons of language and ideology—far more difficult process of building up our relations with Soviet Russia; not merely will it arouse the suspicions of our friends and allies in Europe and elsewhere; but it may leave us dependent, to a degree which would be healthy for neither of us, on an America whose aims and policies may temporarily diverge from our own at a critical period. An exclusively Anglo-Soviet partnership, on the other hand, contains equally great dangers, if only because of the links which bind us to the New World.

Least of all should we allow ourselves to serve as a passive buffer between the one and the other, following a policy determined not by our own volition, but by the sum of pressures from the external world. Rather we must mark out for ourselves the positive role of harmonising and synthesising the aims and policies of both. To play this role we must find new strength not only in ourselves, but also in a closer association both with the other nations of the British Commonwealth and with the peoples of Europe.

(3) Britain and Europe

With Europe more perhaps than with any other part of the world the pattern of our relations needs drastic overhaul in the light of twentieth-century conditions. Two new developments, the aeroplane and the final breakdown of the old European balance-of-power system, have made it imperative for us to abandon once and for all our traditional detachment, and to work out a new and far closer relationship with the peoples of Europe.

The first essential of this new European policy is that it should be conceived within a framework of durable British relations with the U.S.S.R. and the U.S.A. The U.S.S.R. occupies a position vis-à-vis Europe which is very similar to that of Britain. Both are European Powers, though both have extensive interests outside Europe. In Europe both have a basic community of interest, not only in their common need for security against Germany, but in their common desire for a stable and prosperous Europe. This permanent community of interest is now embodied in the Anglo-Soviet Treaty, which constitutes one of the master documents of the future European system and lays the foundations for the close Anglo-Soviet partnership in Europe essential to Europe's future stability and prosperity. It follows that our

European policy must at all stages be worked out in close agreement with the U.S.S.R.

As regards the U.S.A., the notion must be scotched once and for all that there is some inherent conflict between Anglo-American relations and a closer British association with Europe. On the contrary, the one is the necessary condition of the other, for it is precisely in a closer association with Europe that we may hope to find the strength we need to make a positive contribution to Anglo-American relations.

On the other hand, the determination of the respective roles of Britain and America in the new Europe will call for careful thought. Here the first objective directing our policy must be that, bound as we are to Europe by the inescapable facts of geography, we should work out a relationship with Europe that can, if need be, stand on its own merits. Second only to this in importance is the objective of working out our policy in full accord with the U.S.A., and of associating America as fully and permanently as possible in the new European pattern.

Within this framework, Britain's role in her association with the Western European peoples must be one of leadership—a leadership of the type defined earlier in this broadsheet, one, that is to say, which fully associates all the nations concerned both through their governments and, what is even more important, through their individual citizens, in all its undertakings and which is freely accepted because it is recognised as being exercised in the best interests of ordinary European men and women. It must be our constant aim, by devising common policies and constructive aims which will unite the people of Europe, and by helping to develop in every country a new generation of men and women with a common European outlook and loyalty, to hasten that process of “mixing-up” which is the one way to lasting European unity.

Within this association we shall have a special obligation to work out a new and more intimate partnership with the people of resurgent France. Here we must hope that out of the tragic experience of the past two years there will emerge in France a new outlook and a new type of leadership. To any such development we must give every possible encouragement, even at the cost of extensive sacrifices, in the realisation that only in close partnership with a revitalised France can we help to give Europe the leadership and unity which it needs.

The people of Germany

No less decisive for the future of Europe will be the success or failure of our policy towards the people of defeated Germany, who will continue to be the largest national block west of Russia,

with a key geographical position and an exceptionally high level of industrial and technical development. In recent years the British attitude towards Germany has varied between an unconstructive desire for revenge and a sloppy sentimentality, with corresponding variations of our policy towards Germany between one of ruthless repression and one of total appeasement. Neither policy by itself offers any hope for a secure peace in the future. The results of the policy of appeasement are now sufficiently obvious to eliminate any desire for its repetition save amongst the lunatic fringe. What perhaps is not so clearly recognised is that a policy of unconditional repression based on a theory of the inherent wickedness of the entire German race, and accompanied by an attempt to break Germany into pieces, would be little better, since it would leave a huge festering sore which would rapidly infect the whole of Europe and stultify all hopes of real and lasting European unity.

The only feasible attitude towards Germany is one which is dictated neither by revenge nor by sentimentality, but by a desire to do what is best in the long run for Europe. The only practicable policy is one which, while permanently eliminating the German Reich as a separate military power, offers the German people full scope to rebuild themselves as a modern community and to play an important part in the life of a united Europe. On the negative side, this means that the entire Nazi war machine must be taken to pieces as systematically as it was built up. Those parts of it which have no place in the new Europe—the Nazi Party machine and all its paraphernalia such as the Gestapo, the para-military organisations, the propaganda cadres; the officer caste, the Junkers, the private capitalists of the Krupp and Thyssen type; the armaments factories—all these must be ruthlessly extinguished. Those parts which can be adapted to the new European system—transport, civil aviation, heavy industry in the border areas of Germany—must be not dismantled or destroyed, but brought under one form or another of European public control for the benefit of Europe as a whole—an arrangement which the Germans may more readily accept if they see in it the prototype of a system which, with the development of international agencies, is to be extended throughout Europe.

On the positive side, there must in any relief schemes be fair treatment for Germans in respect of basic human needs. While it is clear that in anything above the bare minimum the countries despoiled by Germany must have priority, starving Germans must assuredly also be fed and clothed on the basis of similar standards. There must be no attempt to effect the dismemberment of Germany against the will of the German people. We must give the Germans every encouragement, and if

necessary, assistance in the shape of materials and personnel, in rebuilding their social and economic institutions, so far as these are designed for the welfare of their people; and we must give full scope for German industry and talent to play its part in the rehabilitation and development of Europe, in particular bringing in individual Germans at an early stage to help in the gigantic technical and administrative tasks with which Europe will be faced.

(4) Britain and the less advanced peoples

To speak of Britain as more than ever before a European Power is not to imply that the British people should contract out of their responsibilities in Africa, in the Middle East, in Asia, in the West Indies, and elsewhere. On the contrary, the revolution that is going on about us renders it more imperative than ever that we should face up to these responsibilities by working out a system of relations with the less advanced peoples adapted to the new conditions. And that system must set out to meet the problems not only of those colonial dependencies for which we bear direct responsibility, but also of areas such as the Middle East, whose peoples, though politically independent or ripe for independence, have not yet attained a degree of economic and social development that would enable them to take the best advantage of modern technological advance.

Here we have an accumulation of experience to build upon. Our past record, for all its many blemishes, is by no means one to be ashamed of. Many of the great advances in the philosophy of relations between advanced and backward peoples, from the abolition of slavery to the idea of trusteeship, have been the invention of British thinking and experience. The weakness of recent British thinking in this field—and it is a weakness characteristic of the British liberal tradition—is that it has been too exclusively political. It has tended to elevate the objective of political self-government into an all-sufficing purpose, while ignoring the no less vital objectives of economic and social advancement. It has allowed economic exploitation, sometimes of the crudest kind, to exist side by side with enlightened political administrations. It has encouraged the growth of highly sophisticated though often irresponsible political groups, clamouring for political independence, in areas where social conditions remained primitive in the extreme.

The solution lies in a policy which shifts more of the emphasis from political to social and economic advancement and imparts a new drive and sense of urgency, this time not to the task of economic exploitation, but to that of building up communities whose all-round development enables them to stand

on their own feet. Such a policy entails four things: First, the exercise by British Governments of their authority or influence to ensure that no private interest, British or other, operating in an undeveloped area, shall pursue aims contrary to the well-being and advancement of its inhabitants; secondly, the making available by Britain, in conjunction with the other advanced nations, of substantial resources of equipment and technical personnel, for the development of basic social and economic services; thirdly, the encouragement of local industries to meet local consumers' needs, even where these may appear to curtail the markets of pre-war exporters; and finally, and perhaps most important, the development, by large-scale training and educational schemes, of a class of native technicians and administrators capable of progressively taking over the development of their own country.

At the same time, in colonial areas the idea inherent in the concept of the dual mandate, that in the administration of its dependencies the colonial Power has responsibilities to the world at large as well as to the native inhabitants, calls for a fuller and more formal recognition. This does not mean superseding the present system of administration through a single colonial Power by one of direct international administration—a system which is generally agreed to be unworkable. It does require that there should exist in every colonial area an advisory council of the governments primarily interested in that area, staffed with experts on various aspects of colonial development, to supervise and correlate the policies of the colonial Powers concerned (for such arrangements the Anglo-American Caribbean Commission provides a possible prototype); and, further, that there should exist a central international advisory council, perhaps on lines similar to the Mandates Commission, but including all backward areas in its scope, which would draw together the experience of the regional commissions and have functions of supervision over all the colonial Powers. At the same time it is important that personnel from all the more advanced countries should be widely associated in the development of technical and social services in all the backward areas.

(5) Britain's new exports

In the nineteenth-century world of *laissez-faire* capitalism, our world-wide prestige was based not merely on our armed power, but on the inestimable advantages which we had gained as the protagonists of the industrial revolution. It was not merely that Britain was the workshop and financial centre of the world and the source of huge foreign investments. Britain was also the *locus classicus* of the emergent middle class, with their new ideology and new social and political forms. British traders carried not only British goods, but British prestige

and ideas to all parts of the world. Britain was looked upon by many of the progressive forces everywhere as the leader of the new liberal ideas, and these forces were, therefore, everywhere her allies. What, then, should be our aim in order to uphold our position as a World Power in the conditions of the twentieth century?

First, in the field of material exports we must make full use of the new possibilities of national planning to concentrate on producing those things for which our talents specially fit us, unhesitatingly scrapping industries which hinder the full deployment of our resources or lead us into needless conflicts with our friends overseas. Here the essential fact is that we are now first and foremost a processing and servicing country, earning our living by adding brains and skill to the raw products of the earth; and that our special advantage lies in our exceptionally high level of technical and organisational skill and quality workmanship.

From this it follows that we must concentrate on supplying the highly complex machinery and technical services required for the development of backward or underdeveloped areas. And this is of particular importance for a further reason. One of the most urgent needs of the less advanced peoples is, as we have seen, the large-scale development of local industries to meet the standard basic needs of local consumers. For us to persist in providing from Britain the basic consumer goods which enter into direct competition with the nascent industries of these countries must mean—as it has meant in the past—competing with the very people whose development it is our aim and interest to assist. By adapting our industrial structure to supply the capital goods and technical services which these peoples need to build up their own industry, we shall be creating new opportunities for winning their co-operation and good will.

At the same time we must concentrate on developing those new lines of highly specialised consumer goods for which there will be constantly increasing demand, thanks to the growing diversification of wants in an expanding world economy. Here it is essential, if our productive power is to be turned to the best account, that we should develop and apply the new techniques of consumer research far more systematically and extensively than we have done in the past.

Secondly, we must ask ourselves who are the emergent types of the twentieth century, corresponding to the business men of the nineteenth who carried British ideas abroad and won the good will of their foreign counterparts. The answer is that this new type is to be found amongst the technicians, the managers

and the administrators, whether industrial or social, public or private. This is the type to which we must seek, through our educational system, to give a new awareness of Britain's responsibilities to the world; it is also the type to which we must look in other countries as our friends and collaborators; and which we must help to create amongst the less advanced peoples as the carriers of progress and as our future friends.

Finally, we must consciously aim at developing our potential exports in the field of social and political techniques and ideas. Here, in the future as in the past, our influence must be by force of example. Just as in the nineteenth century the peoples of Europe or, say, Latin America looked to Britain for models in which to embody their new-found political freedom, so we must contrive that other nations should look to us in the twentieth for models, such as the Beveridge Plan, in which to embody their aspirations to social progress.

(6) The machinery of foreign relations

It is clear that the task here outlined lies at many points beyond the capacity of our present machinery for foreign relations. Developed in a period when the stuff of international relations was primarily political, when the only section of the community which counted for purposes of foreign policy, either at home or abroad, was a relatively small upper class, and when the basic principles of our policy were few and so well established as to have become accepted categories of thought, that machinery is now in urgent need of overhaul. To-day the formulation and conduct of foreign policy involves every phase of the community's activity, economic and social and cultural as well as political: to-day it is vital that every class and group of the community should be represented and projected overseas; and the basic presuppositions concerning world power relations which governed our nineteenth-century policy are to-day so radically altered that there is need of the most far-reaching investigation to replace them with new presuppositions which will be equally durable for the future.

The need for an overhaul of our machinery in the light of these new conditions has now been admitted* and changes have been promised which go some of the way to meet it. But they do not go to the root of the matter. There is still not enough evidence, that the vital importance for our foreign policy of our economic, financial and cultural relations with foreign countries, of the new techniques of propaganda and publicity, of the new problems of our representation abroad, have been adequately grasped, or the activities of the departments concerned with

* Cmd, 6420. *Proposals for the Reform of the Foreign Service.*

these matters adequately co-ordinated. No changes will in the long run prove adequate which do not—perhaps as a part of the more general overhaul of the machinery of government—put into the hands of a single Minister effective powers to supervise and co-ordinate the activities of the other departments primarily concerned with foreign relations, and provide him for the purpose with a Foreign Policy General Staff fully competent in all the subjects and techniques which he will be required to handle. Nor can we expect a fully adequate Foreign Service without provision for a steady inflow into it of personnel, not only from other government departments, but from other walks of life, who will help to maintain the width and modernity of outlook essential for the new tasks.

The new Britain

One fundamental point must be emphasised in conclusion. The foreign policy of a country has always been intimately bound up with its domestic policy and with the whole character of its national life; and this is more than ever true of twentieth-century Britain. The foreign policy outlined in this broadsheet presupposes a unity of purpose, a self-confidence and a readiness for sacrifice and effort on the part of the British people which will only be forthcoming in a society far more fully adapted than hitherto to the conditions of the twentieth-century. The domestic changes, some of them drastic, which are needed to make this new Britain a reality raise issues too wide for discussion in this broadsheet. But they are issues which our statesmen must have constantly in their minds when framing a foreign policy to meet the revolutionary challenge of a new world.

This is one of a series of broadsheets resulting from the work of the international group of P E P. Some other titles have been: No. 154, European Order and World Order; No. 171, America and Britain; No. 172, The Future of Germany; No. 174, Commodity Control Schemes; No. 184, The Future of the Colonies; No. 187, An Anglo-American Economic Policy; No. 193, Outlook for France. We would welcome comments on this or any other broadsheets. These should be addressed to:

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