

# Irish Foreign Affairs

Volume 14, Number 2

June 2021

---

“Every nation, if it is to survive as a nation, must study its own history and have a foreign policy”  
—C.J. O’Donnell, *The Lordship of the World*, 1924, p.145

---

## Contents

Pro-democracy activism *Brendan Clifford* p. 2

Roger Casement’s “The Nameless One”  
*Pat Walsh* p. 8

The Road to Bretton Woods: Britain goes off the Gold Standard (Part Two)  
*Peter Brooke* p. 12

King Constantine’s Statement to Neutrals, 14 January 1917  
*Pat Walsh* p. 21

A Narrative of the Anglo–Irish Negotiations in 1921 (Part Two) *Irish Bulletin* p. 23

## Pro-democracy activism

---

“Pro-democracy activism” is a much-used term in news reports today. It describes agitators for democracy in states which the mature, world-dominating, democratic states judge to be undemocratic, even sometimes when they have elected Governments.

I cannot recall a single instance where democratic activism, against a regime that was decreed to be undemocratic, succeeded in overthrowing the regime and establishing a viable democratic state in its place.

The French Revolution was the first major democratic event in the life of the world. It put democratisation on the world agenda. It executed the King, established a Republic, slaughtered the nobility, declared the brotherhood and equality of Man, and declared the bourgeois who tends to his affairs generally to be the essential citizen—and failed to establish a viable form of state on these principles.

It established a way of life in which the bourgeois had the last laugh on the gentleman. It failed to establish an orderly bourgeois state.

It established freedom in the form of a bourgeois free-for-all, unrestricted by State power. In its internal life it was disengaged from State power. It was free in that sense. Its freedom is pictured in the novels of Balzac.

The power of State was taken in hand by a military and civil genius who directed it towards foreign wars on the one hand, and established a durable administrative structure on the other hand which seemed to be largely autonomous.

What it failed altogether to establish was a regularly functioning, democratic, State. In the course of its first sixty years it was, by turn, a disorderly democracy, an oligarchy, an Empire, a weakened monarchy, another disorderly democracy, and then another Empire.

Britain today sponsors pro-democracy activism, here, there, and everywhere, according to the principle of expediency. It suggests in its propaganda that it is a simple thing to set up a democratic State: that all that is needed is the application of a formula. And, if the formula does not work out, the reason must be that power-hungry maniacs confuse the people in order to become dictators.

But Britain did not make war on France in the 18th century because it was failing to be a democracy. It made war on it because it was attempting to become a democracy.

The British made war on France abroad. And it made war on French ideas at home. It won both wars. French ideas were tightly policed in England and driven to the margins. French Naval Power was broken. The French Army was defeated by a combination raised against it by England—including Russia, Prussia and Spain. Britain then held unbalanced power in the world for a century.

England had a revolution in the 1640s. It killed its King in 1649 and established a Republic, and flirted with the idea of a democratic Republic under the direction and protection of God.

This lasted only a few years. By the mid-1650s the English Republic, or Commonwealth, had acquired a human Protector, Cromwell. Cromwell as Protector stopped the process of democratisation under God. He told Parliaments what to do. If they didn't do it, and if they tried to do something else, he dispersed them. In particular he insisted that the gentry must be retained. Equalising measures under the law of God must be halted. The Common Law—a form of law suitable for the gentry—must be preserved.

It might be objected that the law of God was an illusory invention, but so was the Common Law. Its precedents, stretching back into time immemorial, were early 17th century inventions, whereas the law of God, which inspired the revolutionaries, was written down long, long before by whoever produced the books of Moses.

The Bible was at the heart of the English Revolution. In 1916, when England seemed to be facing disaster in its ill-advised assault on Germany and Turkey, Parry supplied a hymn-like tune for William Blake's visionary poem, Jerusalem. England, in its two great iconoclastic assaults on idolatry, under the two Cromwells, had rooted out the native English capacity for making music. Only hymn-writing survived. And Parry's tune for Jerusalem, by all accounts, lifted the spirits with the reminder that what they were engaged in was “building Jerusalem in England's green and pleasant land”. It was a final fling of Biblicalist illusion on a mass scale. It might be compared with Thomas Mann's horrifying tale, *The Black Swan*, in which a woman in middle age imagines she is blooming with a late pregnancy when in fact she is in the grip of a terminal disease.

The moment for building Jerusalem in England came and went in the early 1650s. Cromwell wouldn't allow it.

The Great War of 1914-19 was, on the English side, an Imperial War fought with nationalist passion. The English Parliamentary system was democratised in the course of it. Democratisation made it impossible for an Imperial peace to be made when the enemy asked for an Armistice. Nationalism and democracy are intimately related. Neither was conducive to the making of a carefully-calculated Imperial Peace. The catch-cries of the English nationalist democracy in the critical year that began on 11th November 1918 were “Hang The Kaiser” and “Make The Germans pay” meaning Plunder Germany, starve it until it makes a false confession of War Guilt, and foster revolutions in it, and reduce the State that it is allowed to a flimsy shell so that it will live on the brink of anarchy.

The English democracy had at its disposal in 1919 the Empire that had been constructed by Kings, Dictators and Aristocrats during the preceding three and a half centuries, and it didn't know what to do with it. It wouldn't let it go—or, it couldn't let it go because England would starve without the plunder it extracted from it. It had to keep it in being in order to draw tribute from it. And it had, in addition, to find something to do with the very substantial conquests made by the War, in the Middle East and Africa; and with the components of the Austro-Hungarian Empire which it had decided to destroy at the end of the war.

The aristocracy, during its two centuries of government as a ruling class, had built up the Empire by skilful use of comparatively small forces, and therefore had the means of governing its conquests.

The conquests of the democracy were made by means of vast military forces, the like of which had never been raised in England. These forces were dissolved quickly after November 1918, leaving the Empire without the means of giving orderly government to its conquests. Other means had to be adopted.

Britain declared war in 1914 with a Volunteer army, not an unpaid Army like the IRA, but an Army composed of men who volunteered to fight for pay. All of its wars until then had been fought by Volunteer Armies, consisting chiefly of younger sons of aristocrats and what Wellington called “the scum of the earth”. The respectable classes of civil society were only called upon to cheer.

It seemed to be a point of honour with Britain that it did not impose military service on the population as European states did. But that point of honour was discarded in 1916.

European states raised national armies because they had land borders with other states. Britain had no land borders and it had a Navy that was greater than the combined force of any three other Navies that could be raised against it. It was invulnerable to invasion. It could therefore declare war and then set about raising the ground forces needed to fight it.

It declared war on Germany in this way in early August 1914. It had secretly constructed a small Expeditionary Force and had made detailed arrangements with France for deploying it in a joint operation against Germany when the opportunity presented itself.

These plans were made when there was no immediate prospect of war. But, when the opportunity arose, the ruling class was divided against itself on the issue of Irish Home Rule in general, and especially on whether it should be imposed by force on the Ulster Counties that had made preparations to resist it. Because of that dispute, it was without a Minister for

War when war was declared, and that is possibly why things began to go awry from the start.

The declaration of war was met with expressions of popular enthusiasm. Imperialism had during the preceding generation moved on from being just an objective military fact and become a popular ideology. A military hero of the Empire happened to be home on holiday and there was a popular cry that he should become War Minister. As such, he immediately declared—contrary to the accepted view—that it would be a long war and that mass Armies must be raised to fight it.

Men of all classes flocked in their hundreds of thousands to the recruiting centres to join the Kitchener Armies. Britain, against its planning, found itself locked into a land war in Europe, for which it had to raise Armies on a Continental scale. Ian Hay published a book about The First Hundred Thousand. That hundred thousand was used up quickly. He then wrote an account of The Second Hundred Thousand. That was used up too. Even greater numbers had to be raised to keep Britain with a stake in the game, so that great dividends would come to it when the enemy was defeated and broken.

The required numbers could not be delivered by voluntary enlistment, even when encouraged by feminist white-feathering of men not in uniform and other forms of encouragement. After little more than a year, the voluntary system failed and compulsory military service for men was introduced. Democratisation followed. The Parliamentary electorate was tripled by the extension of the franchise to all adult men and to women over the age of 28.

Democracy was introduced as a war measure in what had taken on the character of a religious war—a war of Good against Evil. And, at the same time, the Liberal Party—which had launched the War—broke up under the stress of conducting it.

The stability of the British state during two centuries of great social and economic change had been due in great part to its historically-evolved party system of Tories (or Conservatives) and Liberals (or Whigs).

The Liberals were the party of Progress, of laissez faire capitalism, and therefore of war. The Tories were the party of the status quo, and therefore of peace. But there was no Tory Party in being in 1914. The 1914 Opposition to the Liberal Government, His Majesty’s Opposition, was the Unionist Party.

The Unionist Party consisted of a union between the Tory Party and the social reform breakaway from the Liberal Party in Birmingham.

The Birmingham Liberals, led by Joseph Chamberlain—a successful manufacturing capitalist—held that the laissez faire capitalism sponsored by Gladstone’s Liberal Party could not continue indefinitely. Raw capitalism was certain to produce a powerful working class revolt against it. Chamberlain drafted a scheme of social reform in the form of a safety-net which would make life more tolerable for the victims of capitalism.

When the Liberal leadership refused to consider the project the Birmingham Liberals adopted it as their own “Unauthorised programme” and contested the election of 1885 with it. They contested the following election in alliance with the Tory Party, and then the two parties agreed to merge. The merger was called The Unionist Party.

The Unauthorised Programme outlined a scheme for what became known as a Welfare State. All elections between 1890 and the Great War were contested between the Unionist Party and the Liberals. And the Unionist Party in government between 1895 and 1905 implemented an extensive scheme of reform in Ireland, chiefly in agriculture.

*Irish Foreign Affairs* is a publication of  
the *Irish Political Review* Group.  
55 St Peter’s Tce., Howth, Dublin 13

Editor: Philip O’Connor  
ISSN 2009-132X

Printers: Athol Books, Belfast  
[www.atholbooks.org](http://www.atholbooks.org)  
Price per issue: €4 (Sterling £3)  
Annual postal subscription €16 (£14)  
Annual electronic subscription €4 (£3)

All correspondence:  
[Philip@atholbooks.org](mailto:Philip@atholbooks.org)  
Orders to:  
[atholbooks-sales.org](http://atholbooks-sales.org)

In foreign affairs Chamberlain's policy was to consolidate the Empire economically by means of an Empire tariff system, thereby establish it as a settled presence in the world order, and on that basis to work out an agreement with Germany. That became the nominal policy of the Unionist Party, but the Party Leader, Arthur Balfour, would not give it whole-hearted endorsement. Instead he set up a Committee Of Imperial Defence, and through it he set things in motion for war with Germany.

He put it to the CID to consider whether Britain was vulnerable to invasion by Germany. The CID gave a detailed reply, explaining that a German invasion was utterly impossible.

Balfour's actual anxiety was not about the possibility of German invasion. It was about the probability of German industry outstripping British industry if peace continued.

Henry White, the American Ambassador, later wrote of a conversation he'd had with Balfour:

"Balfour: We are probably fools not to find a reason for declaring war on Germany before she builds too many ships and takes away our trade.

White: You are a very high-minded man in private life. How can you possibly contemplate anything so politically immoral as provoking a war against a harmless nation which has as good a right to a navy as you have? If you wish to compete with German trade, work harder.

Balfour: That would mean lowering our standard of living. Perhaps it would be simpler for us to have a war.

White: I am shocked that you of all men should enunciate such principles.

Balfour: Is it a question of right or wrong? Maybe it is just a question of keeping our supremacy..." (Alan Nevins, 'Henry White, Thirty Years of American Diplomacy', p257).

The Unionist Party lost the 1906 Election to the Liberals by a large margin. The issue was Free Trade versus an Imperial Tariff. Free Trade signified a continuing expansion of the Empire. It was open-ended. Imperial Tariff was a confining, claustrophobic concept. It would leave a large piece of the world out of reach, unredeemed, alien. England was not yet ready to allow limits to be put to its redemptive action on a fallen world.

The Liberal Party came back to Office on a programme of open-ended free trade Imperialism. It made active preparations behind the scenes for war with Germany in alliance with France. It also arrived at an understanding with Russia, under which Russia shifted its expansionist activity from Asia to Europe and undertook to be an ally against Germany in return for having Constantinople (Istanbul). This required that Britain should make war on Turkey. It set the scene for war with Turkey on the first day of the War with Germany by confiscating two battleships it had made for Turkey, which Turkey had paid for, and by other measures that seemed designed to persuade Turkey to become an active ally of Germany as its only hope of surviving the War.

By 1919 the German, Hapsburg, and Ottoman Empires had all been defeated and were being broken up. The Tsarist Empire was not there to take possession of Constantinople. It had melted away under the stress of war. So Britain itself had Constantinople. It also had the Middle Eastern territory of the Ottoman Empire, apart from a bit given to the French to keep them happy. And it had the German possessions in Africa.

What it lacked was a Tory regime which would consolidate its conquests, and make a viable settlement in Europe which preserved as far as possible the pre-War order of things, leaving England free to digest its conquests.

What it needed was a Conservative settlement of Europe such as had been made two centuries earlier when the Tories, helped by the persuasive powers of Jonathan Swift, had prevented the radical Whigs from doing to the defeated enemy in Europe what Lloyd George did in 1919, and directed them towards exploiting the gains made by the war in other parts of the world. (The big gain won by that 18th century war was a British monopoly of the Slave Trade.)

Conservative consolidation was off the agenda in 1918-19. Democracy had arrived. The government was a Coalition of radical Liberals and Unionists. It had won the Election by a landslide, and its mentality was megalomaniac.

An American Professor quotes Lloyd George on the situation in the world at that point, 1918-19: "The whole state of society is more or less molten and you can stamp on that molten mass almost anything as long as you do it with firmness and determination" (Jan Werner Muller: *Contesting Democracy: Ideas In 20th Century Europe* (Yale 2011: Epigraph to Chapter 1). He does not give a source, and I am not familiar with the quotation, but it certainly is in the spirit of the Prime Minister's conduct in that period of British supremacy in the world. And it explains why the several generations of unchallenged British magisterialist supremacy expected by Churchill in 1919 did not happen.

Britain had its democratic revolution too. The two-century old party system was jolted out of its tracks. The great Liberal Party had suffered its second severe split in the course of a generation. One piece of it was merging with the Tories in the Unionist Party. The Unionist Party was in coalition with another piece of it under the leadership of Lloyd George. And a new party, the nationally organised Labour Party, had suddenly sprouted up and had become the Official Opposition at its first Election, without quite knowing what it stood for. Its only experience in government was in the War Cabinet during the War, when only one thing mattered. Its credential was that it was a War-party. Its ideology said it was a Peace-party. It was also Anti-Imperialist in ideology, but success in an election would give it an Empire to govern, and it was common knowledge that the state could not do without the Empire.

The vast army that was raised to defeat Germany and conquer the territory of the Ottoman Empire demobilised itself rapidly in the Winter of 1918-19—leaving the State without the force required as a basis for orderly government of the expanded Empire. In Ireland a force of ex-Servicemen was raised for the purpose of suppressing the democracy. It had something of the character of the German Freikorps.

A Turkish nationalist rebellion was launched in Anatolia against the Treaty imposed on the central Government. Lloyd George encouraged the Greek Government to invade Turkey and annex part of it in the name of a Greek Empire of ancient lines. The Turkish rebellion drove the Greeks back into the sea, and some Greek populations of long standing along with them. Lloyd George called on the Dominions to come to the assistance of the Greeks and to the defence of the Treaty of Sevres. The call fell on deaf ears. Kemal Ataturk swept away the Treaty and founded a Turkish national state by independent action. And the War Coalition fell apart.



The Unionist backbenches brought down the Government. At that point it seems that the Unionist Party began to call itself the Conservative Party. This did not signify a rupture between the Chamberlain Liberals and the Tories. It signified a completion of the merger. The sons of Joseph Chamberlain were prominent in the leadership of the Tory Party during the next generation.

Two-party politics resumed, with the Labour Party taking the place of the Liberal Party. Fragments of both the Asquith Liberals and the Lloyd George Liberals continued to hang around on the margins but were of no party-political consequence.

The formal system settled down again into a two-party system in 1922 with the Labour Party taking the place of the Liberal Party and the Unionists becoming Tories. But the substance of the central party difference after 1922 was not what it had been for a century and a half before 1886. The Labour Party took over from the Liberal Party after the Liberal rupture of 1916 but it was not the Liberal Party under a new name even though many disillusioned Liberals joined it.

The Labour Party does not do what the Liberal Party did for two centuries. But it is necessary to the British system that what the Liberal Party did should be done. The Tory Party has therefore functioned as both Liberal and Conservative.

The main argument about what the British state should do has, for the last couple of generations, not been conducted between the Tory Party and the Labour Party. It has gone on within the Tory Party.

The Tory Party serves as both Liberal and Conservative. And the Labour Party is in effect two parties which detest each other, and which preserve the primitive rhetoric of a by-gone era.

The Deputy-Leader of Sir Keir Starmer's modernising Labour Party, Angela Rayner, hissed "Scum!" at the Tories in Parliament. She apologised for it, but there is no doubt that it expressed her feeling on the subject. A few months later, after Sir Keir had tried to sack her but was obliged to promote her instead, she seized on an allegation by Dominic Cummings to build a picture of the Tory Cabinet, in its handling of the virus, deciding to kill off thousands of people, and "mocking, laughing and joking about thousands of lives" as they did so.

It seems that the Labour Party took over the superficial anti-Tory rhetoric of the old Liberal Party which it displaced, and attached it to very un-Liberal feelings of primitive class-conflict.

The anti-Tory rhetoric of the old Liberal Party was superficial because both Parties were aware of themselves as participants in the same political development. They emphasised different aspects of that development. The Liberals (Whigs) were the radical pioneers. The Tories (Conservative) resisted adventurism in the process of change while being prepared to make terms with it. And, in the course of the process, there was a noticeable tendency for Liberals to become Conservative.

Labour, on the other hand, has always been ill at ease in the position it took over from the Liberals.

In the great change of 1714-15, when the substance of monarchy was dissolved and an aristocratic regime was established, the Liberals murdered a few Tories as Jacobite counter-revolutionaries to show what they were capable of, and then dominated public life for the quarter of a century of the Whig Ascendancy by means of corruption. When Walpole, master-mind of the Ascendancy, fell, the Tories considered

impeaching him for subverting the Constitution, but then decided to take what he had done as being the Constitution.

In this, and in what followed, the Liberals stood for Freedom—which meant Capitalism—and the Tories stood for the State (or monarchy) which meant restraint of capitalist freedom.

In order to become the dominant force in society—dominant over society—Capitalism needed a vast pool of 'free labour', unorganised labour, labour detached from property and unprotected by law or traditional arrangements. That was what was meant by Progress. And it was what Liberalism was committed to delivering.

The spontaneous response of actual labour to Progress was reactionary. It was Luddite. It was a considerable achievement on the part of Liberalism that it overcame the natural impulse of labour to resist progress, and that, when a Labour Party was eventually organised, it came about under Liberal hegemony. It broke free of Liberal Party hegemony only because the Liberal Party was destroying itself. Lloyd George might, in that sense, be described as the real founder of the national Labour Party which displaced the Liberals at the 1918 Election. But independent Labour Party organisation did not bring with it independent political orientation.

H.M. Hyndman, a pioneer of socialist organisation in England, saw Socialism as a development which would be best pursued in conjunction with the Tory Party. He approached Tory leaders about this but it didn't work out. Socialism developed instead in conjunction with Liberalism, which was the ideology of pure capitalism, and the idea of Socialism as a Tory development appeared to be absurd. But it was the Tory Party that imposed the first restrictions on the freedom of capital: The Factory Acts. And, right at the end of the 19th century, there were still benevolent Liberals like John Morley who opposed restrictions on child labour as an erosion of Freedom. And there were large blocks of workers who were not caught by the Liberal vision of Progress and who voted Tory.

Harold Wilson, the most successful Labour leader, said that the movement owed more to Methodism than to Marx. Maybe it did. Methodism was a slightly Nonconformist splinter from the State Church and seems to have functioned as a religious social ideology of a section of the lower middle class and the "responsible working class", and it functioned within the dimension of Liberal patronage.

Ernest Bevin, the most effective leader of the workers as a class force, was bred a Baptist and he dabbled in Marxism with Hyndman's organisation. (Dabbling in Marxism was probably as much as was useful in England.) He acted pragmatically in pursuit of working class power, uninhibited by Liberal shibboleths. His active presence in British affairs during the World War prepared the way for the Labour victory of 1945 and for the enactment of the Welfare State. He seems not to have been concerned as to whether the reforms should be enacted by a continuation of the War Coalition or by the Labour Party. But the progressives in the Party were intent on having a party Election in 1945, to be fought with the rhetoric of fundamentalist class conflict. (Aneurin (Nye) Bevan, the best-known of the progressive demagogues, denounced the Tories as "lower than vermin".)

Bevin, who more than anyone else was responsible for the accumulation of working class power that existed, was removed by Attlee from the sphere of things he knew best and was given the job of holding together the decaying Empire in that 1945 Labour Government.

Bevin had been brought into government by Churchill in May 1940 because he represented a power in the country. He was a Government Minister before a seat in Parliament was arranged for him. He acted in Parliament on behalf of the power which he represented, with minimal concession to Parliamentary affectations. The means by which he gained Government Office, and his conduct of that Office, were resented by many Parliamentary Socialists, the most vociferous being Aneurin Bevan.

The main business of constructing the Welfare State—the establishment of the National Health Service—was given to Bevan, for whom it was important that the reform should be done with the maximum of rhetorical class conflict. Bevin would willingly have it done by consensus in practical acknowledgement of the arrival of working-class power—as was the case with the Education Act of 1944.

Parliamentary Socialism had a full five-year term thanks to the landslide Labour victory in 1945, and it exhausted its potential. It was returned with a much-reduced majority in 1950, and it fell in 1951 in a dispute over payment for prescriptions for Teeth and Spectacles.

The Tories were returned with a rhetoric of restoring freedom. Food rationing was ended. The Welfare State was preserved and enhanced by all subsequent Governments, and certainly not least by Thatcher's.

The scheme for the Welfare State was drawn up by Sir William Beveridge, whose Report was published in 1942: under the Wartime Coalition Government. Beveridge was a Liberal and his Report can be seen as a follow-on from the Unauthorised Programme of Chamberlain's Birmingham Liberals in 1885.

Beveridge's Report, like Chamberlain's Unauthorised Programme, had the purpose of preserving Capitalism by alleviating class conflict. Life was to be made tolerable for the poor, but not so tolerable that they would just opt out of the struggle for existence. Labour discipline had to be maintained. The economic compulsion to work could not be removed. An element of the Poor Law system was therefore retained in the Welfare State in the form of the National Assistance Board, of which I had some experience around 1960.

Unemployment Benefit (financed by worker, employer and State contributions) was not enough for a person to live on. National Assistance, a supplementary means-tested benefit, was available in addition, but its entitlements were a State Secret, and were very intrusively doled out. Mrs. Thatcher swept away that feature of the Welfare State in the early eighties. When Labour MP, Reg Prentice, was de-selected by his Constituency Party and held his seat, she made him her Minister for Labour: he published the book of secret National Assistance entitlements, ending the Poor Law stigma around claimants.

Organised working class power had become too strong by the 1960s for it to be exerted with full force against the system and the system still remain functional. Harold Wilson and Barbara Castle saw this and they tried to do something about it. They proposed to introduce a formal system of class collaboration which would implicate organised labour in managing the system.

There was already class-collaboration de facto in the form of prudent action by Trade Union leaders. But the attempt to formalise it in the structure of management was strongly opposed by Trade Union leaders, as well as by ideological socialists. The Unions insisted that there must be "free collective bargaining" between Unions and Management,

which would not be possible if the Unions agreed to play a part in management.

The proposals of the Commission On Workers' Control, set up by Wilson, were rejected by the Unions in the late 1970s. Union militancy intensified in the struggle against Workers' Control, and the problem of management increased.

The scene was set for Margaret Thatcher to win the Election after the Winter of Discontent (which saw widespread social disruption and numerous strikes), and to set about restoring the power, as well as the right of the capitalist management to manage. She did this in conflict with the Miners' Union, whose leadership had passed from Joe Gormley to Arthur Scargill.

Gormley had organised strikes as part of the bargaining process to improve pay and conditions for the miners in the coal industry, and never with the aim of bringing down the system. He was the outstanding de facto class collaborator, tormenting the system while preserving it. Tory leader Ted Heath ran the 1974 General Election against him with the slogan Who runs the country?, Parliament or the Miners. The Miners won, and Harold Wilson came to Office. (This was at a time when Coal was the basic fuel both commercially and domestically.)

Wilson then tried for Workers' Control and lost.

Thatcher came in and was faced with Arthur Scargill at the head of the Miners' Union, Joe Gormley having retired. And Scargill was not a class-collaborator of any kind. Thatcher gave him an easy victory to start with, while making preparations for the showdown which Scargill was eager for. The issue on which he chose to fight was not pay or conditions, but pit closures: and not about the phasing of closures either. And he called an all-out strike without a ballot, saying he would not be balloted out of a revolution (if I recall right). His purpose seemed to be a total confrontation with the system which would bring it down, without any political preparation having been made about what should be done when the system fell. And he relied on the sacredness of pickets for industrial workers to carry the thing through.

The conflict was long and brutal, but the outcome seemed certain from the start—the dissipation of organised working class power in a conflict that was unwinnable because it was incoherent, and a speeding up of pit closures.

The message was that, if organised labour prefers free collective bargaining to workers' control, then capitalism must retain effective power of management and enterprise.

Class struggle then becomes a matter of wages and conditions under Capitalism, not its abolition. Capitalism cannot be abolished if organised labour insists on free collective bargaining against a management which is alien to it. Wage bargaining is therefore essentially a Trade Union function. The function of a Parliamentary Socialist Party, which tends to be ill at ease with Trade Union power, therefore becomes problematical.

The last effective Labour Party Government—that of Tony Blair and his slippery young men—attempted to resolve the problem by dissolving organised labour through mass immigration, so that the Party might become in substance what the Liberal Party was before it split. He wanted it to cease to be a Party representing vested interests and to become a generalised "radical" Party. He appeared for a moment to be succeeding, but it is now clear that in the end he failed.

Trade Union power is a product of steady, purposeful growth. Ernest Bevin had much to do with building it up and showing how it could be used. The Parliamentary Labour Party was a sudden creation of the collapse of the Liberal Party in its wild,

adventurist wars of destruction on Germany and Turkey. Its first organiser was a long time agent of the Liberal Party.

Its appearance brought together the ideologists of socialist groups and the organisers of Trade Unions. The ideologists—Ramsay MacDonald and Philip Snowden—soon lost their bearings and, in the face of profound economic crisis, they formed a National Government with Tories and Liberal remnants in 1931. There were then National Governments right through to 1945.

The Liberal architect of the Welfare State, William Beveridge, had been a member of the Government in the First World War. In 1939 he prepared for the new War on Germany by writing a pamphlet in defence of the Naval Blockade of Germany in 1914-19, which was published by the Oxford University Press. It was reckoned that half a million German civilians were killed by starvation, due to the effectiveness of the Blockade by the Royal Navy. Beveridge asserted that the distinction between civilian and soldier had ceased to be meaningful. Modern war—meaning war as waged by Britain since August 1914—was “totalitarian”. It was war waged by peoples, not by dynasties, as in the past. This had in fact been declared by the British propaganda in 1914. It was announced that the era of people’s war had begun.

In fact, Britain had already practised totalitarian war against the Boers in 1900 when it swept up entire populations into Concentration Camps. And the War it had prepared for in 1939 was a bombing war against cities, which would be a war against civilians rather than soldiers.

Sir William Beveridge, architect of the British welfare state, was a militarist, imperialist capitalist. How could it have been otherwise? The Empire was the context of all British development, including democracy. The association of Imperialism and Democracy was not coincidental. And, for all the breast-beating of recent years, that association has not ended.

Brendan Clifford

---

### **Advertisement**

#### **Blockading The Germans! With an overview of 19th century maritime law**

#### **The evolution of Britain’s strategy during the First World War, Volume 1 (Paperback)**

**Eamon Dyas  
Belfast Historical and Educational Society 2018**

This is the first volume of a Trilogy examining overlooked aspects of the First World War and its aftermath from a European perspective. Comprehensively sourced with scholarly research, it explains how Britain used a continental blockade to force the capitulation of the Kaiser’s Germany by targeting not just military, but also civilian, imports—particularly imported food supplies, upon which Germany had become dependent since its industrial revolution.

After joining the European War of August 1914—and elevating it into a World War—Britain cast aside the two maritime codes agreed by the world’s maritime powers over the previous almost 60 years – the Declaration of Paris in 1856 and the Declaration of London in 1909.

In defiance of these internationally agreed codes, Britain aggressively expanded its blockade with the object of disrupting not only the legitimate trade between neutral countries and Germany but trade between neutral countries themselves.

Britain’s policy of civilian starvation during the First World War was unprecedented in history. Whereas it had used the weapon of starvation against civilians in the past, in such instances this was either through the exploitation of a natural disaster to bring about famine (Ireland and India) or the result of pre-conceived policy against a non-industrial society (France during the Revolutionary Wars). Its use against Germany was the first time in history where a policy of deliberate starvation was directed against the civilian population of an advanced industrial economy.

This volume traces the evolution of Britain’s relationship with international naval blockade strategies from the Crimean War through the American Civil War and the Boer War culminating in its maturity during the Great War. It also draws out how the United States—the leading neutral country—was made complicit in Blockading The Germans during the war and brings the story up to America’s entry into the War. Eamon Dyas is a former head of The Times newspaper archive, was on the Executive Committee of the Business Archives Council in England for a number of years, and was Information Officer of the Newspaper Department of the British Library for many years.

### **Volume 2, Starving the Germans**

Is available now.

This is the second volume of a Trilogy that examines the manner in which the First World War was fought by Britain and its Allies against the civilians of Germany and the Central Powers and the way in which the outcome of that war distorted the prevailing trajectory of European history. The first volume—Blockading the Germans—explored the way in which Britain as the world’s primary naval power shaped the use of the naval blockade as a weapon against civilians from the time of the Napoleonic Wars to the advent of the First World War. It also dealt with the way which United States’ actions as the main supplier of munitions and financial credits to the Allies compromised its neutrality and made the British pursuit of that war possible.

This current volume begins at the point when the United States formally joined the war in April 1917. It shows how, through the use of food embargoes on the northern neutral countries, the United States completed Britain’s food strangulation of Germany and brought misery and death to the civilian populations of those countries in the process. It explains the way in which the terms of the November 1918 Armistice was arbitrarily expanded by the Allies to ensure that Germany was made malleable to the British demand that it accept total responsibility for the war and at the same time hampered its chances of a post-war recovery.

It further explains the impact of the Armistice on the food supply mechanism that had been established in the United States to supply its own troops and the Allies during the war. In addition it reveals the way in which the post-Armistice attempts by Herbert Hoover and the American Food Administration to use the American food surplus to feed Europe were thwarted by obstacles placed in its path by France and Britain.

Finally, the volume reveals Britain’s role in formulating the reparations demanded of Germany in the face of initial American opposition. The volume ends with an examination of the way in which the powers of the Reparations Commission undermined the incipient democratic institutions established in Weimar Germany. Eamon Dyas is a former head of The Times newspaper archive, was on the Executive Committee of the Business Archives Council in England for a number of years, and was Information Officer of the Newspaper Department of the British Library for many years.



## Roger Casement's "The Nameless One"

### Pat Walsh

Roger Casement wrote 'The Nameless One' at the end of November, 1898. He did so outside Lagos, on board the *Gretchen Bolen*, sailing to London. It is a poem largely about the massacre of Armenians by the forces of the Sultan of Turkey, Abdul Hamid, known widely as "Abdul the Damned" in England. It is a vicious poem, couched in biblical/classical language, but its message is clear: the Sultan and his Empire is a product of Hell and should be consigned back to its place of origin. It was written when Casement was a fervent Imperialist going to assist the destruction of the independent Boer Republics and incorporating them in the British Empire.

Here is a transcription of 'The Nameless One':

*Embodied pest! – thou Pharaoh in reverse  
Who will not let the people go – nor stay;  
To whom the rod of Aaron comes as curse  
To turn to blood the waters of thy sway,  
Stupendous in the vastness of thy crime,  
Unpardoning; - and unpardoned through all time!*

*Lord of the Purple East thou art indeed –  
Thy rule of thought 'twere hardest to assign,  
Some minor Lord of Hell's imperial seed  
Must prompt thy role in this inferior line;  
For thou art of the few among mankind  
More vile in fact than thy villain mind!*

*What portion hast thou cast in the Crescent's sheen?*

*Thine Orb is Algol's variable mood:  
A growing presage to the pale Armene  
On Candia's shore shrinking point of blood:  
The "star of horror" tho' it wax or wane  
Be this the emblem of thy awful reign.*

*Thou murderer! with thy calling in thy face,  
The poisoner's smile, the vulture's drooping stare –  
Imperial ruffian in the Caesar's place  
Of Nero's crimes the consecrated heir –  
Be theirs thy fate – the opened vein, or cord  
Of strangler's art made perfect on its lord!*

*Yet ere thou go shall Christendom not smite  
Thy laggard steps with more than empty word?  
Hath man no monarch but must barter right  
To win thy cunning smile, anointed Kurd?  
Yea, thou shalt find thy trust in Kings decreed  
By universal scorn a broken reed.*

*Yes, thou shalt find not Solyman's eclipse  
Magnificently total as thine own –  
Lepanto's gulf but swallowed up his ships,  
This wider gulf shall swallow up thy throne;  
And Hells' expectant glare shall pale before  
Earth wrath that lights thee to thy native shore.*

### Translation/Interpretation

Some translation/interpretation is necessary for the reader. In the first stanza Casement compares the Ottoman Sultan to Pharaoh, who had at least let his people go, rather than keep them in subjugation. The *rod of Aaron* was the instrument that God gave to Moses's brother which conjured up the plagues and famines that led to Pharaoh dismissing the Hebrews. It was God's power given to man and turned into a snake in Pharaoh's court and Egypt's waters to blood. The Ottoman Sultan possessed similar power, which was a curse to his subjects. History would not pardon him for his deeds, according to Casement.

In the second stanza Casement makes cutting remarks on the Ottoman lineage. The Sultan is a "*minor Lord of Hell's imperial seed*" – the offspring of the Devil's domain but not having the status of the Devil himself. The "*inferior line*" is a notion connected to English Social Darwinism. The Ottomans were criticized by British writers for their easy-going tolerance of races which, it was suggested, was leading to the demise of their empire. The British Social Darwinists were, in fact, appalled at the way the Ottomans had incorporated other races into the governing of their empire and had blended aspects of their cultures into the Ottoman mix.

'*Nationalism and War in the Near East*' by George Young, 'A *Diplomatist*,' edited by Lord Courtney of Penwith, and published by Oxford University Press in 1915 (at the time of the Armenian relocations) is a good example of this argument. The British and Ottoman Empires were seen as having entirely different notions of race and governing. It was argued that the British Empire was successful because it was founded on the principle of racial distinction and hierarchy whereas the Ottomans played fast and loose with these categories to the extent that, in the English biological view, they contravened the laws of nature, leading to an inevitable Ottoman extinction. They put this down to the Sultans having foolishly indulged in the race weakening practice of miscegenation (race mixing) by marrying (ironically) Armenians and Circassians etc. This had destroyed the racial stock and minds of the Ottoman dynasty by polluting it with lesser biological material. These notions led to a great eugenics movement being established in England presided over by Arthur Balfour and Winston Churchill at its first Congress in London.

Casement's third stanza contains the line: "*Thine Orb is Algol's variable mood: A growing presage to the pale Armene*". The orb/authority of the Ottoman Sultan is like Algol, the "*Star of Horror*" which takes its name from the Arab phrase (*Ras al Ghul*) for demon's head. The Greeks knew it as the Gorgon's head and the Hebrews as the Satan's Head. This star is found in the brows of Gorgon in the constellation Medusa. Medusa was, for the Greeks, the Lady of the Beasts and had hair of snakes turning those who saw her instantly to stone. Algol is a variable star, waxing and waning in brightness and darkness rather like the variable moods of the Ottoman Sultan who had the arbitrary power of destruction depending on his mood at the time.

There is a connection between Medusa and Crete and in Casement's next line he refers to "*On Candia's shore shrinking point of blood: The "star of horror" tho' it wax or wane.*" Candia is Heraklion in Crete where in 1898 local Moslems rose up after Great Power intervention in support of a Cretan Greek insurrection demanding union with Greece. The Greeks had sent troops to Crete and also, in April 1897, attempted invasions of the Ottoman Empire. They were thoroughly defeated before



the Europeans intervened and began occupying Crete under an Admiral's Council. The local Turks were against plans to take the island out of Ottoman suzerainty and in the conflict they killed the British vice consul and some occupying soldiers and sailors. The Moslem leaders were subsequently hanged on the walls of Candia after Queen Victoria called for "drastic action" and the Turkish population was ethnically cleansed from the island. Interestingly the Cretan insurrectionary Venizelos took power after the transfer of the island to Greece. When he later seized power in Greece and helped the Allies undermine Greek neutrality Casement (in his later phase) accused him of responsibility for a coming Greek tragedy.

The next verse of "The Nameless One" refers to the caricature of Abdul Hamid often carried in *Punch* and other British periodicals – "the poisoner's smile, the vulture's drooping stare". The "Imperial ruffian" is compared with the evil Emperor Nero who mercilessly persecuted Christians and fiddled while Rome burned, after organising its burning himself. He utilized the fire to rid himself of the Christians, whose growing power he feared. This, presumably, is meant to show that Sultan Abdul Hamid was inciting and killing the Armenians, without thought of the destruction he was bringing to his domain, to advance his own evil interests.

The next stanza reveals that Casement desired that the Great Powers should use more than words against the Ottomans and give more than empty promises of reform to the Armenians. This was a common complaint levelled at Conservative governments in Britain by English Liberals. They were more interested in geopolitics than humanitarianism and should have an ethical foreign policy instead. Christendom, which represented morality in the world, should "smite" (strike with a very firm blow) the Moslems. The Kurds, the main enemies and killers of the Armenians in eastern Anatolia, in particular, needed to be taught manners. By breaking the Sultan the Christian Powers would teach the Kurds a lesson in misplaced loyalty, suggested Casement.

The final stanza recalls Christian Europe's great victories over the Moslem hordes from the East at the battle of Lepanto and sieges of Vienna. At Lepanto the Pope's fleet had sent the Ottoman navy to the bottom of the sea, ending the Moslem threat to the Western Mediterranean. This was in 1571, before the rise of British sea power. At the two sieges of Vienna, in 1529 and 1683, the Ottoman land advance had been checked by Christian Europe and the Ottoman Empire confined to the Balkans. This was "*Solyman's eclipse*" – the eradication of the Ottoman threat originally brought by Suleiman the Magnificent (1520-66).

But Casement hoped for a greater eclipse for the Ottomans – that they and their Sultan be swallowed up into Hell, from whence the Turk originally came, their "*native shore*".

### **Casement's Motivation**

At first sight Casement's anti-Turk tirade seems to have been provoked by the "Hamidian Massacres." But the date of the poem's writing is important. The "Hamidian Massacres" occurred between 1894-6, around 5 years before Casement's poetic outrage. So something else provoked the outrage, since it is inconceivable that such pent up anger was restrained over such a long period. There had to be a different trigger.

The trigger was presumably the outrageous visit of the German Emperor to the Ottoman Sultan only a month before Casement released his wrath on the "Nameless One." This visit produced a deluge of hysteria in Europe with the "Armenian Massacres" at the forefront of the attacks on Kaiser Wilhelm.

British Foreign Policy was very much in flux in the mid-1890s. It was poised between that which upheld the peace and stability of Europe since the Vienna Congress in 1815 and the policy that led to the Great War of 1914. Up to that point

Britain had upheld the Ottoman Empire as a great buffer against Russian expansion down to the Mediterranean. "*The Russians shall not have Constantinople*" was the popular refrain in England when Disraeli was prepared to go to war against the Tsar if he even thought about coming down to the Straits.

But when Lord Salisbury came to be British Prime Minister in 1895 he concluded that the Ottoman Empire had outlived its usefulness for Britain. It was beyond redemption, morally and physically. It could no longer do what Britain had required of it over the previous generations, and so Salisbury, acting as his own Foreign Secretary, flirted with the Tsar proposing the idea of ending the Great Game on good terms, to the mutual benefit, and carving up the Ottoman territories between them. The "*Sick man of Europe*" was to be put out of his misery for the benefit of all humanity, even its enemy component. All that was needed was an agreement over his remains. But vultures are not good at negotiating over carcasses and the French vulture, which had circled over the potential carrion for longer than both the Russian and British predators, wanted a cut of the meat. It all proved too messy and complicated in the end. Salisbury failed and it was left to Sir Edward Grey, a decade later, to close the deal.

The Armenian revolutionary groups believed they had got signals that the intervention of the Great Powers would take place if they could provoke the Ottomans into a violent reaction. They attempted to do this but found that Britain had not changed its position at this point and Russia, therefore, could not act in the 1890s. The result was disaster.

A stranger had come, newly on the scene, who, seeing the sick man prostrate before the predators, suddenly had the bright idea of helping the man to his feet. Obviously he became an enemy of the vultures from that day. Kaiser Wilhelm blundered into this situation as a young and most unwelcome upstart. The Kaiser became an interloper through his visit to Istanbul and Palestine in 1898 and made war inevitable between Britain and Germany. The Kaiser declared his intention of preserving and consolidating some surviving states of the world against the British and French designs on them. He first enraged Britain by impudently sending a telegram of sympathy to the leader of one of the Boer Republics that Britain was intent on incorporating into its expanding empire. On the visit to the Ottoman Empire in 1898 he declared that a strong Moslem state was a necessary component of stable order in the world and signalled his intention of bolstering it through economic rejuvenation and the Berlin-Baghdad Railway.

This was the event that outraged Britain and brought the Armenian question back into play a month before Casement fulminated against "Abdul the Damned" and his problem from Hell (Wasn't that the title of a book by the humanitarian interventionist Samantha Power that won her a prestigious prize and a career promoting the destruction of functional Moslem states. What was it said about history repeating itself as farce?).

Casement was not a particularly racist and bitter man. If he was a racist he was a racist because he was a British Imperialist. He was certainly a humanitarian. Humanitarianism and various other causes are used as weapons in the hands of Imperialist states.

Casement's famous work and report on Belgian atrocities in Africa was later used by the British government to ensure the Belgians did not allow a traverse of their territory by the Germans, that might break the encirclement and blockade and prevent a world war. It was Britain's intention to prevent a quick European war occurring in 1914 and instead grind down Germany in a global war of attrition, as well as taking the parts of the Ottoman territories it desired (Palestine and Mesopotamia as well as Egypt and Cyprus). When Casement witnessed this he freed his humanitarianism from Imperialism.

## Armenian Massacres and Casement (1898 and 1915)

What were the “Hamidian Massacres”? They were Ottoman counter-insurgency operations conducted against Armenian revolutionary groups in Eastern Anatolia during 1894-6. In the course of these operations a sizeable amount of Armenians were killed both by regular Ottoman forces, Kurdish groups acting in the pay of the state (Hamidiye) or in their own interests, and local Moslems who took reprisals for previous killing by Armenian bands. The main events occurred in Istanbul, Sasun, Diyarbakir, Erzurum, Zeitun, Trabzon and Van.

The Armenian/Moslem conflicts followed much the same pattern everywhere. Armenian revolutionary groups, hoping for western intervention, engaged in provocative acts such as firing from rooftops at crowds of Moslems at Friday prayers. A really provocative act occurred in Istanbul when Pasdermajian and his Dashnaks assaulted the Ottoman Bank, casually blowing up a large amount of civilians. These provocations drew local Moslems into attacking local Armenians and state forces were employed into the areas of the attacks with predictable consequences. So, Armenian revolutionaries killed Moslems and Moslems killed Armenians in greater number because Turks and Kurds were the majority and more powerful. The Western reports contained reports of Moslems killing Christians but no reports of Armenian revolutionaries provoking the Moslems. The Armenian revolutionaries would have failed in their objectives without provoking these massacres. The Hunchaks and Dashnaks did not care how many ordinary Armenians died in reprisals for their provocations. The more the better to make as big an impression in the West as possible. And the numbers massacred were vastly inflated when the Ottomans failed to kill enough to disgust Christian Europe. In Sassun the British consul claimed 10,000 Armenians had been massacred. The consul later revised his figure to 900. A joint investigatory committee of British, French and Russian consuls later established the actual figure of 263 deaths (Sean McMeekin, *Ottoman Endgame*, p. 25). Often more Armenians died than actually existed and the actual figure is almost impossible to establish. Meanwhile the Hunchak and Dashnak revolutionaries were spirited out on western battleships and even granted pardons by the Sultan.

The massacres were the lever needed to provoke Christian outrage in the West and hopefully produce the Bulgarian model of intervention. In Bulgaria the “Bulgarian Horrors” of 1878 had produced Bulgarian independence.

The continuation of the multi-ethnic Ottoman Empire did not require a genocidal policy on the part of the Ottomans but the establishment of a nationalist Armenian state in Anatolia did. This was because, unlike the Bulgarians and Greeks in the old Balkan provinces of Ottoman Europe, who possessed majorities and many of the elements of nationhood, in none of the eastern provinces did the Armenians constitute a majority of the population. So whilst it was comparatively easy for Greeks and Bulgarians, once Western ideas of nationalism had reached them, to enlarge the Ottoman autonomy of their own community institutions into territorial independence, any attempt to transfer Armenian autonomy from a religious to a territorial basis was quite another matter. The population of the eastern provinces was such that a restoration of the old Armenian Kingdom was impossible without overcoming ten centuries of history through the construction of a homogeneous Armenian state. That would, of necessity, have involved the ethnic cleansing of large numbers of Turks and Kurds and almost certainly have required a policy of genocide against them to achieve a functional and stable Armenia. And that is why the Kurds fought for the Ottoman Sultan.

The Armenian revolutionaries hoped to repeat the Bulgarian example. They failed in 1894-6 but this did not stop them playing the same game for the highest stakes in 1915. But this time Casement was no longer on their side.

Roger Casement wrote in *The Continental Times* in October 1915:

*“A fresh ‘Armenian Massacre’ having been deftly provoked by a conspiracy engineered from the British Embassy at Constantinople, whereby English arms, money and uniforms, were to be furnished to the Armenians on condition that they rose against the Turkish Government, England now turns to the humanitarian impulse of the American people to secure a fresh sword against Turkey. America is being stirred with tales of horror against the Turks – with appeals to American manhood on behalf of a tortured and outraged people. The plan was born in the (British) Foreign Office; and the agency for carrying through the conspiracy against Turkish sovereignty in Armenia was Sir Louis Mallet, the late British Ambassador at Constantinople.”* (The Continental Times, 18 October 1915)

Also writing in *The Continental Times*, under the pen-name “Dr. John Quincy Emerson” Casement pointed to Britain’s breaking of the Cyprus Convention of 1878, concluded between Lord Salisbury (when he was Foreign Secretary) and the Ottoman Sultan, as an example of Britain’s bad faith:

*“England pledged her national word and ‘to defend the Asiatic dominions of the Sultan’ from Russian attack, and in return for this guarantee, the island of Cyprus was to be ‘occupied’ by her, Turkish sovereignty remaining legally intact, so that a point of d’appui for the defence of Asia Minor might be in the hands of the defending power. In 1914 Russia declared war upon Turkey and the Asiatic dominions of the Sultan are invaded. England, although she was under no treaty obligation to Russia or bound by any agreement to that Power, her hands being ‘perfectly free’, as Sir Edward Grey assures Parliament repeatedly, and although she was bound to defend Turkey from this very attack, proceeds to violate her treaty with Turkey and commits a double act of national dishonour. She not only does not fulfil her promise to defend the invaded region she has taken under her protection, but she seizes the very gage entrusted to her keeping to assure the fulfilment of that promise and she co-operates with the invader by herself assailing the Asiatic dominions of the Sultan. She annexes Cyprus and joins Russia in the assault on Asia Minor. So much for the sanctity of treaties when British interests call for their violation....”* (“Still Further North”, The Continental Times, 22 October 1915.)

Casement no longer wanted the Ottoman Empire to go to Hell. It was one of Ireland’s “gallant allies” with which it fought alongside to secure its freedom.

When Casement left the Imperial orbit and began viewing the world in a new way the blinkers came off. He began seeing the true context of situations in the world and became a very dangerous man who had to be hanged by his former employers. And his very dangerous thoughts had to be erased by an attempted fouling of his memory.

### **The case of the curious “The Nameless One”!**

Finally, it should be noted that “The Nameless One” is not the only poem of that name attributed to Roger Casement. Mysteriously, another called “The Nameless One” first appeared in 1957 in the Sunday Times by Harford Montgomery Hyde of British Intelligence, Unionist MP for North Belfast and a proud self confessed forger (see *The Catholic Herald*, 25 February, 1966) who claimed it was based on a manuscript in the National Library which did not exist. Hyde, and then many others, used it to promote the Black Diaries story that the British used to secure the hanging of Casement. Unlike the poem dealt with above the provenance of this latter poem is unclear - and

provenance is crucial in all matters relating to the Black Diaries and associated issues.

It is most peculiar that Casement would have written two poems within a couple of years of each other with the same name but on utterly different subjects and the manuscript of this other one was not “discovered” until the late 1990s in the New York Public Library with a misspelt title, other textual differences to that published in 1957 and not signed or initialled by Casement as was his usual practice. More curiously, Hyde did not give it as his source in the Sunday Times or in any of

his extensive writings on Casement before or after its publication by him. How puzzling! But such questions have not stopped many promoting this other poem, “The Namless One,” as something of greater importance than the real and fully authenticated above poem and is considered by them to be the clincher in the debate about the Black Diaries. Well, Imperialism’s work is never done, it seems.

### **‘England’s regard for the truth – by one who knows both’ by Roger Casement**

These articles by Sir Roger Casement, originally published in The Continental Times of Berlin, have lain forgotten for over a century. Now, for the first time, they are published as a collection by Athol Books to bring the authentic Casement to the general public.

They take up the theme of his only published book, *The Crime Against Europe: British Foreign Policy and how it brought about the First World War*. They reveal Casement as a consistent Liberal when English Liberalism failed its great test in the ultimate moment of truth in August 1914. They show Sir Roger as a consistent Irish Nationalist when the Home Rulers collapsed into Imperialism. The ground shifted under his feet but he remained solid.

For Casement action was consequent upon thought and knowledge. Remaining true to his principles he attempted to forge an Irish-German alliance. Not for Casement “my country right or wrong” but who was right and who was wrong.

This collection explains why Casement did what he did and how it led him to Easter 1916. It shatters the British narrative of the Great War by “one who knew”. It shows why Casement was the most dangerous Irishman who ever faced up to Britain and why they had to hang him and attempt to foul his memory.

They have not succeeded.

### **‘Casement – decoding false history’ Recent research by Paul R. Hyde**

**Foreword by Angus Mitchell**

(120pp). ISBN 97 9781903497951 €15, £12 Published by the Aubane Historical Society 2021

The book published here is the result of original research undertaken since publication of *Anatomy of a Lie* by Paul R. Hyde in 2019. This book represents a further penetration into the century-long ‘Black Diaries’ controversy. Here readers can see for the first time the secret memo of 1914 which gave birth to the later scandal. Here Casement’s defence counsel, Serjeant Sullivan, is revealed as playing a major role in the deception. For the first time the seven conflicting versions of the diaries’ provenance are analysed with devastating conclusions. And here the astonishing revelations of an ex-naval officer, Commander Clipperton—suppressed by all biographers—can be seen for the



## The road to Bretton Woods (Part Two): Fighting for Britain against the US

### Peter Brooke

Given the immense stretch of the sterling area and the Empire it isn't immediately obvious why Britain became so quickly and utterly dependent on the United States. From early on Britain was buying large quantities of manufactured goods from the US, indicating that its own productive capacity was inadequate for fighting the war it had declared. At the same time it was importing raw materials and foodstuffs from the Empire while its own exports were reduced dramatically. Skidelsky's biography of Keynes, p.134,<sup>1</sup> has a table showing Britain's reserves (gold and US and Canadian dollars) declining from £545 million in December 1939, to £70 million in March 1941. The contrast with the US and Germany was dramatic. Was one of the reasons that both the US and Germany, unlike the UK, had invested in large job creation schemes through the 1930s?

The German policy will be looked at shortly. In the US the 'New Deal' had been supported by government spending on an unprecedented scale which in turn had been backed by a massive accumulation of gold, a policy reminiscent of the German policy at the beginning of the First World War, discussed in the first article in this series. Morgenthau and Roosevelt launched a policy of compulsory purchase of gold. All gold holdings worth more than \$100 had to be sold to the government at the then going rate which the government then increased dramatically, thus devaluing the paper currency while still accumulating large stocks of what could be called the hard value of gold.

Prior to the 1930s the US had been largely self sufficient, able within its own economy to absorb its enormous economic power both in manufacturing and in agriculture. It wasn't thinking so much in terms of international trade. Indeed one of the first reactions to the 1929 financial crash was, in 1930, to impose the heavy 'Smoot Hawley' tariff on imports. It may be, however, that one of the causes of the crash was that the productive capacity was outgrowing the consumption capacity of the domestic economy. As the thirties progressed, and with the government supported reflation of US industry, Roosevelt and Morgenthau wanted a greater emphasis on exports and this ran up against the protectionist policy being pursued by Britain throughout the Empire and the sterling area (in which sterling had to be used in all international transactions). Britain had further offended by its own devaluation when it went off the gold standard in 1932, breaking the terms on which substantial loans had been negotiated with the New York Fed and the Banque de France, and defaulting on its First World War debt in 1934. The result in the US was a raft of legislation passed by Congress through the 1930s against supplying countries at war, legislation Roosevelt had to overcome when the golden opportunity provided by Britain's new state of dependence on the US was presented to him.

In November 1939 the Neutrality Acts were amended by 'cash and carry' legislation devised by the financier Bernard Baruch, a key figure in the organisation of the US economy during and just after the First World War. This was a purely commercial arrangement in which all supplies had to be paid for immediately and carried in British ships. When the British fled from Europe in June 1940 they left behind an enormous

amount of military material which had to be replaced. In November 1940 the British ambassador, Lord Lothian, arriving at La Guardia airport, said to the assembled press corps: 'Well boys, Britain's broke. It's your money we want.' According to Skidelsky (p.96) Britain 'needed to order more supplies than ever before, as well as more ships to carry them in because Germany's submarines were sinking so many. And American exporters were insisting on higher advance payments, which reflected "doubts about [Britain's] ability to pay all the bills she was running up" [quote from another historian - PB]. Britain lost \$668m (£167m) in the third quarter of 1940. At this rate it would be virtually out of gold and dollars by the end of the year.' He quotes Lothian referring to 'the fundamental question ... whether the [US] policy is to ... help Britain within the limits of the Neutrality Act but acquiesce in [its] defeat if these half measures do not suffice, or to adopt the policy in America's own interest that it is going to see Great Britain is not defeated whatever it may cost ...'

If the Americans were anxious to see that Great Britain wasn't defeated it wasn't so much out of affection for Britain as hostility to Germany. Skidelsky again (p.99):

*'he [Morgenthau] was not so much pro-British as Germanophobe. With America neutral, Britain was the reed that had to be supported, faute de mieux, despite the inaptness of imperial Britain as a champion of freedom. Morgenthau also shared the New Deal suspicion of international finance. His aim was to shift financial power from New York and London to Washington. The dollar would become the instrument of a global "New Deal". At the same time, his lack of financial expertise made him dependent on a small group of trusted technicians. Gradually, Feis writes, Morgenthau became "more and more influenced by the viciously assertive staff assembled around him, led by Harry White. They used him, and he used them. . . ,"*<sup>2</sup> *He would support Britain in the war against Germany, but not to preserve Britain's world position. The United States, not Britain, would be the leader of the postwar free world, the dollar would replace the pound as the world's leading currency. He would do all he could to help Britain, but as a satellite, not as an ally.*

*'In 1940 he started putting pressure on the British to sell off their big American companies - Shell Oil, Lever Brothers and Brown & Williamson Tobacco. The Secretary, writes his biographer John Morton Blum, "recognised that the loss of [Britain's overseas] investments would cripple the British economy after the war, but he maintained that England could not afford to worry about this in 1940".*<sup>3</sup> *For the first time in its history, Britain found itself a suppliant for means-tested benefits, with Morgenthau running the benefit office. Little wonder he was cast as the villain in Keynes's, and London's, eyes.'*

Keynes (Skidelsky p.103) was to complain in March that Morgenthau 'was aiming to reduce Britain's gold reserves to nil, "treat[ing] us worse than we have ever ourselves thought it proper to treat the humblest and least responsible Balkan country.'"

<sup>2</sup> Reference to Herbert Feis: *1933: Characters in Crisis*, Boston/Toronto, Little, Brown, 1966, p.107.

<sup>3</sup> Reference to J.Morton Blum (ed): *From the Morgenthau Diaries, Vol ii: Years of urgency, 1938-41*, Boston, Houghton Mifflin, 1965, p.171.

<sup>1</sup> Robert Skidelsky: *John Maynard Keynes, Fighting for Britain, 1937-1946*, Macmillan 2000. This is the main source for the present article.

White and Morgenthau were both Jewish - as of course was Bernard Baruch - but regardless of any feelings they might have had as Jews a Fascist Europe would probably be striving for self sufficiency and would not be open to penetration by the newly expansionist US, and there was no reason to believe that Britain making a deal with Germany would bring the protectionist Empire, or even the sterling area, to an end. Hitler would certainly have argued that it was the best way of preserving them and we may easily imagine that that would have been the argument the very pro-British Rudolf Hess brought with him when he made his ill fated attempt at peace negotiations in May 1941 (originally planned in November 1940).<sup>4</sup>

## Lend-Lease

Keynes was charged with conducting most of the British side of the negotiations with the US and the third volume of Skidelsky's biography, subtitled 'Fighting for Britain, 1937-1946' is a long chronicle (500 pages) of successive defeats and, from Keynes's point of view, inadequate compromises. There are three parts to the story - the negotiations over Lend-lease, discussions with White on the post-war institutions that were eventually agreed at Bretton Woods, and negotiations over the loan given to Britain when Lend-Lease was abruptly terminated at the end of the war with Japan.

On the face of it, Lend-lease was an extraordinarily generous arrangement. In a speech in November 1941, Churchill said:

*'Then came the majestic policy of the President and Congress of the United States in passing the Lease-Lend Bill, under which, in two successive enactments, about £3,000,000,000 was dedicated to the cause of world freedom, without - mark this, because it is unique - without the setting up of any account in money. Never again let us hear the taunt that money is the ruling power in the hearts and thoughts of the American democracy. The Lease-Lend Bill must be regarded without question as the most unsordid act in the whole of recorded history.'*<sup>5</sup>

Roosevelt, selling it to the US public, likened it to lending a neighbour a fire hose to put out a dangerous fire. Though there was of course the understanding that the fire hose was unlikely to be returned and would probably be destroyed by the fire - even probably before it reached the neighbour if the U-boats got at it. Roosevelt's isolationist opponent Robert Taft said that 'lending' arms to a neighbour was a bit like lending chewing gum. You really didn't want it back after it had been used.

Roosevelt announced the policy in December 1940. It passed Congress in March 1941 and came into effect in April, by which time it was unclear if Britain would be able to pay for orders it had already placed. This was a period before the German invasion of the Soviet Union when it must have seemed almost out of the question that Britain could actually win the war. The most that could be hoped for was just that Britain wouldn't actually be forced to make terms. Churchill certainly thought that actual victory was impossible unless the US joined in and it seems improbable that Roosevelt would have disagreed. But in the election fought in November 1940 he had promised - in a manner reminiscent of Woodrow Wilson before

4 Albert Speer: *Inside the Third Reich*, New York, Avon, 1971, p. 241, has Hess telling him in Spandau that his proposal was: 'We will guarantee England her empire; in return she will give us a free hand in Europe.'

5 By November a Lend-lease arrangement had been made with the USSR so this is included in the £3,000,000,000 'dedicated to the cause of freedom.' The quote is well known but I have taken it from James Lachlan MacLeod: *The Most Unsordid Act in History?* on the American History News network website.

him - that he would not 'send American boys into any foreign wars.' The argument for Lend Lease was that Britain had to be kept in the war to keep the US out of it, implying that if Britain gave up, the US would have to intervene. But this did not make much sense since, had Britain come to terms with Germany, the US would have been deprived of the means of conducting a European war - it would have been deprived of what Göring (I think) called the aircraft carrier moored off the coast of Europe. As was pointed out at the time by isolationists the policy only made sense if Roosevelt planned to enter the war. Under Lend Lease goods could be transferred to the UK in American ships and Skidelsky (p.101), pointing out that Roosevelt had been Assistant Secretary of the Navy in 1917, speculates that he may have hoped that Germany attacking American ships would provide a pretext for America joining the war. In the event, the need became less pressing when Hitler went to war with the Soviet Union in June. A Lend Lease arrangement was extended to the Soviet Union in October. Hitler declared war on the US, in tandem with Japan, in December.

## Article VII

The Lend Lease legislation passed by Congress authorised aid on 'terms and conditions' specified as 'payment or repayment in kind or property or any other direct or indirect benefit which the President deems satisfactory' (Skidelsky p.126). Responsibility for determining the terms and conditions was given to the State Department under the Secretary of State, the militant free trader Cordell Hull and his Assistant Secretary Dean Acheson. The result was a draft of seven articles which Keynes saw on 28th July. Article VII read:

'The terms and conditions upon which the United Kingdom receives defensive aid from the United States of America and the benefits to be received by the United States in return therefor, shall be such as not to burden commerce between the two countries but to promote mutually advantageous economic relations between them and the betterment of world-wide economic relations; they shall provide against discrimination in either the United States of America or the United Kingdom against the importation of any produce originating in the other country; and they shall provide for the formulation of measures for the achievement of these ends.'

Innocent as that may seem, it prompted an angry response from Keynes:

'It was impossible, he raged, for the British to make such a commitment in good faith. It fastened upon the future an ironclad formula from the nineteenth century. It contemplated the impossible and hopeless task of returning to a gold standard where international trade was controlled by mechanical monetary devices. It banned exchange controls, which were the only way to maintain economies in balance. It allowed all kinds of cunningly devised tariffs which were in fact discriminatory, while prohibiting sound monetary controls. After the war, Britain would have a large surplus of imports over exports and the Article VII formula provided no remedy for this.'

Later, in a letter to Acheson apologising for the violence of his reaction, Keynes developed his argument:

*'His reaction, he said, "was the result of my feeling so passionately that our hands must be free to make something new and better of the post-war world; not that I want to discriminate in the old bad sense of that word - on the contrary, quite the opposite. But the word [discrimination] calls up ... all the old lumber, most-favoured-nation clause and the rest which ... made such a hash of the old world. We know also that won't work. It is the clutch of the dead ... hand. If it was accepted it would be the cover behind which all the unconstructive and truly reactionary people of both our countries would shelter. ...*

*Meanwhile forgive my vehemence which has deep causes in my hopes for the future.*' (Skidelsky, pp.129-131)

Keynes's old ally from the 1920s effort at full employment, Hubert Henderson, now based in the Treasury, and the Bank of England were similarly hostile to Article VII:

*'Both Hubert Henderson and the Bank of England disliked the idea of making promises for the future, however vague. The view which they represented was that countries, or groups of countries, should aim to balance their post war trade by the wartime mixture of exchange controls and state trading agreements. This would enable them to maintain stable exchange rates with each other. Article VII, with its ban on discriminatory trading arrangements - those which favoured the exports of one country over another - struck at the heart of this philosophy ...*

*'The Bank of England minuted: "it can surely be foreseen that we and others will refuse to limit our internal monetary policy by reference to any external standard; that we can never again tolerate conditions in which mass movements of capital are free to overwhelm the international exchanges; that we shall maintain exchange and import controls for an indefinite period; that we shall aim at maintaining the concept and structure of a sterling area; and that we shall retain the liberty to use bilateral negotiations as an instrument for promoting international trade."*' (pp.209-10)

But in this case Keynes argued against the idea that the sterling area could be expected to behave as a coherent bloc:

*'The Bank attached great importance to import controls to "balance trade". But it did not make it clear whether import controls were to be applied between members of the sterling area or only between the sterling area and the rest of the world. If the latter, they were an extreme form of discrimination; if the former, the sterling area concept became very thin. The Bank's scheme presupposed a pooling of the sterling area's gold and dollar reserves. Under whose control was that reserve to be? Keynes denied that there was enough "solidarity" within the sterling area for Britain to be entrusted with the pooling. It could only be done by an impartial international body.'* (p.211)

In the event Roosevelt assured Churchill that Article VII wasn't intended as an attack on Imperial Preference and the impact of it was watered down and combined with other, more interesting aims in the 'Mutual Aid (Lend Lease) Agreement' finally signed in February 1942:

*'To that end [the betterment of worldwide economic relations] the [benefits to be provided to the United States of America by the Government of the United Kingdom in return for aid] shall include provision for agreed action ... directed to the expansion ... of production, employment and the exchange and consumption of goods [and] to the elimination of all forms of discriminatory treatment in international commerce and to the reduction of tariffs and other trade barriers ... '* (p.226, fn)

The shift in emphasis away from 'discrimination in either the United States of America or the United Kingdom' to 'discriminatory treatment in international commerce and to the reduction of tariffs and other trade barriers' reflects the shift from the State Department (Hull and Acheson) to the Treasury (Morgenthau and White) and their more ambitious plans for a reorganisation of world trade. Keynes remained the key figure on the British side.

## Harry Dexter White

The contrast between Keynes and White was quite stark. Keynes was the embodiment of privilege, educated at Eton and Cambridge where he was one of the elite group of the 'Apostles', part of the inner circle of the Bloomsbury Group, married to an exotic Russian ballerina. White was the son of

Jewish immigrants from Lithuania.<sup>6</sup> He worked in his father's hardware store and only started his university career at the age of 29. Keynes was famous throughout the world after publishing numerous controversial articles aimed both at specialists and at the general public. Most of White's important writings prior to 1940 took the form of internal memoranda for the US Treasury.

James Boughton, historian of the International Monetary Fund, has written an account of White's Treasury writings which may give us some idea of why Morgenthau was so keen that he should be charged with the work of devising a post war settlement. In a Memorandum written in August 1935 - 'Why and how exports should be increased' - he argued that:

*'Only two proposals for stimulating exports had any merit: an international agreement to stabilize exchange rates and an expansion of official loans to foreign governments ... A few months later [in a paper entitled The United Kingdom of Great Britain - PB] ... he noted the importance of creating a dollar zone to compete with the sterling area and weaken the influence of sterling as a constraint on US policy. Currency stability, not the relative size of the foreign exchange market, was to be the cornerstone of his strategy for developing the international role of the dollar: "Though it doesn't matter very much whether New York or London does the most foreign exchange business, it is important to have as many currencies as possible linked to the dollar rather than to sterling, if the rate between dollars and sterling is not fixed. The more currencies tied to the dollar (i.e. exchange rates fixed to the dollar) the less power will British authorities have to influence American monetary policy. The more international business a country does, the more likely will it be to attract other currencies in its orbit of influence, and the more currencies it attracts the greater will be its international business."*<sup>7</sup>

However he didn't believe that the dollar by itself was sufficient to exercise this attractive power. In 1940 he began work on an ambitious project, in the event uncompleted, under the title 'The Future of Gold':

*"The Future of Gold" argued that the only way any country could induce investors to hold liquid claims on it for extended periods was to create complete confidence that its currency would not be devalued in the foreseeable future. Since no major country would be willing to surrender its sovereignty over the valuation of its currency, the ability to create such confidence was limited. Investors therefore had and would continue to have a preference for gold over currencies or other liquid assets ... "Many decades at least will have to pass before many countries will elect to keep their reserves in the form of some foreign paper currency never redeemable in gold rather than in the form of gold or currency redeemable in gold." Moreover, he rejected on time-inconsistency grounds the idea that countries could credibly effect a co-operative agreement to fix exchange rates without an anchor to gold. Confronted with the possibility of devaluing (or imposing exchange restrictions) as the "lesser evil" rather than contracting the economy, "the sovereign power will usually elect to pursue the lesser evil."* (p.8)

The problem as seen from White's point of view was to ensure that the post-war world would be a safe place for American exports. To this end it was necessary to ensure that the world - much of it wrecked by the war - should be

<sup>6</sup> Skidelsky (p.240) says that they had fled 'the Tsarist pogroms' in Lithuania in 1885. So far as I know there weren't any pogroms, let alone 'Tsarist' pogroms, in Lithuania in the 1880s. The pogroms of 1881-2 took place at the far end of the Pale of Jewish settlement in Novorussia, South East of present day Ukraine.

<sup>7</sup> James M. Boughton: *Why White, not Keynes? Inventing the postwar International Monetary System*, International Monetary Fund, IMF Working Paper, March 2002, pp.7-8.



able to pay for American exports; and secondly that it could be relied on to pay in a currency that could be trusted, meaning, essentially, a currency tied to gold.

The problem from Keynes's point of view was different. Since the 1920s he had been concerned with unemployment, and his solution - the idea that is regarded as typically 'Keynesian' - was to ensure that there was sufficient demand in the economy to absorb a level of production that would keep people in employment. But this implied a closed economy. If the money put in people's pockets was spent on imports, it would not contribute to maintaining employment in the domestic economy.

### Keynes on 'National self-sufficiency'

In 1933, in the context of Britain going off the gold standard and De Valera coming to power in Ireland on a protectionist platform, Keynes gave a lecture in Dublin on 'National Self Sufficiency', an important social event attended by the leading members of both the main political parties. According to Skidelsky's account, as they gathered for this address by the most famous British economist, the Treatyites were looking self confident while the anti-Treatyites looked uncomfortable, but as the talk progressed the 'smiles faded from one side and appeared on the other.'<sup>8</sup>

Keynes began by evoking his own formation as a free trader but quickly went on to say:

'It is a long business to shuffle out of the mental habits of the pre-war nineteenth century world. It is astonishing what a bundle of obsolete habiliments one's mind drags round even after the centre of consciousness has been shifted.'

Among those 'obsolete habiliments' was the idea of international free trade as a means of solving the problem of poverty, serving 'the great cause of liberty, of freedom for personal initiative and individual gift' as well as 'international concord and economic justice between nations, and the diffusion of "the benefits of progress."'

But the results, he went on to say, had been disappointing so that:

'it does not to-day seem obvious that a great concentration of national effort on the capture of foreign trade, that the penetration of a country's economic structure by the resources and the influence of foreign capitalists, that a close dependence of our own economic life on the fluctuating economic policies of foreign countries are safeguards and assurances of international peace. It is easier, in the light of experience and foresight, to argue quite the contrary.

'The protection of a country's existing foreign interests, the capture of new markets, the progress of economic imperialism - these are a scarcely avoidable part of a scheme of things which aims at the maximum of international specialisation and at the maximum geographical diffusion of capital wherever its seat of ownership. Advisable domestic policies might often be easier to compass, if the phenomenon known as "the flight of capital" could be ruled out. The divorce between ownership and the real responsibility of management is serious within a country, when, as a result of joint stock enterprise, ownership is broken up between innumerable individuals who buy their interest to-day and sell it to-morrow and lack altogether both knowledge and

responsibility towards what they momentarily own. But when the same principle is applied internationally, it is, in times of stress, intolerable. I am irresponsible towards what I own and those who operate what I own are irresponsible towards me.'

With the general diffusion of specialist knowledge and skills a much greater degree of self sufficiency was now possible:

'over an increasingly wide range of industrial products, and perhaps of agricultural products also, I become doubtful whether the economic loss of national self-sufficiency is great enough to outweigh the other advantages of gradually bringing the producer and the consumer within the ambit of the same national, economic and financial organisation. Experience accumulates to prove that most modern mass-production processes can be performed in most countries and climates with almost equal efficiency.

'Moreover, with greater wealth, both primary and manufactured products play a smaller relative part in the national economy compared with houses, personal services and local amenities which are not equally available for international exchange; with the result that a moderate increase in the real cost of the former consequent on greater national self-sufficiency may cease to be of serious consequence when weighed in the balance against advantages of a different kind. National self-sufficiency, in short, though it costs something, may be becoming a luxury which we can afford, if we happen to want it.'

He goes on to argue why we should want it:

'The nineteenth-century free-trader's economic internationalism assumed that the whole world was, or would be, organised on a basis of private competitive capitalism and of the freedom of private contract inviolably protected by the sanctions of law in various phases, of course, of complexity and development, but conforming to a uniform type which it would be the general object to perfect and certainly not to destroy.'

'Rule-based international order', anyone? But:

'I have become convinced that the retention of the structure of private enterprise is incompatible with that degree of material well-being to which our technical advancement entitles us, unless the rate of interest falls to a much lower figure than is likely to come about by natural forces operating on the old lines. Indeed the transformation of society, which I preferably envisage, may require a reduction in the rate of interest towards vanishing point within the next thirty years. But under a system by which the rate of interest finds a uniform level, after allowing for risk and the like, throughout the world under the operation of normal financial forces, this is most unlikely to occur. Thus for a complexity of reasons, which I cannot elaborate in this place, economic internationalism embracing the free movement of capital and of loanable funds as well as of traded goods may condemn my own country for a generation to come to a much lower degree of material prosperity than could be attained under a different system.'

He goes on to condemn the reliance on commercial profit as the criterion of successful policy:

'The whole conduct of life was made into a sort of parody of an accountant's night-mare. Instead of using their vastly increased material and technical resources to build a wonder-city, they built slums; and they thought it right and advisable to build slums because slums, on the test of private enterprise, "paid," whereas the wonder-city would, they thought, have been an act of foolish extravagance, which would, in the imbecile idiom of the financial fashion, have "mortgaged the future"; though how the construction to-day of great and glorious works can impoverish the future, no man can see unless his mind is beset by false analogies from an irrelevant accountancy ...

8 Skidelsky: Keynes, vol ii, p.479, quoting James Meehan: *George O'Brien, a biographical memoir*, Gill and Macmillan, 1980. The talk was the first Finlay Lecture delivered at University College, Dublin, on April 19, 1933, published as John Maynard Keynes: 'National Self sufficiency', *The Yale Review*, Vol. 22, no. 4 (June 1933), pp. 755-769. It is (March 2021) accessible on the internet at <http://jmaynardkeynes.ucc.ie/national-self-sufficiency.html>

'If I had responsibility for the Government of Ireland to-day, I should most deliberately set out to make Dublin, within its appropriate limits of scale, a splendid city fully endowed with all the appurtenances of art and civilisation on the highest standards of which its citizens were individually capable, convinced that what I could create, I could afford and believing that money thus spent would not only be better than any dole, but would make unnecessary any dole. For with what we have spent on the dole in England since the war we could have made our cities the greatest works of man in the world. Or again we have until recently conceived it a moral duty to ruin the tillers of the soil and destroy the age-long human traditions attendant on husbandry, if we could get a loaf of bread thereby a tenth of a penny cheaper.'

He concludes:

'Once we allow ourselves to be disobedient to the test of an accountant's profit, we have begun to change our civilisation. And we need to do so very warily, cautiously and self-consciously. For there is a wide field of human activity where we shall be wise to retain the usual pecuniary tests. It is the State, rather than the individual, which needs to change its criterion. It is the conception of the Minister of Finance as the Chairman of a sort of joint-stock company<sup>9</sup> which has to be discarded. Now if the functions and purposes of the State are to be thus enlarged, the decision as to what, broadly speaking, shall be produced within the nation and what shall be exchanged with abroad, must stand high amongst the objects of policy.'

Actually, that isn't quite how he concludes. He concludes with some warnings against a too extreme and uncompromising economic nationalism, with Russia as the prime example. He sees dangerous tendencies in 'the blond beasts of Germany' but thinks it is still too early to judge.

### 'Mercantilism and Free Trade'

I don't know if Keynes ever spoke so bluntly to a British audience in favour of the greatest possible degree of economic self sufficiency but the central argument of the 'General Theory', published only three years later, has little to say on international trade or the balance of payments, a criticism made at the time by Hubert Henderson. The book however does end with chapters on the 'Trade Cycle' and on 'Mercantilism, the Usury Laws, Stamped Money and Underconsumption'. These are presented as 'notes' rather than fully worked out ideas but the notes on mercantilism in particular are relevant to the ideas Keynes developed for the organisation of post-war trade.

They are a defence of the mercantilist view that the balance of payments was a problem that required to be regulated by government action against the classical *laissez faire* view that, given the gold standard, balance of payments problems would sort themselves out of their own accord. According to this view, a country that exported 'too much' would receive an influx of gold from the importing country which would have the effect of pushing prices up. The loss of gold from the importing country would have the effect of pushing prices down. Thus the importing country with its lower prices would gain an advantage over the exporting country with its higher prices and the balance of trade would flow in the other direction. Keynes comments in relation to this apparently absurd proposition: 'The extraordinary achievement of the classical theory was to overcome the beliefs of the "natural man" and, at the same time, to be wrong ... One recurs to the analogy between the sway of the classical school of economic theory and that of certain

<sup>9</sup> Or, in the modern form of this absurdity, Angela Merkel's Swabian housewife - the comparison of the state budget to the household budget.

religions. For it is a far greater exercise of the potency of an idea to exorcise the obvious than to introduce into men's common notions the recondite and the remote.' Keynes's wartime proposal for an International Clearing union was, precisely, aimed at curtailing free trade in order to prevent the emergence of balance of payments problems.

Skidelsky insists that Keynes was an 'internationalist' but I think we can already see quite clearly the difference between Keynes and White. White saw international trade as an ideal to be worked for and developed to the highest possible degree. Keynes saw it as a problem that had to be addressed and dealt with. He complained that:

*'in an economy subject to money contracts and customs more or less fixed over an appreciable period of time, where the quantity of the domestic circulation and the domestic rate of interest are primarily determined by the balance of payments, as they were in Great Britain before the war, there is no orthodox means open to the authorities for countering unemployment at home except by struggling for an export surplus and an import of the monetary metal at the expense of their neighbours.'*<sup>10</sup> *Never in history was there a method devised of such efficacy for setting each country's advantage at variance with its neighbours' as the international gold (or, formerly, silver) standard. For it made domestic prosperity directly dependent on a competitive pursuit of markets and a competitive appetite for the precious metals. When by happy accident the new supplies of gold and silver were comparatively abundant, the struggle might be somewhat abated. But with the growth of wealth and the diminishing marginal propensity to consume, it has tended to become increasingly internecine.'*<sup>11</sup>

### Schacht's 'New Plan'

He was doubtless aware that he hadn't dealt with the problem adequately in the General Theory. He believed, though, that he could see the outlines of a solution in the system that was being put in place in Germany by Hjalmar Schacht.

I gave a short account of Schacht's 'new plan' in the first essay in this series, quoting from the testimony of his assistant in the Reichsbank, Otto Puhl. Although the details are complicated, the essential principle was a series of bilateral trade agreements aimed at ensuring that the imports of one party would always be balanced by exports to the other, and vice versa. Skidelsky (pp.228-9) describes the scheme as follows:

'Under Schacht's New Plan of September 1934, bilateral clearing agreements were made with twenty-five countries in Europe and Latin America, designed to balance trade with Germany and each partner at fixed exchange rates. The partner was only allowed to sell as much to Germany as it bought from Germany. The aim of the system was to conduct foreign trade without foreign exchange. It was in effect a pure barter system between pairs of countries. By 1938, some 50 per cent of Germany's trade was conducted through bilateral clearings; only 20 per cent was settled through the 'free' foreign exchange market.

'Under a bilateral clearing agreement, a German importer from, say, Hungary, instead of paying reichsmarks to the Hungarian exporter for exchange into pengos, would pay the reichsmarks into the Hungarian Central Bank's clearing account with the Reichsbank. German exporters to Hungary were paid reichsmarks from this account. The opposite process took place in Budapest. No actual exchange of national currencies took place. Credits which accumulated in the clearing of country A for its exports to country B could be used only to

<sup>10</sup> The policy pursued so successfully by Roosevelt and Morgenthau.

<sup>11</sup> J.M.Keynes: *The General theory of employment interest and money*, London, Macmillan, 1936, pp.348-9.

purchase imports from country B. The individual exporters in either country received payment in their own national currency from their central bank to the extent that importers made corresponding in-payments.'

Under this system both the 'creditor' (the exporting nation) and the 'debtor' (the importing nation) were subject to a discipline that prevented the exporting country from overwhelming the importing country and thereby disrupting the efforts of the state to structure the economy for its own ends - in the German case rearmament and full employment. We may note in passing that under Schacht's system it would have been impossible for Germany to do to Greece what it was able to do under the system devised by Jacques Delors.

According to an account published early in 1939:

*'It is a system whose primary aim is to prevent the flight of capital, and thus to render impossible any resistance by capitalists. This is a rather important conclusion because, as we know, in France an attempt to rearm on anything like the Nazi scale, whilst maintaining free exchanges, has hitherto been doomed to failure by the fact that as soon as the State expanded its expenditure the private entrepreneur used the deficit to disinvest his capital and thereby nullified the effect of State expansion. Owing to the curtailment of private expenditure, employment did not increase to the maximum possible. Under the Nazi system, no such sabotage is possible.'*

*'Secondly, this system of foreign exchange control enables the Government to equate German exports and imports irrespective of the state of trade abroad and the size of the national income at home. If the demand for German products at a certain price should fall, that does not mean that Germany's national income has to fall until the demand for foreign goods is automatically curtailed sufficiently through a fall of income and employment, to equate exports and imports. Equilibrium is achieved by stiffening priorities on imports or by paying increased subsidies on exports. Thus, irrespective of the state of trade abroad, full employment can be maintained at home. The burden of the worsening of the terms of trade is not borne through fluctuation of employment, but directly. The fall of export prices below internal production costs does not prevent exports - nor does it involve losses for the individual exporter.'*

*'This is a very important point. We have been hearing a good deal lately about unfair competition by Nazi Germany through granting of subsidies. We were also told that if these subsidies were increased the German standard of life would continuously decrease and there would a "breakdown" of the system. A worsening of the terms of trade through a fall of foreign demand for German commodities is obviously unfavourable for the Germans. It is very questionable, however, whether they lose more by pushing their exports at the cheaper price and shifting the burden on to consumers (they could, but have not, shifted it on to "rearmament"; hitherto private consumption provided the "cushion") or whether they would lose more by adopting the individualist system, permitting the national income to shrink until an equilibrium is reached between imports and the new level of exports.'* (pp.239-40)<sup>12</sup>

Thomas Balogh, who wrote this account, is described by Skidelsky (p.201) as a protégé of Hubert Henderson whom Keynes later (as he himself got more drawn into the American scheme) characterised as a 'Schachtian'. While Skidelsky calls Henderson a 'national capitalist', he calls Balogh a 'national socialist'. Balogh was to be influential in Britain in the post-war period. He continues his account of the German economy immediately before the war, perhaps indicating at least one

12 Thomas Balogh: 'The economic background in Germany', *International Affairs* (Royal Institute of International Affairs, 1931-39), Vol.18, No.2 (March-April 1939), pp.227-48. I have added the division in paragraphs.

of the reasons why Britain might have begun considering the possibility of war with Germany:

*'There is, moreover, a further and even more dangerous aspect of German planned economy in foreign trade. The fixing of internal prices enables the Nazi entrepreneurs to give long-term contracts to producers in foreign countries at fixed mark prices. Hence they eliminate any risk of price fluctuations to the producers of those commodities. Germany mainly imports foodstuffs and raw materials. But as the price of foodstuffs and raw materials is very variable the fact that Germany can make long-term contracts at fixed prices is a very important inducement for the producers in those countries to conclude trade agreements with Germany. If, however, they conclude these agreements they must adapt their production to the German market. Hence they will be less able to sell elsewhere, and naturally that will in time establish a buying monopoly in favour of the Nazis. As soon as this monopolistic power is strong enough, Germany will be able to impose on these people her own terms, and they will then not be able to fight since alternative outlets for their products on favourable terms will not be available. Hence these satellite States will have to bear part of the burden of German rearmament. In this way we have a double threat, so far as the foreign trade relations of Germany and the world are concerned, against our commerce. The first threat is the possibility of Germany, by maintaining full employment, offering goods at cheaper prices than any individualistic producer is able to do, the second is that by using the planned method of economy she can obtain a favoured position.'* (p.240)

It is often said (including by Keynes himself) that Schacht's bilateral agreements were designed to give Germany an unfair advantage with her trading partners, but according to Skidelsky (p.229):

*'In fact, Germany often bought above, and sold below, the world market price: the terms of trade moved against Germany in the 1930s, and it failed to alter them in its favour till 1942, during the war itself. Germany was interested, not in exploiting its monopoly position, but in buying as much, and selling as little, of the materials it needed for rearmament. The bilateral clearing system, operated at an overvalued exchange rate, enabled it not to buy cheap and sell dear, but to buy more for less.'*

Skidelsky gives as his authority an American economic historian, Larry Neal. Neal reviews an existing controversy on the question and concludes:

*'If the German goal in negotiations of clearing agreements with smaller countries was to attain economic advantages, there were basically only two ways to attain it: either the exercise of monopsony power, which forced the small trading partner to accept lower than competitive prices on its products imported by Germany, or the use of monopoly power, which forced the small country to pay higher than competitive prices on the German exports it purchased.<sup>13</sup> The first technique appears to be what one textbook suggests was used when it states, "as Germany soon discovered, a lack of balance in its trade with other exchange control countries provided a means whereby it could take advantage of its buyer's position to exploit countries largely dependent on Germany for their support market." The difficulty with this suggestion is that the prices offered by Germany to its trading partners for its imported commodities were consistently above both the world price and the internal price within the partner*

13 Neal is using the word 'monopsony' to refer to the condition of a buyer without competition and 'monopoly' to refer to the condition of a seller without competition. In the previous extract instead of 'monopsony' Thomas Balogh talked about a 'buying monopoly'.



country. Thus, the foreign foodstuffs it purchased from south-eastern European countries were acquired at prices from 20 to 40 per cent above the world market price. Basch cites the case of Germany paying prices for Romania's soybeans that were several times those charged overseas. Further, Germany on average paid more for the same commodity when it was imported from a clearing-agreement country than when it was imported from a non-clearing country.'<sup>14</sup> (p.394).

He discusses the possibility raised by Balogh that this was a policy of 'entrapment', that 'Greater future gains were purchased at the expense of present gains' or that 'Germany's unprofitable pricing policies were designed for political purposes' but concludes: 'In either case it appears from the evidence that Germany made a considerable investment over a number of years (at least five) to achieve a monopoly position that it never exploited.'

### Funk's 'New Order'

Schacht was out of office by 1940 and it was his successor, but close collaborator, Walther Funk, who was responsible for the 'New Order' - the reorganisation of Western Europe after the fall of France. A Japanese economic historian says that once the Schacht 'new plan' had been established:

*'There remained a problem of multilaterally clearing of bilaterally unsettled balances. The "New Order" which Dr. Walter Funk, the German Economic Minister and President of the Reichsbank, announced on 25 July 1940, was a resolution to the above problem by establishing a multilateral clearing system with Berlin as the central clearing house for European payments. The reichsmark would be the international currency within the German-controlled area but the national currencies of the different countries would be remain [sic. would remain? would be retained?]. Their national currencies will be stabilized in relation to [the] reichsmark which would remain stable in relation to gold or the U.S. dollar. Mark balances in the German-Danish clearing account, for example, could also be used to settle Swedish claims. Dr. Funk insisted that this currency scheme would be entirely divorced from gold and adopted from the doctrine of nominalism by Knapp who said that "the currency does not depend for its value upon its gold cover, but on the value which the State gives it". [The] currency scheme under [the] "New Order" was the first practical plan for a post war monetary and economic order.'*<sup>15</sup> (p.30)

According to Skidelsky Keynes made no mention of the 'Schachtian' system prior to 1940, not even in the Preface to the German edition of the General Theory, published in 1936.<sup>16</sup> But in 1940, while developing his own ideas for a post-war international order, he expressed a quite lively interest. To continue Iwamoto's account:

*'In November 1940 Keynes was asked by Harold Nicholson, the Minister of Information, to prepare a counter proposal for*

14 Larry Neal: 'The Economics and finance of bilateral clearing agreements: Germany, 1934-8', *Economic History Review*, New Series, Vol 32, No.3, August 1979, pp. 391-404.

15 Takekazo Iwamoto: 'The Keynes plan for an International Clearing Union reconsidered', *The Kyoto University Economic Review*, 1997, 65(2): pp.27-42. The English is sometimes a little awkward.

16 p.230. Skidelsky quotes his preface to the German edition as saying that his "'theory of output as a whole", while "applicable" to German conditions, was "worked out having the conditions of Anglo-Saxon countries in mind - where a great deal of laissez-faire still prevails"'. Skidelsky then comments, rather surprisingly: 'It is a pity that he did not put the adjective "rightly" or "fortunately" after "laissez-faire"'. As if Skidelsky has forgotten that Keynes was constantly inveighing against laissez-faire.

German propaganda of "New Order". Keynes replied to this request:

*"In my opinion about three-quarters of passages quoted from the German broadcasts would be quite excellent if the name of Great Britain were substituted for German [sic] or the Axis, as the case may be. If Funk's plan is taken at its face value, it is excellent and just what we ourselves ought to be thinking of doing."*

*'In a memorandum entitled the Proposal to Counter the German "New Order", dated on 25 December 1940, circulated on 1 December [sic. January?], Keynes expressed a certain sympathy with the German proposal based on Schachtian bilateralism. In the memorandum he says: "After the last war laissez-faire in foreign exchange led to chaos. Tariffs offer no escape from this. But in Germany Schacht and Funk were by force of necessity to evolve something better. In practice they have used their new system to the detriment of their neighbours. But the underlying idea is sound and good." He goes on to say: "The most definite of the German plans so far is [the] currency scheme of Dr Funk ... It has only one merit, namely that it avoids some of the abuse of the old laissez-faire international currency arrangement, whereby a country could be bankrupted, not because it lacked exportable goods, but merely because it lacked gold ... The arrangement we are now slowly perfecting, by which international exchange returns to what it always should have been, namely a means for trading goods against goods [i.e. barter - PB], will outlast the war." [A] similar point was repeated in his first draft of the ICU [International Clearing Union - PB], about ten months later:*

*"Dr. Schacht stumbled in desperation on something new which had in it the germs of a good technical idea. This idea was to cut the knot by discarding the use of a currency having international validity and substitute for it a [system that?] amounted to barter, not indeed between individuals, but between different economic units ... The fact that this method was used in [the] service of evil must not blind us to its possible technical advantage in [the] service of a good cause ... I expound in a separate paper a possible means of still retaining a currency having an unrestricted international validity. But the alternative to this is surely not a return to the currency disorders [of] the epoch between the wars, mitigated and temporarily postponed by some liberal Red Cross work by the United States, but a refinement and improvement of [the] Schachtian device."*<sup>17</sup>

Skidelsky (pp.196-7) gives an interesting quote from Keynes in a private letter written in November 1940:

*'If Hitler gets his new Europe going properly, with barter replacing gold ... and with all the nations playing the cultural and ethnographical roles allotted to them, while the Vatican provides the slave states with a philosophy of life, then England can be made to look like an intolerably disruptive pirate nuisance in the eyes of Europe. We would become the real aliens, the Protestant dissenters, the Berbers of the North. In Hitler's favour is the fact that he has the will and ambition to govern Europe and that Rome, Berlin and Munich are the natural places to do it from. But as long as the blockade is effective he is compelled to loot, and while he has to loot the conquered territories, his propaganda must fail.'*

That might give us some idea of what the British thought they were doing, keeping the war going when there was still no guarantee of the entry of the US.

### Skidelsky's relationship with Keynes

17 pp.30-31. I have suppressed Iwamoto's italicisation of certain passages. His source for the quotations is a book I haven't read, Armand von Dormael: *Bretton Woods, birth of a monetary system*, Macmillan, 1941.

Skidelsky, I suspect, is inclined to understate the influence of Schacht on Keynes or, it might be better to say, the similarity of their thinking. How one reads Keynes may depend on how seriously one takes his Dublin speech on national self-sufficiency. Is it just a passing thought or does it express an idea he was aiming for - freedom from the market, the profit motive and, especially, the pressure from international finance and international trade? If the latter is the case then his defeat at the hands of the Americans and White was more or less complete. By Vol iii of his biography, Skidelsky wants him to be an international free trader (as he is represented in the first biography by his friend and colleague, Roy Harrod) but, by the immediate position of Britain as a country with a huge balance of payments deficit, tempted into the Schachtian 'barter' system - clearing arrangements designed to prevent as far as possible balance of payments problems from impacting on the organisation of the domestic economy.

Skidelsky is now known as a champion of the relevance of Keynes to the modern economy and it was as a champion of Keynes that he initially embarked on the huge project of the biography. When he wrote his account of the travails of the Labour government in 1939-31<sup>18</sup>, he came to the conclusion that the men who had the solution to the problem were Keynes, Mosley and Bevin. The immediate result was his biography of Mosley, which nearly wrecked his academic career, not because it isn't a good and useful study but because it was undiplomatically enthusiastic about its subject. In the course of writing the Keynes biography, however, he seems to have come to the conclusion that the limitations of Keynes's leading ideas had been exposed by the events of the 1970s. The third volume ends with quite a severe critique of Keynes's thinking from a broadly free market perspective. He was raised (if that's the right word) by Margaret Thatcher to the House of Lords where he sat on the Tory benches, resigning the Tory whip, however, in protest against the party's support for the war on Serbia. It was with the Great Financial Crash in 2008, which exposed the wrongheadedness of the Friedmanite approach (the belief that booms and busts could be moderated by tweaking interest rates), that he turned again to Keynes, publishing the appropriately titled 'Return of the master' in 2009.

He admits this in a talk he gave in 2011 when he says:

'The extent to which I had swallowed the non-Keynesian message comes out in an article I wrote for the FT in 2001. Basically I endorsed the view that monetary policy could do all the fine tuning needed to 'stabilise expectations', though I covered myself by wondering whether it would be enough to deal with a serious drop in business confidence. I called this 'minimum Keynesianism'. (FT, 16 August 2001).

'This was the period of the 'Great Moderation'. I now look back on it as reminiscent of the Roaring Twenties, which were supposed to go on forever. Then we had the collapse of 1929 followed by the collapse of the Credit Anstalt in 1931, Austria's special contribution to the Great Depression. Then, as later, monetary policy was supposed to have cracked the problem of the business cycle. 'Keynes also believed this in the 1920s, but I, and others, had much less reason to do so after the Keynesian Revolution; yet we did.

'The collapse of the banks in 2007-8 showed that the financial system - the system which drives investment - was just as naturally unstable as it always had been. We should have been warned by the East Asian crisis of 1997-8, but like many others I assumed this was a phenomenon of 'immature financial markets' and 'crony capitalism' which could not happen in the West.

18 Robert Skidelsky: *Politicians and the slump - the Labour Government of 1929-1931*, Penguin Books, first published in 1967.

'But George Soros rightly pointed out in 2008 that 'the salient feature of the current financial crisis is that it was not caused by some external shock....The crisis was generated by the system itself'.

'This is what Keynes had always claimed: the market system lacked a thermostat and its temperature was likely to oscillate wildly unless controlled by the government.'<sup>19</sup>

Keynes had of course been formed in the classical school and he was a realist, both in terms of knowing how to express himself persuasively to a nation soaked in liberal free trade ideology, and in knowing that getting practical results always involved compromise (and in seeking compromise one can have an advantage in starting out from an extreme position). In the case of the discussions with the US, Keynes wanted above all to secure American commitment to a plan by which countries that had fallen into balance of payments difficulties could be helped, and he wanted the Americans (against the still powerful isolationist instinct) to provide financial assistance to post-war Europe in general and to Britain in particular. Even if the plan eventually agreed at Bretton Woods fell far short of his own ideal scheme (which he himself described as 'utopian') he could still feel that he had secured these two aims. Hence, Skidelsky would argue, his abandonment of the Schachtian side of his thinking 'having persuaded himself that the American replacements - Bank and International Monetary Fund - were almost as good. To his left-wing disciples, this was a betrayal based on self-delusion; to disciples like Harrod and Meade, it showed that his heart was always on the internationalist side. To the historian it seems as if Keynes (and Britain) had little choice' (pp.207-8).

### The 'International Clearing Union' and the 'International Stabilisation Fund'

The first draft of Keynes's proposal for an International Clearing Union came in two papers written in September 1941 - 'Post War Currency Policy' and 'Proposals for an International Currency Union.' Skidelsky describes it as a marriage of 'the Schacht-Funk "clearing" approach with the banking principle.'

Where there was a trade imbalance, the credit due to the exporting country could, up to a certain limit, be paid by the Clearing Bank in the form of bank money, later called 'bancor', which could only be given to the country's central bank. The limit was imposed by an overdraft facility, or quota, 'equal to half the average value of the country's total trade for the five last pre-war years.' (Skidelsky's account is on pp.206-7. In trying to summarise it I'm taking a risk and the keen reader may want to consult the original.) The total overdraft facility for all countries concerned came to something like \$25 bn. A debtor country whose overdraft averaged more than a quarter of its allowed quota would be allowed to devalue its currency by up to 5%; if it was more than half it could be required to do so as well as to sell to the bank any free gold, and prohibit capital exports. Beyond that limit it might be expelled. But, and this is crucial, a similar discipline was imposed on creditor countries, requiring an upward revaluation of their currency and eventually 'credit balances exceeding quotas at the end of the year would be confiscated and transferred to the Reserve Fund.' Interest was to be charged not just on the debtor 'overdrafts' but also on the creditor surpluses. Ideally 'at the end of the year the sum of bancor balances would be exactly zero' which, if I've understood it aright, would amount to a multilateral barter system.

19 Robert Skidelsky: *Keynes for the 21st century*, a talk given to the Renner Institute in Vienna, May 18, 2011, accessible at <http://www.skidelsky.com/site/article/keynes-for-the-21st-century/>



National currencies would stand in a 'fixed but adjustable relation to a unit of ICB's bank money, which itself was expressed in terms of a unit of gold. But this link with the gold standard was a fiction. Whereas bank money could be bought with gold, it could not be sold for gold ... Keynes's long-run purpose was to de-monetise gold so that central banks would lose any incentive to hoard it.<sup>20</sup> Bank money would be the ultimate reserve asset of the system.' Keynes represented his scheme as an alternative, indeed as the only possible alternative to Schachtianism but we might be reminded of what was said above in Iwamoto's account of Funk's New Order: 'Dr. Funk insisted that this currency scheme would be entirely divorced from gold and adopted from the doctrine of nominalism by Knapp who said that "the currency does not depend for its value upon its gold cover, but on the value which the State gives it"'.

Keynes first saw White's proposals in July 1942 and White first saw Keynes's proposals in August. A 'Joint Statement by Experts on the Establishment of an International Monetary Fund' was issued in Washington and London in April 1944, opening the way for the Bretton Woods conference in July. Between those two dates there were lengthy discussions about the details of the two plans, involving other countries, most notably Canada but also including the 'governments in exile' of countries still under German occupation. So far as I can see the result of those discussions was a steady whittling away of everything that was interesting and distinctive in Keynes's plan and an acceptance - including by Keynes himself - of something very nearly resembling the original proposal from White with its two institutions, a World Bank and an International Stabilisation Fund.

Most obviously gone was Keynes's proposal that there should be a single reserve currency, the *bancor*, which could only be used for international trade and which was not gold based. Keynes, as we have seen, had wanted a 'one way convertibility'. *Bancor* could be given in exchange for gold but gold could not be given in exchange for the *bancor*. The *bancor* itself was a pure *fiat* currency. Countries would have access to it, not on the basis of contributions of their own, but of a calculation of their pre-war trade capacity. Keynes's long term ambition was that the purely paper *bancor* would replace gold as the principle reserve. Keynes fought for the *bancor* to the end, at least in a new form given by White, the *unitas*. To quote a history of the IMF:<sup>21</sup>

'One apparently fundamental difference between the two countries' officials concerned the proposed international currency, called by Keynes "bancor" and by White "unitas." It has been seen above that for Keynes this would have been a true medium of exchange, in which loans would have been made by the Clearing Union, but that for White it was no more than a standard of value, which could be discarded without impairing in any way the working of the Stabilization Fund.

'At the outset of the discussions in Washington, Keynes put forward a memorandum in which he sought to imbue *unitas* with the qualities which he had proposed for *bancor*. His motives for this proposal were complex; they included ... (3) the advantage that the holder of *unitas* could utilize the credit anywhere rather than having a claim against an individual country, and (4) a belief that the structure of the Fund could be

more simply and understandably stated in terms of *unitas* than of a "mixed bag" of currencies ...

'Keynes' proposal was resisted by the U.S. officials, who suggested that the British, "unable to secure the redistribution of real gold, proposed to create a substitute out of thin air." ... While not admitting the third and fourth points, they countered that the effect of Keynes' proposal would be the same as that of the Clearing Union itself, namely, to expand the U.S. commitment beyond its contribution.'

Keynes had argued in favour of a single specialist currency against the 'mixed bag' of currencies which required a complicated process of juggling the claims all the different currencies might have on each other. It is difficult to believe that he didn't recognise that the aim the Americans were working towards - certainly the main consequence of the final outcome - was that there would be a single currency - the dollar, backed by gold.<sup>22</sup> Keynes's *bancor* would, of course, have been independent of the dollar.

Basic to Keynes's conception was that creditors would be disciplined as well as debtors and that the disciplinary process would be, so to speak, automatic. The consequences of excessive debits or excessive surpluses and the conditions under which loans would be given would be known and would be purely quantitative, activated when the debt or surplus reached a certain level. His discipline was a matter of automatically allowing or requiring the exchange value of the national currency to be changed. Basically he wanted to preserve the greatest possible autonomy for the national economies to pursue policies that would favour full employment. White on the other hand was concerned chiefly with the disciplining of debtor countries in such a way as to ensure that they could pay their debts. In addition to the quantitative conditions for giving loans, there would be qualitative conditions, concerning the proper use of the money that was to be issued. The Fund was to be furnished with a team of specialists charged with developing policies for the internal reorganisation of the economy in difficulty. And everything was calculated to put obstacles in the way of changing the value of the currency.

A British Treasury spokesman, Sir David Waley, complained:

*'We lose part of our freedom to alter the exchange rate and thus to some extent our internal policy for maintaining maximum production and full employment may be prejudiced by our obligations under the scheme. In return we, so long as the Fund thinks we are behaving reasonably [nb - PB], obtain a credit in dollars or other needed currencies, until these currencies become "scarce." Thus we cannot count for certain on any precise amount of facilities and have given up part of our birthright for a mess of pottage which is likely to disappear from the menu just when our appetite is keenest.'*

He goes on, however, to explain why the British accepted it. It should be said that once the idea of the *bancor* had been dropped it was really obvious that, despite the 'mixed bag' of currencies the scheme would be dependent on the dollar and the good will of the Americans:

22 Hence this extraordinary passage in Skidelsky's account of the Bretton Woods agreement (p.352): 'A little noticed amendment to Article IV (section 1) laid down that the par values of currencies should be expressed in terms of gold "or in terms of the US dollar of the weight and fineness in effect on 1 July 1944."' This made the dollar, the only gold-convertible currency, the key currency of the new system. While every other currency could devalue against the dollar, the US dollar could be devalued only against gold.' (my emphasis - PB). Did Keynes really fail to notice the importance of this?

20 The policy pursued through the 1930s by both the US and France.

21 *The International Monetary Fund 1945-1965 : Twenty Years of International Monetary Cooperation Volume I: Chronicle, Chapter 1: The Keynes and White Plans (1941-42)*, a book available on the IMF website, ascribed to the IMF as author. It can be downloaded in book form. Had I done so I could have given page references. But life is too short.



*'But, despite these inevitable limitations, the Stabilization Fund scheme is surely far better than no scheme at all.... The Stabilization Fund scheme provides Member States with considerable reserves and thus does a good deal, at any rate, to facilitate a policy of expansion when that policy is needed to avoid a slump.'*<sup>23</sup>

When the British agreed to the Joint Statement issued in April it was understood that there would be a 'transitional period' during which the conditions embodied in the statement - including 'the proposal to fix the gold value of sterling and to limit the United Kingdom's right to change this value' would not apply, and that 'the United Kingdom would not commit itself to accept the Fund until it saw how the difficulties of the transition period were to be met.'. Recommending the Joint Statement in the House of Lords Keynes (he had been made 'Baron Keynes of Tilton' in 1942), cited the transitional phase as one of its merits. Somewhat bizarrely (still quoting the IMF history) he said that 'the Fund would have the duty to approve changes in exchange rates that were required to make these rates conform to the needs of domestic policies' and that 'these proposals are the exact opposite of the gold standard.'

Skidelsky comments (p.336):

'He seemed to advocate the monetary plan as a way of maintaining the sterling area and imperial preference system, whereas the Americans all too clearly wanted to dismantle both. He claimed Britain's right to determine its own exchange rate, when the Americans wanted a fixed exchange rate system. When told in Washington a little later that his line of defence had greatly embarrassed White and others, Keynes replied that it had been the only way to save the Fund from political extinction at Westminster ...'

After quoting Roy Harrod representing Bretton Woods as a triumph for Keynes's 'new economic theory', Skidelsky concludes more realistically (p.357):

'Keynes gave the Bretton Woods Agreement its distinction not its substance. The Agreement reflected the views of the American, not the British, Treasury, of White not Keynes. The British contribution tended, finally, towards the negotiation of derogations, postponements and escape clauses. The Agreement was shaped not by Keynes's 'General Theory' but by the US desire for an updated gold standard as a means of liberalising trade. If there was an underlying ideology, it was Morgenthau's determination to concentrate financial power in Washington. As the 'Commercial and Financial Chronicle' pointed out "The delegates did not reach an 'agreement'. They merely signed a paper which looked like an agreement." There was a transition period of indeterminate length.'

I started work on this essay with the aim of setting the scene for the account of post-war developments based on the analysis by Joseph Halevi. I had thought that the initial framework for the post-war developments had been established at Bretton Woods. In fact, however, although the institutions of the World Bank and International Monetary Fund did indeed come into existence through Bretton Woods, it was only later that their pernicious influence began to be felt. In the event the plans laid by Roosevelt, Morgenthau and White were, temporarily, swept aside by a radical change in the direction of American policy which occurred around 1947. That will be discussed in the next article in this series.

## King Constantine's Statement to Neutrals, 14 January 1917

---

### Pat Walsh

In the last edition of Irish Foreign Affairs the present writer considered whether Greece was really an independent state a century after 1821 when it had achieved separation from the Ottomans. It was described how the British and French used a combination of political pressure, defamation, threat and finally military intervention in order to strong arm the Greeks into the Great War on the Allied side. Finally, they succeeded and King Constantine decided to save his people from the Allied assault by sacrificing his throne on 11th June 1917. Constantine was left with no alternative by the British and French and he urged his people to remain calm and resolute in the face of the invasion forces. A few months earlier he issued a statement to neutrals revealing the predicament those who had proclaimed a war for small nations had placed neutral Greece in. It should be more widely known so here it is:

"All we ask is fair play. But it seems almost hopeless to try to get the truth out of Greece to the rest of the world under present circumstances. We have been sorely tried these last two years and we don't pretend to have always been angels under the constant irritation of the ever increasing allied control of every little thing in our own private life - letters, telegrams, police, everything.

Why, do you know that my sister-in-law, Princess Alice of Battenberg, was only permitted to receive a telegram of Christmas greetings from her mother in England by courtesy of the British Legation here?

Moreover, by taking an active hand in our own internal politics, England and France especially have succeeded in alienating an admiration, a sympathy, and a devotion toward them on the part of the Greek people that, at the beginning of the war, was virtually a unanimous tradition.

I am a soldier myself and I know nothing about politics, but it seems to me that when you start with almost the whole of a country passionately in your favour and end with it almost unanimously against you, you haven't succeeded very well.

And I quite understand how those responsible for such a result seek to excuse themselves by exaggerating the difficulties they have had to contend with in Greece - by talking about Greek treachery and the immense sinister organization of German propaganda that has foiled them at every turn, and so on.

The only trouble with that is that they make us pay for the errors of their policy. The people of Greece are paying for them now in suffering and death from exposure and hunger, while France and England starve us out because they have made the mistake of assuming that their man, Venizelos, could deliver the Greek Army and the Greek people to the Entente Powers whenever they wanted to use Greece for their advantage, regardless of the interests of Greece as an independent nation.

There are just two things about our desperate struggle to save ourselves from destruction that I am going to try to make clear to the people of America. The rest will have to come out some day - all the blockades and censorships in the world cannot keep the truth down forever. Understand, I am not presuming to sit in judgment on the Entente Powers. I appreciate that they have got other things to think about besides Greece. What I

say is meant to help them do justice to themselves and to us, a small nation.

The first point is this: We have two problems on our hands here in Greece - an internal one and an external one. The Entente Powers have made the fundamental mistake of considering them both as one. They said to themselves "Venizelos is the strongest man in Greece and he is heart and soul with us. He can deliver the Greeks whenever he wants to. Let us back Venizelos, therefore, and when we need the Greek Army he will turn it over to us."

Well, they were wrong. Venizelos was perhaps the strongest man in Greece, as they thought. But the moment he tried to turn over the Greek Army to the Entente, as if we were a lot of mercenaries, he became the weakest man in Greece and the most despised.

For in Greece no man delivers the Greeks. They decide their own destinies as a free people, and not England, France and Russia together can change them, neither by force of arms nor by starvation. And they have tried both. As for Venizelos himself - you had a man once in your country, a very great man, who had even been Vice-President of the United States, who planned to split the country in two and set himself up as a ruler in the part he separated from the rest.

I refer to Aaron Burr. But he only plotted to do a thing which he never accomplished. Venizelos, with the assistance of the allied powers - and he never could have done it without them - has succeeded for the time being in the same kind of a seditious enterprise. You called Aaron Burr a traitor. Well, that's what the Greek people call Venizelos.

The impression has been spread broadcast that Venizelos stands in Greece for liberalism and his opponents for absolutism and militarism. It is just the other way around. Venizelos stands for whatever suits his own personal book.

His idea of government is an absolute dictatorship - a sort of Mexican government, I take it. When he was Premier he broke every man who dared to disagree with him in his own party. He never sought to express the will of the people; he imposed his will on the people.

The Greek people will not stand that. They demand a constitutional Government in which there is room for two parties - Liberals and Conservatives - each with a definite program, as in the United States or England or any other civilized country, not a personal Government, where the only party division is into Venizelists and anti-Venizelists.

The other thing I wanted to say is about the effect of the so-called German propaganda in Greece. The Entente Powers seem to have adopted the attitude that everybody who is not willing to fight on their side must be a pro-German.

Nothing could be falser in respect of Greece. The present resentment against the Allies in Greece - and there is a good deal of it, especially since the blockade - is due to the Allies themselves and not to any German propaganda. The proof of it is that when the so-called German propaganda was at its height there was little or no hostility in Greece toward the Allies.

It has only been since the diplomatic representatives of all the Central Empires and everybody else whom the Anglo-French secret police indicated as inimical to the Entente have been expelled from Greece, and any German propaganda rendered virtually impossible, that there has grown up any popular feeling against the Entente.

Part of this is due to the Entente's identification of its greater cause with the personal ambitions of Venizelos, but a great deal has also been due to the very unfortunate handling of the allied control in Greece. When you write a personal letter of no possible international significance to a friend or relative here in Athens, and post it in Athens, and it is held a week, opened, and half its contents blacked out, it makes you rather cross - not because it is unspeakable tyranny in a free country at peace with all the world, but because it is so silly.

For, after all, if you want to plot with a man living in the same town you don't write him a letter. You put on your hat and go to see him. Half the people in Greece have been continually exasperated by just this sort of unintelligent control, which has irritated the Greek people beyond telling.

The fact of the matter is that there is even now less pro-German feeling in Greece than in the United States, Holland, or any of the Scandinavian countries. And there is far less anti-Entente propaganda in Greece even now than there is anti-Hellenic propaganda in England, France and Russia.

The whole feeling of the Greek people toward the Entente Powers today is one of sorrow and disillusionment. They had heard so much of this "war for the defence of little nations" that it had been a very great shock to them to be treated, as they feel, very badly, even cruelly, for no reason and to nobody's profit. And more than anything else, after all the Greek Government and Greek people have done to help the Entente Powers since the very outbreak of the war, they deeply resent being called pro-German because they have not been willing to see their own country destroyed as Serbia and Rumania have been.

I have done everything I could to dissipate the mistrust of the Powers, I have given every possible assurance and guarantee. Many of the military measures that have been demanded I myself suggested with a view to tranquillizing the Allies, and myself voluntarily offered to execute.

My army, which any soldier knows could never conceivably have constituted a danger to the allied forces in Macedonia, has been virtually put in jail in the Peloponnesus. My people have been disarmed, and are today powerless, even against revolution, and they know from bitter experience that revolution is a possibility so long as the Entente Powers continue to finance the openly declared revolutionary party of Venizelos.

There isn't enough food left in Greece to last a fortnight. Not the Belgians themselves under German rule have been rendered more helpless than are we in Greece today.

Isn't it, therefore, time calmly to look at conditions in Greece as they are, to give over a policy dictated by panic, and to display a little of that high quality of faith which alone is the foundation of friendship?"

Source: Source Records of the Great War, Vol. V, ed. Charles F. Horne, National Alumni 1923

# A Narrative of the Anglo – Irish Negotiations in 1921 (Part Two)

## VOLUME 5, NUMBER 39. IRISH BULLETIN. MONDAY, 25th JULY, 1921.

### THE BRITISH PRESS AND IRELAND.

President de Valera speaking in London on July 14th to a party of Press representatives said:-

“As far as I can see from your Press – I have been studying it for some time – there is no country in the world which needs more to understand the aspirations of the Irish people, and the right and logic of their case than your own people here (in England.)”

The criticism has been doubly justified since it was made.

During the last ten days the London Press in its comments upon the negotiations now in progress has displayed, almost unanimously, a total inability to understand Ireland, her ambitions, or the determination of her people to realize them.

### “Generosity” and Justice.

All the important London journals represent the British Cabinet as about to offer “liberal,” “generous,” “almost prodigal” terms to the Irish people, and then explains that the terms in question “concede” to Ireland “Dominion Home Rule – with modifications.” Herein is a cardinal fallacy. Ireland does not look to the British Government for “generosity;” she demands, and has the right to obtain, justice. A “concession” involving “Dominion Home Rule – with modifications” is more accurately described as a denial of justice and a negation of the right to self-determination which British statesmen during the Great War considered essential to world-peace. This is, indeed, understood by some of the British newspapers which actually threaten the Irish people with a revival of the military Terror if we do not gratefully accept what is being offered to us.

The “Sunday Times” of July 24th says:-

“It is impossible to take too broad a view of the present issue. If these negotiations fail there is nothing for it but war, and, bad as that would be for this country, it would be even worse for Ireland. Nor could the result if this country were compelled to use its whole power – and it would be if a reasonable offer were rejected – for a moment be in doubt.”

Ireland understands, no less clearly than the “Sunday Times” what a refusal of so-called “reasonable” offers would mean. But the Irish people have their own views of what offers are “reasonable” and, threats of a renewed Terror notwithstanding, they will agree to nothing which denies the ancient unity of Ireland or seeks to impose upon the nation alien domination of any kind.

### Threats Carry no Weight.

The British Press should have learned by this time that menaces carry little weight in Ireland. Our country is now inured to force. Moreover, threats are silly weapons to use if there is any sincerity behind the British professions of a desire

for peace. In Ireland there are no false ideas about the present situation. England may or may not want an understanding between the two peoples; but there is no doubt that England has force enough to continue indefinitely the torture of Ireland. Nevertheless the people of Ireland have their minds made up. They will accept a peace which is just and does not betray the dead and the living. They will return to the wilderness of hardship, suffering and death before they compromise, in the slightest degree, the national honour.

### Misrepresenting the Whole Issue.

Whilst suggesting that England desires to be generous and Ireland insists on being unreasonable, the British Press is misrepresenting the whole character of the Irish question at a time when the attention of the world is directed to it.

The London “Daily Chronicle,” semi-official organ of the Coalition said on July 20th:-

“That there has not been contact between Sir James Craig and President de Valera exemplifies, what is often slurred over, but always compels recognition as soon as the essentials are probed – namely, that the real and obstinate difficulty is not one between England and Ireland, but between the two different communities upon Irish soil itself. . . . The only ultimate solution of the Irish Question must be free agreement between North and South, and that cannot be imposed from outside, by England or by anybody else.”

The half-truth and misleading suggestions of this passage are typical. It is true that Irish agreement is essential to permanent peace in Ireland. But Irish agreement is not possible while British interference in Irish affairs continues. North-East Ulster, if left to itself, would long ago have come into friendly co-operation with other parts of Ireland just as divergent sections in other countries have coalesced in a national unity when external pressure was removed.

### North-East Ulster and the National Tradition.

It is not the natural role of the Protestants of Ulster to resist freedom for Ireland. The Insurrection of 1798 was cradled in the Orange Lodges of Belfast and the neighbouring counties; no fiercer resistance was shown to the Union than came from these Lodges; and to this day many Protestants of the North understand the demand for independence and support it publicly. “The free agreement between North and South” which the “Daily Chronicle” says “cannot be imposed from outside, by England or by anybody else,” still remains to be reached because for a hundred years the British Government has imposed disagreement between North and South. We believe that it will be reached, not perhaps without difficulty, but none the less reached, as soon as the decision rests in the hands of Irishmen alone. We do not believe that any Irishman contemplates in his heart the forcible coercion of the North East to Irish rule. We know too well the futility of forcible repression as a means of bringing about political settlements. What we rely upon is the irresistible unifying influence of common interests and common citizenship in a land which all its sons call Ireland and in doing so voice a tradition which is more powerful than the passing discords of any one generation.



## **The National Consciousness of the Irish People.**

A third fallacy concurred in by the British Press as a whole, is that the Irish National movement is merely a matter of money and can be settled by what is called "fiscal autonomy." Since it is Ireland's right to be free, it is Ireland's right to control her own finances. But the primary demand, inclusive of all others, is that Ireland should be free. Nothing can satisfy that demand but full national independence. The Irish Question dates back far beyond the times when English Kings extracted tribute from our people; were the taxation of the Irish people by the British Government henceforth to cease the Irish Question would remain, and the Irish people would fight as resolutely for National independence as before .

The state organisation which embodies this ancient tradition actually lasted to the end of the 17th century and when its outward semblance was destroyed left the tradition itself unshaken. Successive generations handed it on from one to another and even at periods of extreme prostration have been inspired by it to refuse acquiescence in British authority. It is this national consciousness which must be satisfied and it cannot be satisfied by money bargains. If the English people imagine that it can they are under a profound delusion.

## **A CORRECTION.**

In the IRISH BULLETIN of July 4th 1921, reference was made to the nominated Convention held in Ireland in 1917-18. Dealing with Mr. Lloyd George's offer to the various Irish leaders to meet and decide upon a settlement, the BULLETIN said:- "A meeting of the Ulster Unionist Council. . . accepted the proposed convention as did the party led by Mr. O'Brien." It should have been added that when the constitution of the Convention was made public by Mr. Lloyd George, Mr. O'Brien protested vehemently against its unrepresentative character, and declined to participate in its proceedings or to accept the two seats offered to his party. We regret that the attitude of Mr. O'Brien was inadvertently misrepresented.

## **VOLUME 5. NUMBER 53. IRISH BULLETIN. MONDAY, 15TH AUGUST, 1921.**

### **NEGOTIATION FOR PEACE.**

On July 20th, the day preceding the last of the conversations held in London between President de Valera and the British Prime Minister, the subjoined document, embodying "proposals of the British Government for an Irish Settlement," was presented to the President accompanied by the following covering letter:-

10 Downing Street, Whitehall, S.W.1. 20th July 1921.

Sir,

I send you herewith the proposals of the British Government, which I promised you by this evening. I fear that they will reach you rather late, but I have just been able to submit them on behalf of the Cabinet to the King. I shall expect you here tomorrow at 11.30 a.m., as arranged at our last meeting.

I am,

Your obedient servant,

(Signed) D. LLOYD GEORGE.

Eamon de Valera, Esq.,

Grosvenor Hotel,

S.W.1.

## **PROPOSALS OF THE BRITISH GOVERNMENT FOR AN IRISH SETTLEMENT, 20TH JULY. 1921.**

The British Government are actuated by an earnest desire to end the unhappy divisions between Great Britain and Ireland which have produced so many conflicts in the past and which have once more shattered the peace and well-being of Ireland at the present time. They long, with His Majesty, the King, in the words of his gracious speech in Ireland last month, for a satisfactory solution of "those age-long Irish problems which for generations embarrassed our forefathers, as they now weigh heavily upon us" and they wish to do their utmost to secure that "every man of Irish birth, whatever be his creed and wherever be his home, should work in loyal co-operation with the free communities on which the British Empire is based." They are convinced that the Irish people may find us worthy and as complete an expression of their political and spiritual ideals within the Empire as any of the numerous and varied nations united in allegiance to His Majesty's throne; and they desire such consummation, not only for the welfare of Great Britain, Ireland, and the Empire as a whole, but also for the cause of peace and harmony throughout the world. There is no part of the world where Irishmen have made their home but suffers from our ancient feuds; no part of it but looks to this meeting between the British Government and the Irish Leaders to resolve these feuds in a new understanding honourable and satisfactory to all the people involved.

The free Nations which compose the British Empire are drawn from many races, with different histories, traditions, ideals. In the Dominion of Canada, British and French have long forgotten the bitter conflicts which divided their ancestors. In South Africa the Transvaal Republic and the Orange Free State have joined with two British colonies to make a great self-governing union under His Majesty's sway. The British people cannot believe that where Canada and South Africa, with equal or even greater difficulties have so signally succeeded, Ireland will fail; and they are determined that, so far as they themselves can assure it, nothing shall hinder Irish statesmen from joining together to build up an Irish state in free and willing co-operation with the other peoples of the Empire.

Moved by these considerations, the British Government invite Ireland to take her place in the great association of free nations over which His Majesty reigns. As earnest of their desire to obliterate old quarrels and to enable Ireland to face the future with her own strength and hope, they propose that Ireland shall assume forthwith the status of a Dominion with all the powers and privileges set forth in this document. By the adoption of Dominion status it is understood that Ireland shall enjoy complete autonomy in taxation and finance; that she shall maintain her own courts of law and judges; that she shall maintain her own military forces for home defence, her own constabulary and her own police; that she shall take over the Irish postal services and all matters relating thereto; education, land agriculture, mines and minerals, forestry, housing, labour, unemployment, transport, trade, public health, health insurance and the liquor traffic; and, in sum, that she shall exercise all those powers and privileges upon which the autonomy of the self-governing Dominions is based, subject only to the considerations set out in the ensuing paragraphs. Guaranteed

in the liberties, which no foreign people can challenge without challenging the Empire as a whole, the Dominions hold each and severally by virtue of their British fellowship a standing amongst the nations equivalent, not merely to their individual strength but to the combined power and influence of all nations of the Commonwealth. That guarantee, that fellowship, that freedom the whole Empire looks to Ireland to accept.

To this settlement the British Government are prepared to give immediate effect upon the following conditions, which are, in their opinion vital to the welfare and safety of both Great Britain and Ireland, forming as they do the heart of the Commonwealth:-

The common concern of Great Britain and Ireland in the defence of their interests by land and sea shall be mutually recognised. Great Britain lives by sea-borne food; her communications depend upon the freedom of the great sea routes. Ireland lies at Britain's side across the sea ways North and South that link her with the sister nations of the Empire, the markets of the world and the vital sources of her food supply. In recognition of this fact, which nature has imposed and no statesmanship can change, it is essential that the Royal Navy alone should control the sea around Ireland and Great Britain, and that such rights and liberties should be accorded to it by the Irish State as are essential for naval purposes in the Irish harbours and on the Irish coast.

In order that the movement towards the limitation of armaments which is now making progress in the world should in no way be hampered, it is stipulated that the Irish Territorial force shall within reasonable limits conform in respect of numbers to the military establishment of the other parts of these islands.

The position of Ireland is also of great importance for the Air Services both military and Civil. The Royal Air Force will need facilities for all purposes that it serves; and Ireland will form an essential link in the development of Air routes between the British Isles and the North American Continent. It is therefore stipulated that Great Britain shall have all necessary facilities for the development defence and of communications by Air.

Great Britain hopes that Ireland will in due course and of her own free will contribute in proportion to her wealth to the regular Naval, Military and Air forces of the Empire. It is further assumed that voluntary recruitment for these forces will be permitted throughout Ireland, particularly for those famous Irish Regiments which have so long and so gallantly served His Majesty in all parts of the world.

While the Irish people shall enjoy complete autonomy in taxation and finance, it is essential to prevent a recurrence of ancient differences between the two islands, and in particular to avert the possibility of ruinous trade wars. With this object in view, the British and Irish Governments shall agree to impose no protective duties or other restrictions, upon the flow of transport, trade and commerce between all parts of these islands.

The Irish people shall agree to assume responsibility for a share of the present debt of the United Kingdom and of the liability of pensions arising out of the Great War, share in default of agreement between the Governments concerned to be determined by an independent arbitrator appointed from within His Majesty's Dominions.

In accordance with these principals, the British Government propose that the conditions of settlement between Great Britain and Ireland shall be embodied in the form of a Treaty, to which effect shall in due course be given by the British and Irish Parliaments. They look to such an instrument to obliterate old conflicts forthwith, to clear the way for a detailed settlement in full accordance with Irish conditions and needs, and thus establish a newer and happier relation between Irish patriotism and that wider community of aims and interests by which the unity of the whole Empire is freely sustained.

The form in which the settlement is to take effect will depend upon Ireland herself. It must allow for full recognition of the existing powers and privileges of the Parliament and Government of Northern Ireland, which cannot be abrogated except by their own consent. For their part, the British Government entertain an earnest hope that the necessity of harmonious co-operation amongst Irishmen of all classes and creeds will be recognised throughout Ireland, and they will welcome the day when by those means unity is achieved. But no such common action can be secured by force. Union came in Canada by the free consent of the Provinces; so in Australia; so in South Africa. It will come in Ireland than no other way than consent. There can, in fact, be no settlement or terms involving, on the one side or the other, that bitter appeal to bloodshed and violence which all men of good will are longing to terminate. The British Government will undertake to give effect, so far as depends on them, to any terms in this respect on which all Ireland unites. But in no conditions can they consent to any proposals which would kindle civil war in Ireland. Such a war would not touch Ireland alone, for partisans would flock to either side from Great Britain, the Empire, and elsewhere with consequences more devastating to the welfare both of Ireland and the Empire than the conflict to which a truce has been called this month. Throughout the Empire there is a deep desire that the day of violence should pass and that a solution should be found, consonant with the highest ideals and interests of all parts of Ireland, which will enable her to co-operate as a willing partner in the British Commonwealth.

The British Government will therefore leave Irishmen themselves to determine by negotiations between themselves whether the new powers which the Pact defines shall be taken over by Ireland as a whole and administered by a single Irish body, or be taken over separately by Southern and Northern Ireland, with or without a joint authority to harmonise their common interests. They will willingly assist in the negotiation of such a settlement, if Irishmen should so desire.

By these proposals the British Government sincerely believe that they will have shattered the foundations of that ancient hatred and distrust which have disfigured our common history for centuries past. The future of Ireland within the Commonwealth is for the Irish people to shape.

In the foregoing proposals the British Government have attempted no more than the broad outline of a settlement. The details they leave for discrimination when the Irish people have signified their acceptance of the principal of this pact.

10 Downing Street S.W.,  
July 20th, 1921.

## THE REPLY.

In reply to this communication, President De Valera, on behalf of the Ministry of Dail Eireann, addressed to the British Prime Minister the letter printed below.

The letter was presented at 10 Downing Street, London, at noon on August 11th by Commandant Robert Barton, accompanied by Mr. Art O'Brien and Commandant Joseph McGrath, and ran as follows:-

### SOARSTAT EIREANN.

Office of The President, Dublin.

Mansion House

August 10th, 1921.

The Right Hon. David Lloyd George,  
10 Downing Street,  
Whitehall, LONDON.

Sir:

On the occasion of our last interview I gave it as my judgement that DAIL EIREANN could not and that the Irish people would not accept the proposals of your Government as set forth in the draft of July 20th which you had presented to me. Having consulted my colleagues, and with them given these proposals the most earnest consideration, I now confirm that judgement.

The outline given in the draft is self-contradictory, and "the principals of the pact" not easy to determine. To the extent that it implies a recognition of Ireland's separate nationhood and her right to self-determination, we appreciate and accept it. But in the stipulations and express conditions concerning the matters that are vital the principal is strangely set aside and a claim advanced by your Government to an interference in our affairs, and to a control which we cannot admit.

Ireland's right to choose for herself the path she shall take to realise her own destiny must be accepted as indefeasible. It is a right that has been maintained through centuries of oppression and at the cost of unparalleled sacrifice and untold suffering, and it will not be surrendered. We cannot propose to abrogate or impair it, nor can Britain or any other foreign state or group of states legitimately claim to interfere with its exercise in order to serve their own special interests.

The Irish people's belief that the national destiny can best be realised in political detachment, free from Imperialistic entanglements which they feel will involve enterprises out of harmony with the national character, prove destructive of their ideals, and be fruitful only of ruinous wars, crushing burdens, social discontent, and general unrest and unhappiness. Like the small states of Europe they are prepared to hazard their independence on the basis of moral right, confident that as they would threaten no nation or people they would in turn be free from aggression themselves. This is the policy they have declared for in plebiscite after plebiscite, and the degree to which any other line of policy deviates from it must be taken as a measure of the extent to which external pressure is operative and violence is being done to the wishes of the majority.

As for myself and my colleagues, it is our deep conviction that true friendship with England, which military coercion has frustrated for centuries, can be obtained most readily now through amicable but absolute separation. The fear, groundless though we believe it to be, that Irish territory may be used as the basis of an attack upon England's liberties can be met by reasonable guarantees not inconsistent with Irish sovereignty.

"Dominion status" for Ireland everyone who understands the conditions knows to be illusory. The freedom which the British Dominions enjoy is not so much the result of legal enactments or of treaties as of the immense distances which separate them from Britain and have made interference by her impracticable. The most explicit guarantees, including the Dominions' acknowledged right to secede, would be necessary to secure for Ireland an equal degree of freedom. There is no suggestion however in the proposals made of any such guarantees. Instead, the natural position is reversed; our geographical location with respect to Britain is made the basis of denials and restrictions unheard of in the case of the Dominions; the smaller island must give military safeguards and guarantees to the larger and suffer itself to be reduced to the position of helpless dependency.

It should be obvious that we could not urge the acceptance of such proposals upon our people. A certain treaty of free association with the British Commonwealth group, as with a partial league of nations, we would have been ready to recommend, and as a Government to negotiate and take responsibility for had we an assurance that the entry of the nation as a whole into such association would secure for it the allegiance of the present dissenting minority, to meet whose sentiment alone this step could be contemplated.

Treaties dealing with the proposals for free inter-trade and mutual limitation of armaments we are ready at any time to negotiate. Mutual agreement for facilitating air communications, as well as railway and other communications, can, we feel certain, also be effected. No obstacle of any kind will be placed by us in the way of that smooth commercial intercourse which is essential in the life of both islands, each the best customer and the best market of the other. It must of course be understood that all treaties and agreements would have to be submitted for ratification to the national legislature in the first instance, and subsequently to the Irish people as a whole under circumstances which would make it evident that their decision would be a free decision and that every element of military compulsion was absent.

The question of Ireland's liability "for a share of the present debt of the United Kingdom" we are prepared to leave to be determined by a board of arbitrators, one appointed by Ireland, one by Great Britain, and a third to be chosen by agreement, or in default, to be nominated, say, by the President of the United States of America, if the President would consent.

As regards the question at issue between the political minority and the great majority of the Irish people, that must remain a question for the Irish people themselves to settle. We cannot admit the right of the British Government to mutilate our country, either in its own interest or at the call of any section of our population. We do not contemplate the use of force. If your Government stands aside, we can affect a complete reconciliation. We agree with you "that no common action can be secured by force". Our regret is that this wise and true principal which your Government prescribes to us for the settlement of our local problem it seems unwilling to



apply consistently to the fundamental problem of the relations between our island and yours. The principle we rely on in the one case we are ready to apply in the other, but should this principle not yield an immediate settlement we are willing that the question too be submitted to external arbitration.

Thus we are ready to meet you in all that is reasonable and just.

The responsibility for initiating and affecting an honourable peace rests primarily not with our government but with yours. We have no conditions to impose, no claims to advance but the one, that we be freed from aggression. We reciprocate with a sincerity to be measured only by the terrible sufferings our people have undergone the desire you express for mutual and lasting friendships. The sole cause of the "ancient feuds" which you deplore have been, as we know, and as history proves, the attacks of English rulers upon Irish liberties. These attacks can cease forthwith, if your Government has the will. The road to peace and understanding lies open.

I am, Sir,

Faithfully yours,

(Signed) EAMON DE VALERA.

### **LETTER FROM THE BRITISH PRIME MINISTER TO PRESIDENT DE VALERA.**

On Sunday morning the 14th inst. Commandant Barton handed to President De Valera the following letter of reply from the British Prime Minister:-

10 Downing Street,  
Whitehall, S.W.1.  
13th August, 1921.  
Sir,

The earlier part of your letter is so much opposed to our fundamental position that we feel bound to leave you in no doubt of our meaning. You state that after consulting your colleagues you confirm your declaration that our proposals are such as Dail Eireann could not and the Irish people would not accept. You add that the outline given in our draft is self-contradictory, and the principal of the pact offered to you not easy to determine. We desire, therefore, to make our position absolutely clear.

In our opinion, nothing is to be gained by prolonging a theoretical discussion of the national status which you may be willing to accept as compared with that of the great self-governing Dominions of the British Commonwealth, but we must direct your attention to one point upon which you lay some emphasis and upon which no British Government can compromise – namely, the claim that we should acknowledge the right of Ireland to secede from her allegiance to the King. No such right can ever be acknowledged by us. The geographical propinquity of Ireland to the British Isles is a fundamental fact. The history of the two islands for many centuries, however it is read, is sufficient proof that their destinies are indissolubly linked. Ireland has sent members to the British Parliament for more than a hundred years. Many thousands of her people during all that time have enlisted freely and served gallantly in the Forces of the Crown. Great numbers, in all the Irish provinces, are profoundly attached to the Throne. These facts

permit of one answer, and one answer only, to the claim that Britain should negotiate with Ireland as a separate and foreign power.

When you, as the chosen representative of Irish National ideals, came to speak with me, I made one condition only, of which our proposals plainly stated the effect – that Ireland should recognise the force of geographical and historical facts. It is those facts which govern the problem of British and Irish relations. If they did not exist, there would be no problem to discuss.

I pass therefore to the conditions which are imposed by these facts. We set them out clearly in six clauses in our former proposals, and need not re-state them here, except to say that the British Government cannot consent to the reference of any such questions, which concern Great Britain and Ireland alone, to the arbitration of a foreign Power.

We are profoundly glad to have your agreement that Northern Ireland cannot be coerced. This point is of great importance, because the resolve of our people to resist with their full attempt at secession by one part of Ireland carries with it of necessity an equal resolve to resist any effort to coerce another part of Ireland to abandon its allegiance to the Crown. We gladly give you the assurance that we will concur in any settlement which Southern and Northern Ireland may make for Irish unity within the six conditions already laid down, which apply to Southern and Northern Ireland alike; but we cannot agree to refer the question of your relations with Northern Ireland to foreign arbitration.

The conditions of the proposed settlement do not arise from any desire to force our will upon the people of another race, but from facts which are as vital to Ireland's status as a Dominion, no desire for British ascendancy over Ireland, and of no impairment of Ireland's national ideals.

Our proposals present to the Irish people an opportunity such as has never dawned in their history before. We have made them in the sincere desire to achieve peace; but beyond them we cannot go. We trust that you will be able to accept them in principle. I shall be ready to discuss their application in detail whenever your acceptance in principle is communicated to me.

I am,  
Yours faithfully,  
(Signed) D. Lloyd George.

Eamon De Valera,  
The Mansion House,  
Dublin.

### **PROPOSED REPLY FROM THE IRISH MINISTRY.**

The correspondence, as set forth above, will be presented to Dail Eireann at its forthcoming Session and the proposed reply of the Ministry to the latest communication of the British Government will be submitted.

## **PUBLICATION OF A LETTER FROM GENERAL SMUTS.**

A letter addressed by General Smuts to President De Valera commenting upon the proposals of the British Government and other matters was published on Sunday morning August 4th by direction of Mr. Lloyd George, to whom a copy had been sent by General Smuts.

The following was thereupon issued by the Publicity Department of Dail Eireann:-

“President De Valera cannot believe that General Smuts would have authorised the publication of his letter without the President’s consent. This consent was not given. The letter, certainly, should not have been published before the publication in full of the communications which have passed between the British and Irish Governments. The letter of General Smuts simply summarises his own views, which can be readily understood when the General’s position is recognised, but which are not justified by the terms of the British proposals, as will be seen when these proposals are made public.”

### **VOLUME 5. NUMBER 54. IRISH BULLETIN. TUESDAY, 16TH AUGUST, 1921.**

#### **THE LETTER OF GENERAL SMUTS A CRITICISM.**

We published yesterday, in addition to the full correspondence to date between the British and Irish Governments, an official communiqué referring to the publication by Mr. Lloyd George of a copy of a letter written on August 4th to President De Valera. The communiqué took strong exception to the publication of this letter without the knowledge or consent of the President at a time when the proposals of the British Government were still unknown to the public. It was added that when the proposals did become known they would be found not to justify the comments made upon them by General Smuts.

We can bring this matter to an issue now. The British proposals are known; they can be compared with the General’s comments, and a judgement formed.

#### **“Full Dominion Status.”**

On the grave and vital issues between the British and Irish Governments, which still remain to be decided, we have no intention of speaking today. We are simply concerned to deal promptly and decisively with a plain question of fact arising from the letter of General Smuts, and having an important bearing on the major issues.

General Smuts definitely states more than once, and implies throughout his letter, that the British proposals offer Ireland all that the British Dominions, including his own, possess. “Full Dominion status, with all that it is and implies, is yours if you will but take it” – “You will become a sister Dominion in a great circle of equal states.” – “What is good enough for these nations ought surely to be good enough for Ireland too.” What is it that is “good enough for these nations”? What is “complete Dominion status”?

#### **Declaration of British Ministers and Dominion Premiers.**

It is unfortunate, we think, that General Smuts does not quote in full some recognised definition of this status, either from his own classical speeches on this subject, or from some other source; but he takes the next best course in referring to some authoritative pronouncements of “important British Ministers”, including “Mr. Bonar Law’s celebrated declaration in the House of Commons.” In this declaration, which was made on March 30th, 1920, in the course of an argument against the grant of “Dominion Home Rule” to Ireland, Mr. Law said, “Dominion Home Rule means complete control of their own destinies.” And he added:-

“What is the essence of Dominion Home Rule? The essence of it is that they have control of their entire destinies... the connection of the Dominions with the Empire depends upon themselves. If the self-governing Dominions, Australia, Canada, chose tomorrow to say, ‘We will no longer make a part of the British Empire!’ we would not try to force them. Dominion Home Rule means the right to decide their own destinies.”

Sir Robert Borden, the Canadian Premier, in the Peace Treaty Debate in the Canadian House on September 2nd 1919, claimed “complete sovereignty”. General Smuts himself, in a debate on the same subject in the Union House on September 10th, 1919, spoke as follows: “ We have received a position of absolute equality and freedom not only among the other states of the Empire but among the other nations of the world”- and in the same debate he said “Where in the past British Ministers could have acted for the Dominions (that is, in respect of foreign affairs) in future Ministers of the union would act for the Union”- a prophecy already borne out by some arrangements actually made and by a general decision in the recent Imperial Conference of 1921.

An independent voice in foreign affairs is the corollary of the complete military and naval independence of the British Dominions first explicitly asserted in 1907, when their right to withhold their forces and remain neutral in the war was acknowledged, and confirmed in the Naval agreements of 1911.

#### **The Acknowledged Characteristics of “Dominion Status”.**

“Complete sovereignty”; “absolute equality” of status (that is, with Great Britain, as with all other states); the right to secede from the Empire; an independent voice in foreign affairs; complete strategical independence; these are the acknowledged characteristics of “Dominion status” as it exactly exists in fact to-day, not as it theoretically existed in a series of statutes long obsolete. Complete liberty in trade, finance, and all other matters follows as a matter of course, and was indeed enjoyed long before the major rights were admitted. The right to secede sums up all these rights and privileges and gives them the authentic stamp of freedom; that is, of free choice; self-determination.

#### **Is Ireland Offered Dominion Status?**

General Smuts has taken the amazing course of telling the world that this is the status now offered to Ireland. Is it? The point is hardly worth discussion. The British proposals impose six conditions - binding obligations - upon Ireland. The General refers only in one casual parenthesis to these conditions as “strategic safeguards which you are asked to agree to voluntarily as a free Dominion”. We should have thought

the subject too grimly serious for these soothing phrases. "As a free Dominion"? No Dominion would tolerate for a moment any one of these six obligations. "Voluntarily"? But what is the alternative to acceptance? We prefer to leave that crucial question open; for the road is still clear for an honourable understanding. The word, nevertheless, is a strange one.

### **Conditions Which Imply Ireland's Subjection.**

The first condition of the six stipulates for British naval control over Irish waters and ports. The third condition stipulates for the control of the air over Ireland both for military and civil purposes. The two conditions necessarily imply the occupation of Ireland by the British Army. Taken together they would make Ireland a military dependency of England. This is not "absolute equality" of status, but absolute inferiority, incompatible with an independent voice in foreign affairs and a contradiction in terms of the "right to secede" – inapplicable as that phrase is to Ireland, which can never be said to "secede" from an authority never acknowledged. If any doubt were possible, the British Prime Minister's last letter explicitly denies the right of Ireland to "secede".

### **The Other Conditions.**

These are the two governing conditions which would determine the status of Ireland and determine it in a sense unintelligible to the democracies of the British Dominions, who know what freedom is and are not misled by phrases. The other four conditions are secondary, but it is worth note that the fifth condition, a binding obligation for free trade with England, so far from being consistent with "Dominion Status", is not even consistent with the "complete autonomy in taxation and finance" offered to Ireland in another part of the same document. The fourth condition, strangely called a "hope", for a contribution to the British Army and Navy, would have the same effect in practice.

### **The Royal Veto.**

It must be presumed that all the conditions would be given statutory force by being embodied in an Act of the British Parliament. This act would according to precedent, provide for the Royal Veto on Irish legislation and the supremacy of the Royal Executive authority. Theoretically this veto and supremacy exist in the case of the Dominions. Actually, as the General knows, they are obsolete. They would not be obsolete in Ireland's case.

Everybody knows the truth, namely, that the British Dominions owe their position of "absolute freedom and equality" to their distance from the imperial centre. Ireland's proximity to England makes the Dominion theory, as described in the President's letter of August 10th, "illusory".

We are concerned at this moment only to dissipate the smoke-screen thrown over the gravest of grave issues by the misuse of term. Dominion Status has a definite meaning and important, but Dominion Status is not to be found in the British proposals. No purpose but a mischievous purpose can be secured by pretences to the contrary.

## **VOLUME 5. NUMBER 56. IRISH BULLETIN. THURSDAY, 18TH AUGUST, 1921.**

### **THE ADJOURNED SESSION OF DAIL EIRE- ANN – AUGUST 17TH, 1921.**

The adjourned public session of Dail Eireann, held yesterday in Dublin Mansion House, was the occasion for another demonstration of popular interest and enthusiasm. An hour before the House met the Round Room was thronged. At the entry of the members the welcome given by the great audience exceeded in warmth even that of the previous day. The President's address was interrupted by bursts of applause, particularly after the passages voicing Ireland's determination to continue the present struggle until success had finally been achieved.

"We Will Not Accept These Terms."

The President in one sentence of his address summarised his National position towards the British proposals:-

"We cannot and we will not, on behalf of this nation, accept these terms."

Prolonged cheering followed.

After sustaining their right to liberty through centuries of suffering and oppression the Irish people have made up their minds to achieve their freedom in this generation. Popular leaders have been tricked in the past over and over again: the President summed up the national resolve in an Indian proverb; "Fool me once; shame on you; fool me twice; shame on me."

### **The Fiction of "Dominion Status".**

The President proceeded to expose the fiction that Dominion Status is being offered to Ireland; "Ireland is offered no such thing" he declared.

Anyone who has read the proposals and is aware of the position held by the Dominions knows that that is the truth. The Dominions enjoy, as their statesmen have claimed and Great Britain has admitted, an international status equal to that of Great Britain. They control their own ports and their own air communications; they determine the strength of their own armies; they can remain neutral in war; they can withdraw from the British Empire when they choose to withdraw; in a word, they have complete control of all their own destinies.

What Ireland is offered is not merely less than Dominion Status but something fundamentally different from, and irreconcilably with, Dominion Status. So far from controlling her own ports and air communications she is to place them at the disposal of England; so far from determining the strength of her own army she is to make it conform to the strength of the English army; so far from being able to remain neutral in war she is to be dragged, at whatever cost to her finances and economic welfare, into every war, just or unjust, that Britain may choose to wage; so far from being able to withdraw from the British Empire when she chooses she is to be bound to the British chariot for ever whether she wills it or not; in a word, so far from controlling her own destiny, her destiny for good or ill is to be controlled by England, the Power which for seven and a half centuries has unceasingly wrought her evil.



### **The Strong Who Can Afford To Be Unjust.**

What is the pretext for this? The pretext is that this little island of only 4 ½ million is a military and naval danger to Great Britain with her 43 millions of people, her armies potentially five millions strong and her navies commanding the seas of the world. The President put it in a phrase. The Irish problem, he said, was the fundamental problem of “the weak who have right on their side against the strong who because of their strength can afford to be unjust.”

There was no need, he continued, for this senseless conflict between Great Britain and Ireland. The two nations were neighbours with close mutual interests. Ireland cherished no enmity against England, but against English injustice. She was willing to live in friendship and co-operation with Great Britain. But it should be free co-operation. “Free and friendly co-operation is one thing,” the President said, “Forced co-operation is another.” Mr. Lloyd George had admitted that British oppression had driven the hatred of British rule into the very marrow of the Irish race. The remedy was to end that rule. Neighbourliness between the two nations was the natural destiny of each, but if one neighbour sought to commandeer the house of the other and to trespass on his lands, then neighbourliness could not exist. England had no just claim to and no need of a right of way through Ireland. Ireland did not stand between her and free access to the world. England, a maritime nation, had a free passage round the shores of Ireland, a passage which Ireland had neither the will nor the power to deny her.

### **A Hideous Predatory Law.**

It may be remarked here that in the first of the six conditions set out in the British proposals Ireland’s geographical position “at Britain’s side” is referred to and it is stated:

“In recognition of this fact, which nature has imposed and no statesmanship can change, it is essential that the Royal Navy alone should control the seas around Ireland.”

What a satire on statesmanship as England conceives of it! It is statesmanship then for a country to attack and annex any other which lies across its trade routes and is presumed, on that account, to threaten its security. As if all the countries of the world were not linked together in commercial interdependence and drew their economic life and happiness of their peoples from the abstention of their statesmen from the exercise of this hideous predatory law.

“We Do Not Mean To Be Helpless.”

Continuing, the President dealt with the condition in the British proposals to limit Ireland’s armaments.

“We are never likely,” he said, “to compete with Britain in armaments, therefore we have no hesitation in entering into any agreements on the limitation of armaments, provided it is for a good and wise purpose, and not simply for the purpose of disarming us and making us helpless. “We do not mean to be helpless, we mean to strengthen ourselves to the utmost of our power.”

### **The Ulster Question.**

In the concluding passages of his speech the President referred to the Ulster Question and expressed his readiness to go a long way in order to satisfy the sentiments of Ulster. Between the majority in Ireland and the minority there was no need of or cause for enmity. During the negotiations he had sought by every way to get into touch with the people of the North East. For their co-operation in a united Ireland the Irish Government was ready to make sacrifices which it would never consent to make on any other ground. But mainly because the

minority problem in Ireland had its origin in British policy the leaders of North East Ulster had not conferred with the National leaders.

“England’s claims in Ireland,” the President said, “are unreasonable, the claims of the minority in Ireland are unreasonable, but even though the claims of the minority are unreasonable we would be ready to consider them, and I for one would be ready to go a long way to give to them, particularly to their sentiment, if we could get them to come with us and to consider the interests of their own country, and not ally themselves with any foreigner.”

The Irish People Will Not Flinch.

The President ended with words which will go home to the hearts of the people.

“I feel that the Irish people in the past never flinched against force brought against them, to deprive them of their rights, that the Irish people will not flinch now because more arms have been sent for.”

**VOLUME 5. NUMBER 57.  
IRISH BULLETIN.  
FRIDAY, 19TH AUGUST, 1921.**

### **THE DELIBERATE DISTORTION OF A GRAVE ISSUE.**

The situation at this moment is truly extraordinary. We are accustomed in Ireland to misrepresentation of our position, although for five years past the people has been making one single, simple claim; the claim for independence; and making it with ever-increasing strength and unity, and without any possibility of misunderstanding. For a year past the IRISH BULLETIN has been endeavouring to nail to the counter the falsehood, propagated unhappily by a small group of Irishmen, as unrepresentative of the people as they have been reckless in misrepresenting the national sentiment, that what the Irish people really want is Dominion Home Rule. For a year past, on the other hand, we have been endeavouring to expose the subtle, subterranean suggestion put into currency by the British Government, that the Irish leaders were being offered Dominion Home Rule and were being forced by extremists to refuse it. In this effort to defeat a false and misleading propaganda we have struggled against tremendous odds; against the suppression of a free Irish press imposed by a military terror, against the absolute control of some cables and the partial control of others by the British Government, and against the enormous power wielded by that Government over the Press of England, America and the Continent. The IRISH BULLETIN itself prints and circulates its journal under the constant menace of discovery and suppression and even, at one time, under the necessity of competing against counterfeit imitations printed and circulated from Dublin Castle.

### **The Issues at Stake.**

But now a crisis in Irish affairs has come. In an interval of truce after a year of fearfully savage war, peace is being discussed and the very life of Ireland is at stake; and at this moment, when, if ever, a sense of justice and fairness to a small nation at death-grips with a giant antagonist might at least leave the field open for a clear understanding of the issues between them, at this moment these issues are being

distorted afresh and with less scruple than ever before.

The issue is simplicity itself. Ireland demands freedom; England insists that Ireland shall remain under her military control and subject to the authority of the British Parliament.

"Equality of status, with the right to secede" represents to the British Dominions freedom as they understand it. We express freedom in a different way and can never reach it by the road they have travelled. On the one hand we cannot secede from a union never sanctioned by our people, on the other hand our proximity to England, in contrast with their distance, warrants the demand for international guarantees against aggression from England which have long become unnecessary for them.

### **Gross Misrepresentation.**

But, whatever be the difference between Dominion status in its modern form and the internationally recognised freedom which is what we claim, there can be no excuse or defence for the gross misrepresentation that the British proposals offer us Dominion status. Yet half the press of the world, and nearly the whole of the English press is following the British Government in making that gross misrepresentation, all the grosser in that the issue of peace or war hangs in the balance and that upon the result of the negotiations, whose essential nature is thus distorted, depends the decision whether Ireland is to be subjected to another period of war which may, if the forecasts of the English Lord Chancellor in the House of Lords on August 10th last are to be trusted, assume the dimensions of a war of extermination.

### **The Press and the Proposals.**

We are glad to be able to quote first from an important Irish journal, not republican in its views, a trenchant exposure of the conspiracy to deceive the public opinion of the world.

"Ireland wrote the 'Irish Independent' of yesterday, "in Mr. de Valera's words, was not offered Dominion status but a thing that was called Dominion status was offered to two broken pieces of Ireland Has the British Premier the courage and the statesmanship to obliterate these fatal blots upon his proposals?"

### **A Well-organised Conspiracy.**

—But no British journal of any standing has had the honesty to admit the truth. The Daily News says :-

"The whole question turns on this matter of formal independence without the Empire or formal independence within it."

"Formal independence!" With England controlling our seas, our ports, our air and ninety per cent of our external trade, imposing a heavy tribute upon us for the upkeep of her own forces and the redemption of her national debt and compelling us to join in all the wars which her imperial interests demand!

The London "Daily Telegraph" says :-

"Ireland is invited to take her place among the 'free nations which compose the British Empire' by the acceptance of the status of a Dominion."

It would be truer to say that Ireland is invited to surrender not only her right to individual nationhood but the essentials of Dominion status, and to accept instead the position of a powerless appendage of Great Britain, albeit with a local autonomy.

The London "Daily Mail" says:-

"The British Government . . . offered Southern Ireland all the rights and all the privileges of a Dominion and all the powers which Canada, Australia, and South Africa possess."

The London "Daily Chronicle" says:-

"We confess we have difficulty why anyone should prefer the status of, say, Latvia, to that of Canada or Australia."

Since we are offered the status neither of Latvia or Canada, the question of preference does not arise. But we should like to ask the "Daily Chronicle" whether Latvia, which after all has or soon will have the same international status as Britain, is safer in that position than as a military dependency of Russia, under the name of a Russian Dominion?

The London "Star" says:-

"They (the proposals) accord Ireland every liberty that the Dominions enjoy."

The "Manchester Guardian" says:-

"Nobody outside these islands would argue that Australia is less than a nation. Nobody would say that a peace that gave Ireland such a status would do dishonour to her dead."

The London "Times" says:

"The full Dominion Status that the Government's offer implies gives to Ireland the amplest opportunities for creating an Irish civilisation in Ireland."

### **"Generous" Terms.**

The conspiracy is well organised, for while the six conditions which annul the offer of Dominion status receive only the most casual reference, emphasis is laid on the "generosity" of the proposals.

"The terms offered are as wide and generous as they can be made" says the London "Daily Express"

"The terms are generous in the extreme" says the "Daily Telegraph".

"The offer which Mr. Lloyd George has made is the most generous to which the people of this country will consent." Says the Pall Mall Gazette.

The word "generous" gives the key to the true nature of the proposals. The British Dominions would resent it as denoting the patronage of a superior to an inferior. Ireland has asked not for generosity but for justice, not for the grant of concessions but for the recognition of rights.

### **The Revival of an Old Theory.**

—The rejection of the British proposals by President de Valera in his speech on August 17th has occasioned the revival of the theory that a "handful of extremists" hold the Irish nation in bondage. The theory was used to explain away the Easter week rising, to discountenance the importance of President de Valera's election in 1917, to justify the arrest and deportation of a hundred Irish leaders in May 1918, to prove that the General Election of December 1918 did not express the real feelings of the Irish people, to ridicule the importance of the Republican movement and the national character of the guerrilla war. It is now revived because the British Press cannot or will not understand the national consciousness of the Irish people or their determination to achieve their liberty.

The London "Daily Express" says:-

"Those in touch with Sinn Fein opinion declare that although Mr. de Valera wrote the letter to Mr. Lloyd George to please the extremists, with whom he is having great difficulty, it is not to be taken as the last word of Sinn Fein."

The London "Daily Mail" says:-

"The trouble is being caused largely by the extremists . . . the extremists oppose this scheme knowing that if left to itself the country would accept it."

Similar statements have been made by the "Daily News", the "Daily Telegraph" and other papers.

## **Threats of a Renewed Terror if Ireland Refuses.**

\_\_\_In one matter, however, the British Press uses no deception. What is to happen to Ireland if she rejects something which is not offered to her? The answer is given frank cynicism:-

“Many of the leaders favour it (the offer of settlement) dreading a reversion to crime and outrage and the dragooning of villages which refusal implies,” says the “Daily Mail”. “The question is whether the Irish people are prepared to go back to the conditions which existed before the truce for the sake of the difference between an independent Republic and the status of Canada or Australia.” Says the “Daily Telegraph”. “If military action should become necessary it will be taken on a hitherto unprecedented scale and will be accompanied by a strict naval blockade,” says the Daily Sketch”. “To commit Ireland to the terror from which the truce has freed her would be to court a fate far more ruinous to his (Mr. de Valera’s) cause than the crushing defeat that would be inevitable,” says the “London “Times”, and in another issue it says “Very properly the Government have refrained from pointing out the consequences of final refusal of their offer . . . But it would be madness for Sinn Fein to imagine . . . that this country would fail to support its Government in any steps that might be necessary to keep Ireland within the British Commonwealth.”

The “dragooning of our villages”, “a reversion to the condition which preceded the truce”, “the terror from which the truce has freed her”, “a ruinous fate”, “a crushing defeat”, “military action on an unprecedented scale”, “a strict naval blockade” and, perhaps most ominous of all, “any steps that may be necessary”: And all this in the event of our declining as “a free Dominion” (to quote General Smuts) to join “voluntarily” “a free association” of “free nations”.

## **VOLUME 5. NUMBER 60. IRISH BULLETIN. WEDNESDAY, 24TH AUGUST, 1921.**

### **THE PEACE OVERTURES. A FOURTH CHRONOLOGICAL RECORD OF EVENTS.**

In the issues of the IRISH BULLETIN of June 30th, July 12th and July 22nd chronological records of events relating to the present peace negotiations were published. A fourth record of events is given below covering the period July 23rd – August 23rd, 1921,:-

July 23rd: Members of Dail Eireann visit President de Valera at the Mansion House, Dublin, after his return from London on the 22nd.

July 24th: Countess Markievicz, Minister of Labour, released from Mountjoy Jail, and Commandant Joseph McGrath, T.D., released from the internment camp at Ballykinlar, Co. Down, to take part in peace negotiations.

August 1st: The Irish Trades Union Congress meets in the Dublin Mansion House. In his address to the delegates the President of the Congress says that if the Irish Representatives deemed it advisable to reject the British Government’s proposals they would have the support of the Labour movement in any events that might follow. President de Valera, invited to address the Congress, thanked Irish Labour for its attitude in this and previous national crises.

August 2nd: Mr. Chamberlain announces in the British Parliament that it was agreed between the Prime Minister and Mr. de Valera at their conference that if negotiations broke down a reasonable notice of the termination of the truce would be given.

August 4th: The IRISH BULLETIN announces that a meeting of Dail Eireann is being summoned for August 16th.

Notices of meetings are being sent to all members.

August 6th: Dublin Castle issues official statement announcing that all imprisoned members of Dail Eireann are to be released forthwith with the exception of Commandant McKeon, I.R.A., “who has been convicted of murder”.

August 8th: President de Valera issues a statement referring to the affection admiration in which Commandant McKeon held by his fellow countrymen as a gallant and chivalrous soldier, and declaring that unless he is released “I cannot accept responsibility for proceeding further with the negotiations”. Three hours later Commandant McKeon is released from Mountjoy Prison. Thirty-nine other members of Dail Eireann are released from various prisons and internment camps.

August 9th: Informal meeting of released members held at Dublin Mansion House.

August 10th: Commandant Robert Barton, T.D., and Commandant Joseph McGrath, T.D., leave for London bearing the reply of the Ministry of Dail Eireann to the British proposals.

August 11th: Reply delivered at 11 Downing Street by Commandants Barton and McGrath accompanied by Mr. Art O’Brien.

Publicity Department of Dail Eireann announces that the Irish representatives are being summoned from Paris, Rome and Washington, the British Government having undertaken to issue passports and give the necessary facilities for their return to their present domiciles.

August 12th: On the receipt of the Reply, which, the Press States, was conveyed to him by aeroplane, Mr. Lloyd George returns from Paris where he was attending a meeting of the Supreme Council.

August 15th: Mr. Sean T. O’Kelly, T.D., arrives in Dublin from Paris, where since 1919 he has been acting as representative of the Republic.

August 14th: Mr. Lloyd George publishes a copy of a letter addressed by General Smuts to President de Valera on August 4th and commenting on the proposals of the British Government before they are known to the public.

August 15th: The IRISH BULLETIN publishes the full text of (1) the British proposals (2) the reply of the Ministry of Dail Eireann and (3) a letter from Mr. Lloyd George commenting on the reply. (See Vol.5. No. 53)

The same number of the Irish Bulletin contains an official statement to the effect that President de Valera had not given permission for the publication of the letter of General Smuts by Mr. Lloyd George. The statement says: “President de Valera cannot believe that General Smuts would have authorised the publication of his letter without the President’s consent . . . The letter of General Smuts simply summarises his own views . . . which are not justified by the terms of the British proposals.” The Press publishes a letter from Sir James Craig to the British Premier in which he states that having made the “sacrifice” of accepting self-government for the six counties North East Ulster “has nothing left to give away”. Sir James refuses to meet President de Valera until he (the President) recognises the inviolability of “Northern Ireland” and admits the “sanctity” of its existing powers and privileges.

August 16th: Dail Eireann holds its first public meeting. The members are sworn and the Speaker is appointed.



President de Valera in his address declares that the Irish people will stand by the principle of Liberty and will die for it if necessary. (See IRISH BULLETIN: Vol.5. No.55.) The IRISH BULLETIN publishes a criticism of the letter of General Smuts pointing out that the proposals of the British Government do not offer to Ireland Dominion Status as stated by the General. Mr. Gavan Duffy, T.D., Republican Representative at Rome, arrives in Dublin.

August 17th: Second public meeting of Dail Eireann. Speaking upon the British proposals President de Valera says:

“We cannot and we will not on behalf of the people of the nation accept these terms.” But that he, for one, was ready to go a long way to satisfy the sentiment of North East Ulster. (See IRISH BULLETIN: Vol.5.No.56.)

August 18th: Private Session of Dail Eireann begins. The sitting considered the Reports of the various Ministers.

August 19th: Meetings of Committees of Dail Eireann are held. The consideration of reports is continued. The British Prime Minister in the House of Commons and Lord Curzon and Lord Birkenhead in the House of Lords threaten Ireland with a renewal of hostilities if the terms are not accepted.

August 20th: Second private session held to consider Departmental reports relating to Home Affairs.

August 21st: Mr. H. Boland, T.D., Republican Representative at Washington, arrives in Dublin. A cabinet meeting of Dail Eireann is held.

August 22nd: Full private session again held. British proposals are considered.

August 23rd: Private session continues. British proposals are again discussed and the proposed reply of the President and Ministry to the last letter of the British Prime Minister is communicated to the Dail. The consideration of Departmental reports is resumed and completed and other business is discussed. The Dail then adjourns until August 25th when the sitting will again be private.

**VOLUME 5. NUMBER. 61.**  
**IRISH BULLETIN.**  
**THURSDAY, 25TH AUGUST, 1921.**

**AN ANALYSIS OF THE BRITISH**  
**PROPOSALS OF JULY 20TH.**

It is a matter of public knowledge that the proposals made by the British Government on July 20th have been definitely rejected by the Government of Ireland. In several recent numbers of the BULLETIN, especially in that of August 16th dealing with the letter of General Smuts, we have criticised these proposals and indicated some good reasons for their rejection. But the world-wide misapprehensions to which they have given rise and mischievous misunderstandings they have created as to the issue between Ireland and England make it necessary to enter into a closer analysis of their character. Our aim is to show that our Government has acted sanely and reasonably in declining to accept them.

The document of July 20th has two leading characteristics. It does not actually propose what it professes to propose. What it does actually propose is something that no nation could accept without dishonour.

**PREAMBLE.**

The Preamble is couched in eloquent and moving language. The British Government expresses its “earnest desire to end the unhappy divisions” and “ancient feuds” “between Great Britain and Ireland.” Ireland is invited to take her place in “a great association of free nations” and to “work in loyal co-operation with the free communities” of the British Empire. Another passage, in indirect allusion to the Ulster question, expresses the British Government’s determination “that, so far as they themselves can assure it, nothing shall hinder Irish statesmen from joining together to build up an Irish state in free and willing co-operation with the other peoples of the Empire.”

**The Source of the Ancient Feuds and their Remedy.**

This is the note struck throughout the document. The responsibility is thrown upon Ireland for bringing the “ancient feuds” to an end. We are exhorted in second paragraph to follow the example of British Dominions like Canada and South Africa where diverse races and diverse interests have been reconciled in a national unity, and we are told that the British people “cannot believe that where these countries have so signally succeeded Ireland will fail.” To effect the ideal set before us the British Government proposes that “Ireland shall assume forthwith the status of a Dominion with all the powers and privileges set forth in this document”, and a series of legislative powers held by the Dominions and proposed to be held by Ireland is enumerated, including “complete autonomy in taxation and finance”. The argument in short is that our history is parallel and similar to that of South Africa and Canada and that by giving us the political position of South Africa and Canada we should receive complete freedom and end the “ancient feuds”. This freedom, furthermore, it is distinctly indicated, will be “guaranteed” by all the free nations composing the British Commonwealth, upon the explicit assumption that, our status being equal to theirs, it is a vital interest to them that privileges common to the whole body shall be violated in the case of Ireland.

**False Analogies.**

All this is illusory and, it is to be feared, insincere. We do not say this lightly but on a reasoned view of the historical facts and of the specific proposals which follow. The ancient feuds are not of our seeking. They result from aggression upon our liberties through seven centuries. The responsibility rests not upon us but upon England for ending them and she can end them only by refraining from aggression and allowing our country to live in peace and freedom. The analogy drawn between Ireland and the British Dominions of Canada and South Africa is doubly false. It is false in the first place because the union of diverse races and interests was secured in these two countries precisely because they were allowed to compose their domestic differences without interference from outside and with the full knowledge that British force would not be used under any circumstances in favour of either party in an internal quarrel, experience having proved to England ever since her disastrous failure in her war with the American colonies that to use force upon colonies many thousand miles away from the imperial centre was futile.

In Ireland, close to England and physically at her mercy, the opposite course has been pursued. England’s undeviating policy has been to support the Ulster minority with arms and refuse to allow Irishmen to compose their differences.

The analogy is false in the second place because the proposals now made do not attempt to place Ireland in the political position of Canada and South Africa. The “guarantee” they offer is therefore a guarantee which could have no validity. This will be evident from the six specific conditions which

are attached to the grant of so-called Dominion status. These six conditions are meant to govern the relations of Ireland and England; but a seventh condition, clearly inconsistent with Dominion status, vitiates the whole document, the condition namely that the principle of the Partition Act is to remain intact and that Ireland is to be regarded not as a whole but as two dismembered fragments. This bitter pill is so successfully gilded and sugared that the document may be read almost to the end without perception of what is intended, but the fact must be distinctly understood that North East Ulster is guaranteed complete separation from the rest of Ireland by the British Government.

### **“DOMINION STATUS” AND THE SIX CONDITIONS.**

The six conditions have the effect of annulling the Dominion status ostensibly offered to Ireland. The freedom of the Dominions does not reside merely in unquestioned control of their own internal affairs but in “absolute equality” of status with Great Britain and other nations, to use the definition of General Smuts himself; in a partnership with Great Britain which may be broken at will by any of the partners; in an independent voice in foreign affairs; and in complete naval and military independence. British statutes exist which in theory leave Canada, Australia and South Africa still subject to the British Parliament. But they are obsolete. The Dominions have become, and are acknowledged by Britain to be, “free nations”, with “complete control of their own destinies”, to use the phrase of Mr. Bonar Law in his historic pronouncement on behalf of the British Government on March 30th, 1920.

Let us take each Condition in turn.

Condition No. 1 determines the question of status. It stipulates that “the Royal Navy alone shall control the seas around Ireland” and shall have the use of Irish harbours and Irish coasts for naval purposes. So far from having the strategical independence of the Dominions, Ireland is intended to be in complete strategical subjection to England. It follows that her status in all respects must be one of inferiority, not of equality. It is interesting to note that it was on the naval question that the British Dominions first made good their own claim to a free and equal status. Under the Naval Agreements of 1907 and 1911 they established their right to withhold their naval forces in the event of war; that is to remain neutral, or in other words to withdraw, if they pleased, from the Empire.

Condition No. 2 stipulates that the “Irish Territorial force” shall “conform in respect of numbers” to the “military establishments of the other parts of these islands”. It is not easy to calculate what Ireland’s small quota would be under this strange provision, implying almost puerile fears on the part of the greatest military power in the world of a nation a tenth as numerous as itself. The fear is all the stranger in that the expression “Territorial force” rules out an “Army”, properly so called, and implies a body corresponding to the British Territorial Volunteers, and under ultimate British control.

No such limitation could be imposed on a British Dominion.

Condition No. 3 places the air over Ireland under British control not only for the military purposes of the Royal Air Force but even for civil purposes – the ground given being that Ireland is an “essential link” in the air routes between England and America. Comment is unnecessary upon this remarkable extension of the doctrine of militarism.

Condition No. 4 expresses a “hope” and an “assumption” but it must be presumed that, if the term “condition” is not meaningless, both would become binding obligations. The “hope” is that Ireland will contribute money to the upkeep of the British Naval, Military and Air Forces. This is one of the root principles upon which the battle for British colonial liberty was originally fought. America contested it for seven years and won. The claim was dropped and never revived. No Dominion would dream of submitting to it. Its contingent effect upon Irish finances is referred to below.

The “assumption” is that recruiting for the British Naval, Military and Air Forces will be permitted in Ireland.

We can now clear up one of the obscurities in which the document abounds. It nowhere expressly states what the rights of the British Army in Ireland are intended to be, but the “assumption” referred to, read with the three previous conditions, makes it evident that the military occupation of Ireland is intended to continue as before. Ports and Air Force Stations involve military defence, the “Territorial Force” implies an additional Regular force, recruiting implies barracks and establishments and the contribution to the British Army clinches the matter. It would have been better to state the intention clearly.

Condition No. 5 stipulates for free trade “between all parts of these islands.”

This condition places a binding restriction upon more than ninety percent of Irish external trade as it now exists. Absolute freedom to control their own trade is one of the basic rights of British Dominions.

Condition No. 6 stipulates that Ireland shall “assume responsibility for a share of the present debt of the United Kingdom and of the liability for pensions arising out of the Great War.” A good case might be made for such a provision in a normal case of two nations parting company after being united. But in the case of Ireland and England is far from being normal. Their union – a forced union – has been a source of incalculable losses to Ireland in over – taxation, industrial repression and the constant and debilitating drain of all her surplus revenues to England; losses which might fairly be held to cancel any liability for debt, even, if liability under a forced union were admitted. The matter might be one for arbitration or negotiation as between equal states, as suggested in the Irish Ministry’s reply to these proposals, but Condition No. 6 makes the assumption of a share a binding obligation. No such condition has been imposed at any period in their history upon the British colonies or Dominions.

### **Combined Effect of Conditions 4, 5 and 6.**

We can now estimate the combined effect of Conditions 4, 5 and 6 upon the “complete autonomy in taxation and finance” which is offered to Ireland in the Preamble of the document. It is clear that they would gravely curtail that autonomy. The Imperial contribution and the liability for a share of the Debt would stereotype the existing drain of surplus revenue from Ireland to England, now standing at twenty-one millions a year, while the obligatory free trade would exclude the greater part of the field of indirect taxation - Ireland’s staple source of revenue - from Irish control.

### **Summary of the Conditions.**

Such are the six conditions. It is not so much that each individually is inconsistent with Dominion status and would be

THE PEACE NEGOTIATIONS.

repudiated by any Dominion, as that they belong to a wholly different order of political ideas, with which Dominion status has no connection. The idea of free co-operation is absent from them; the idea of enforced co-operation permeates them. The idea of equal partnership is absent; the idea of subordination takes its place.

The truth is expressed in the answer made by the Irish Ministry on August 10th to the British proposals, namely, that the distance of the British Dominions from Great Britain has made in the past and still makes all analogy within Ireland impossible and "illusory". Aided by nature, they have reached freedom by their own road, which cannot be ours. To bring their status into the question is to cloud the real issue.

**THE "TREATY" AND THE ACT**

After naming the six conditions the document proposes to embody the whole settlement in the form of a "Treaty". But it is clear from the nature of the proposals, and has since been made certain by the statement of the British Prime Minister on August 19th, that they would finally have to be embodied in an Act of the British Parliament, which might, like the Act of Union of 1800, be given the name of a "Treaty" but which would in fact legally determine the relations of the two countries, and could be amended or repealed by any future Parliament; in short, a Home Rule Act, possibly an amended version of the Partition Act. The Royal Veto on legislation, contained in the Dominion Acts, but long obsolete, would appear in this Irish Act and possess real validity and force from the proximity of the two islands.

Under such a restriction real freedom cannot exist.

**NORTH EAST ULSTER.**

The last part of the document reverts again to North East Ulster and stresses once more the false analogy with Canada and Australia. The reply of the Irish Ministry on August 10th is conclusive. Let England cease to throw her armed forces into the scale on the side of one party to a domestic difference. Ireland will not bring force to bear upon the Northern minority. Irishmen will effect a "complete reconciliation" for themselves. This was of course adopted in the case of Canada in 1867 and of South Africa in 1909.

**CONCLUSION.**

The document concludes by expressing the belief that the British proposals will "shatter the foundations of that ancient hatred and distrust which have disfigured our common history for centuries past."

But the "foundation" is unhappily left untouched in the proposals. The foundation is the denial to Ireland of the right to control her own destiny. This denial remains as absolute as before. Strategically, economically, and even in the sphere of legislation Ireland's destiny would remain under the control of England. Yet the foundation might be shattered by methods suggested by the text of the document itself and clearly indicated in the reply of the Irish Ministry on August 10th. There could be free negotiation on many of the matters raised in the six conditions and amicable arrangements arrived at in the common interest of both countries. But the basis, it was stipulated, must be one of freedom.

The reply made by President de Valera, on behalf of the Ministry of Dail Eireann, to the British Prime Minister's letter of August 13th was presented at No.10 Downing Street at 1 p.m. on August 25th by Commandant Robert Barton, T.D., accompanied by Mr. Art O'Brien and Commandant Joseph McGrath, T.D.

The reply was as follows:-

Mansion House, Dublin.

August 24, 1921.

The Right Hon. D. Lloyd George,  
10 Downing Street,  
Whitehall, London.

Sir:

The anticipatory judgement I gave in my reply of August 10th has been confirmed. I laid the proposals of your Government before DAIL EIREANN, and, by a unanimous vote, it has rejected them.

From your letter of August 15th it was clear that the principle we were asked to accept was that the "geographical propinquity" of Ireland to Britain imposed the condition of the subordination of Ireland's right to Britain's strategic interests as she conceives them, and that the very length and persistence of the efforts made in the past to compel Ireland's acquiescence in a foreign domination imposed the condition of acceptance of that domination now.

We cannot believe that your Government intended to commit itself to a principle of sheer militarism destructive of international morality and fatal to the world's peace. If a small nation's right to independence is forfeit when a more powerful neighbour covets its territory for the military or other advantages it is supposed to confer, there is an end to liberty. No longer can any small nation claim a right to a separate sovereign existence. Holland and Denmark can be made subservient to Germany, Belgium to Germany or to France, Portugal to Spain. If nations that have been forcibly annexed to empires lose thereby their title to independence, there can be for them no rebirth to freedom. In Ireland's case, to speak of her seceding from a partnership she has not accepted, or from an allegiance which she has not undertaken to render, is fundamentally false, just as the claim to subordinate her independence to British strategy is fundamentally unjust. To neither can we, as the representatives of the nation, lend countenance.

If our refusal to betray our nation's honour and the trust that has been reposed in us it is to be made an issue of war by Great Britain, we deplore it. We are as conscious of our responsibilities to the living as we are mindful of the principle or of our obligations to the heroic dead. We have not sought war, nor do we seek war, but if war be made upon us we must defend ourselves and shall do so, confident that whether our defence be successful or unsuccessful no body of representative Irishmen or Irishwomen will ever propose to the nation the surrender of its birth right.

We long to end the conflict between Britain and Ireland. If your Government be determined to impose its will upon us by force and, antecedent to negotiation, to insist upon conditions that involve a surrender of our whole national position and make negotiation a mockery, the responsibility for the continuance of the conflict rests upon you.



On the basis of the broad guiding principle of government by the consent of the governed, peace can be secured – a peace that will be just and honourable to all, and fruitful of concord and enduring amity. To negotiate such a peace, DAIL EIREANN is ready to appoint its representatives, and, if your Government accepts the principle proposed, to invest them with plenary powers to meet and arrange with you for its application in detail.

I am, Sir,

Faithfully yours,

(Signed) EAMON DE VALERA.

**SUPPLEMENT TO IRISH BULLETIN.  
VOL. 5. NUMBER 62. FRIDAY, 26TH  
AUGUST 1921.**

**WEEKLY REVIEW OF EVENTS IN IRELAND.  
NO. 21.**

(August 14th to August 20th 1921.)

The following is a brief review of the events in Ireland from Sunday, 14th August to Saturday midnight, August 20th 1921:-

The week under review was of the gravest political importance.

**The Publication of General Smuts' Letter.**

On August 14th the Sunday Press published a letter dated August 4th from General Smuts to President de Valera. The letter had been supplied to the Press by the British Prime Minister to whom General Smuts had given a copy. The letter commented upon the British proposals and represented them as offering to Ireland full Dominion Status. The proposals were not known to the public at the hour of the circulation of this letter and its publication was obviously designed to prejudice the public mind in favour of them. President de Valera's consent had not been obtained before the letter was published. This piece of sharp practice on the part of the British Premier shook the confidence of the Irish people in the genuineness of the British desire for an honourable settlement.

The Publicity Department of Dail Eireann issued the following comment on the Premier's action:-

"President de Valera cannot believe that General Smuts would have authorised the publication of his letter without the President's consent. This consent was not given. The letter, certainly, should not have been published before the publication in full of the communications which have passed between the British and Irish Governments. The letter of General Smuts simply summarises his own views, which can be readily understood when the General's position is recognised, but which are not justified by the terms of the British proposals, as will be seen when these proposals are made public."

**The Terms of the British Proposals.**

On Sunday afternoon, August 14th, the full text of the British Cabinet's proposals, the reply of the Ministry of Dail Eireann and a letter from Mr. Lloyd George commenting on the reply were released for publication and appeared in the Press of

Monday, the 15th. The proposals, it was then seen, did not offer Dominion Status to Ireland. They offered control over Taxation, Finance, Judiciary, Military and Police and other services, but six conditions were imposed which deprived Ireland of the most valued rights exercised by the British Dominions.

**The Six Conditions.**

The first condition reserved to the British Government control over Irish seas and ports: the second condition ordained that the Irish armed forces should conform in strength with those of Great Britain; the third condition retained to Great Britain control over Irish air services – military and civil; the fourth condition suggested a contribution to the upkeep of the Imperial Forces and "assumed" that the British War Office would be "permitted" to recruit for the British Army in Ireland: the fifth condition imposed compulsory free trade between Great Britain and Ireland; and the sixth condition stipulated that the Irish people should assume responsibility for a share of the National Debt and a liability for pensions arising out of the Great War.

The concluding paragraphs of the proposals declared the inviolability of the six counties of Ulster called "Northern" Ireland and presupposed that, until such time as the consent of North East Ulster was forthcoming, the proposals would not apply to Ireland as a whole, thereby making the acceptance of the proposals an acceptance of the principle of Partition.

**The Dail Ministry's Reply.**

The reply of President de Valera on behalf of the Ministry of Dail Eireann began with a confirmation of the view expressed by the President when the proposals were first handed to him – that they were unacceptable to the Irish people. The reply appreciated and accepted the implication in the proposals that Ireland was a separate nation and possessed the right of self-determination; pointed out that Dominion Status was not being offered to Ireland, and, having commented on the six conditions, stated that there was no intention to use force against Ulster, but added: "We cannot admit the right of the British Government to mutilate our country." The concluding paragraph of the reply stated that Ireland had no conditions to impose, no claim to advance but the one: that she be free from aggression. "The responsibility for initiating and effecting an honourable peace rests primarily not with our Government but with yours ... the road to peace and understanding lies open."

A letter from the British Prime Minister, dated August 13th, commenting on the reply, stated that the right of Ireland to secede from her allegiance to the King could never be acknowledged by the British Government. The proposals, Mr. Lloyd George said, were made in a sincere desire to achieve peace, "but beyond them we cannot go."

**North East Ulster's Sacrifice.**

The Press of August 15th also published a letter from Sir James Craig to the British Premier in which the leader of North East Ulster stated that he would not meet President de Valera until the "sanctity" of the existing "powers and privileges" of the "Northern" Parliament were admitted by him and he recognised that the Six Counties were independent of the rest of Ireland. North East Ulster, he said, having made the "sacrifice" of accepting self-government "had nothing left to give away." Even the British Press has commented strongly on the intransigence of the Ulster Unionist leader and his followers.

## **Public Session of Dail Eireann.**

On August 16th a public session of Dail Eireann, summoned to consider the proposals, met at the Dublin Mansion House amid scenes of great popular enthusiasm. At the first day's meeting the members took the Oath of Allegiance to the Republic and the President in his address, having reviewed the activities of Dail Eireann since its institution in January 1919, said the position of the Republican Parliament and Government was unchanged. They still denied that the British had any authority in Ireland and they stood by the principle of freedom and were ready to die for it. It was difficult to negotiate with Great Britain, he said, for the British Government stood by no principle. Their proposals were not just.

On the following day the public Session was resumed and the President considered in greater detail the British Cabinet's offer. "We cannot," he said, "and we will not, on behalf of this nation accept these terms." He exposed the fiction that Ireland was being offered Dominion Home Rule and with regard to Ulster reiterated his readiness to make considerable sacrifice to satisfy the sentiments of the minority. After the President's speech reports from the various departments were read to the House. The reports dealt with Home Affairs, Foreign Affairs, Finance, Defence, Local Government, Trade and Commerce, Agriculture, Fisheries, Labour, Irish Language and Publicity. The consideration of these reports was adjourned to private Sessions which were held on August 19th, 19th and 20th.

## **Threats of Force.**

In the British Parliament on August 19th, both in the House of Lords and House of Commons, Members and ex-Members of the British Cabinet speaking on the Peace Negotiations threatened Ireland—in the words of the Lord Chancellor – with "hostilities on a scale never undertaken before" if the Irish people refused to accept the terms. The British Premier described the proposals as being "the very limit of possible concession" of which "the outline cannot be altered nor the basis changed." And said measures "however unpleasant," will be taken if they were rejected. More significant was the implication in the Premier's speech that the "Treaty" mentioned in the proposals would, in effect, be merely a Home Rule Bill subject to discussion and amendment or rejection by the British Parliament.

## **Breaches of the Truce.**

On Wednesday, August 17th, the second day of the public session of Dail Eireann at the Dublin Mansion House, two British Secret Service officers were observed in the precincts of the building, watching the movements of Dail Members and I.R.A. officers. They were ordered away by a Republican picket who pointed out that their action was a grave breach of the truce. They went away but re-appeared later in the evening at the hour at which members were leaving the building. Another British Police detective was also observed in the crowd. All three were then arrested and taken into the Mansion House. On being searched one of the detectives was found to have in his pocket detailed descriptions of Republican officers. Mr. Duggan, Republican Liaison officer for Ireland, who was present in the Mansion House, communicated with Dublin Castle who sent, as their representatives, Mr. Cope, Assistant Under-Secretary, and Col. Edgeworth Johnson, Chief Commissioner of the Dublin Metropolitan Police. The detectives, after examination by these officials, were taken to the Castle. Mr. Duggan, in a statement

to the Press, pointed out that the presence of British detectives was a serious violation of the terms of the truce and especially of Articles 4 and 5, which read:-

" (4) No pursuit of Irish officers or men, or war material or military stores."

" (5) No secret agents, noting descriptions or movements of Irish persons, military or civil, and no attempt to discover the haunts or habits of Irish officers and men."

Mr. Duggan stated that reports had reached him nearly every day that British Secret Service agents were on duty outside the Mansion House and were also engaged in following Dail Eireann Members and others. Dublin Castle had, he said, been informed that this was taking place and had replied that the practice would be discontinued. It was not discontinued, and eventually it was found necessary to carry out the warning given to Dublin Castle that these agents would be arrested if they continued their activities. An official apology was published in the Press of August 18th, which stated that the detectives were "on leave" and treated the complaint in a facetious manner.

Another breach of the truce was reported from Enniscorthy, Co. Wexford, where on the night of the 19th, British forces removed a Republican flag from a National memorial and daubed the face of the statue with red paint.

No other breaches of the letter of the truce were reported during the week, but several dastardly attacks were made upon Nationalists by the Orange mob in North East Ulster, with the passive, if not active, connivance of the Ulster Special Constabulary, a force which a Belfast Jury declared in a verdict returned on August 19th upon one of their victims (a girl of 13 years) should not "in the interests of peace" ... "be allowed into localities occupied by people of opposite denominations."

On Saturday, August 13th, two Nationalist workmen in Belfast were set upon, beaten and shot at close range.

On the following day a Nationalist band party were ambushed near Coalisland, Co. Tyrone. One of the members, John O'Neill, was mortally wounded. Before his death he made a deposition before a District Inspector and a British Magistrate giving the name of his murderer and others who took part in the attack. None of these have yet been arrested by the Constabulary. At the inquest on O'Neill (held in Belfast on the 17th), no evidence was given as to the circumstances of the shooting, although a Juror declared that he believed the man was "foully murdered," and a verdict in accordance with the medical testimony was returned.

On Sunday night, August 14th, an orange mob made an organised attack upon a Nationalist quarter in Belfast City. The district was subjected to half an hour's rifle and revolver fire before the constabulary arrived.

One of the explanations of the frequent recurrence of these cowardly attacks is the encouragement to carry arms given to Unionists in Ulster by the leniency shown to them by British courtmartial officers and Magistrates. An instance occurred at Ballymoney, Co. Antrim, on August 16th, when two Orange men named J. MacMaster and J. Millen were found guilty of possession of arms and ammunition respectively. MacMaster was fined £2.10. for having a gun and Millen 2/6d for having ammunition. Republican soldiers on similar charges have been sentenced in Derry and Belfast to five years' ten years' or even fifteen years' penal servitude, and in the Martial Law areas have been executed.

## **Sentences.**

There were no courtmartial held during the week but two men were remanded in custody at Omagh on charges of damaging a bridge and levying war on Special Constabulary.

Eight sentences for political offences were promulgated. A member of the I.R.A. was sentenced at Mullingar to ten years' penal servitude for having a revolver and ammunition; another was sentenced at the same court to three years' penal servitude for possession of ammunition only. For refusing to sign on July 25th a recognisance order in which they were asked to declare themselves "loyal subjects of the King," three men whose courtmartial was mentioned in Review No. 19, were each sentenced to one year's imprisonment, three months of which were remitted.

The sentences aggregated 13 years' penal servitude, and 5 years and three months' imprisonment.

**END.**

**VOLUME 5. NUMBER 63.  
IRISH BULLETIN.  
MONDAY, 29TH AUGUST, 1921.**

**MR. LLOYD GEORGE'S LETTER  
OF AUGUST 26TH, 1921.  
SOME POINTS CONSIDERED.**

The reply dated August 26th of the British Prime Minister to President de Valera's letter of August 24th contains many misrepresentations, upon some of which we intend to comment in this issue.

The opening passages of the reply claim that the British proposals of July 20th are pre-eminently generous and confer upon Ireland control over "every nerve and fibre of her nation's existence." This is false. The proposals confer upon Great Britain unqualified control over Irish seas and Irish ports, Irish Air Services military and civil, and partial control over the bulk of Ireland's trade and a large proportion of Ireland's revenues and finances. (See IRISH BULLETIN of August 25th.) The British Parliament is to be superior to the Irish Parliament. The Royal Veto, obsolete in the case of the Dominions, would, under the proposals, be operative in the case of Ireland and could, undoubtedly be used to the detriment of Ireland's interest whenever these clashed with the interests of Great Britain. This cannot honestly be described as giving Ireland control over "every nerve and fibre of her nation's existence."

**The Fiction of Dominion Status.**

Mr. Lloyd George revives the fiction that Ireland is being offered Dominion status. "We can discuss no settlement," he says, "which involves a refusal on the part of Ireland to accept our invitation to free, equal and loyal partnership in the British Commonwealth, under one Sovereign." This may be intended as an extension of the offer of July 20th which laid down, not one condition, but six. Ireland was asked not only to accept the authority of King George but to surrender her authority over many matters essential to "free" and "equal" partnership in the Empire. It is more likely, however, that the phrase means nothing more than a persistence in the pretence that the terms offered to Ireland give her the status of Canada or Australia. Any one of the six conditions, to which the acceptance of the British Cabinet's "invitation" is subject, would be rejected with

scorn by the British Dominions, and the six taken together convert the so-called offer of Dominion status into ridicule.

**The False Analogy with America.**

Mr. Lloyd George reiterates the analogy he has so frequently drawn between Ireland and the Southern States of America during the Civil War. The analogy is false for two reasons. In the first place, Ireland never acquiesced in a union with Great Britain. The outstanding feature of her political history since this "Union" was imposed upon her has been an uninterrupted effort by her people to dissolve it. There can be no question of secession from a position never occupied. The Southern States, having voluntarily accepted and acquiesced in the Union of the American States, the word "secession" may rightly be applied to their case. In the second place, the secessionists in the Southern States were of the same race and nation as those from whom they attempted to secede. In Ireland's case, Mr. Lloyd George in his letter recognises the "great differences of character and race" between the British and Irish peoples, and the proposals of July 20th admit that Ireland has a distinctive language and culture, and accept the fact that Ireland's national traditions and ideals are not those of Britain. Abraham Lincoln's words, which Mr. Lloyd George quotes, have their true application to the effort of North East Ulster to secede from the Irish nation.

**Carefully Selected Quotations.**

Mr. Lloyd George quotes carefully selected phrases from carefully selected Irish leaders of the last century and a half. During that period the Irish people desired national freedom as ardently as they do now, and they made four attempts to gain that freedom by force of arms. These armed risings were the expression of the national determination to overthrow the foreign government. But the Irish people suffered not only from foreign government but also the fact that that government inflicted upon them intolerable conditions, and, irrespective of the unbroken movement for national freedom, there were political movements for the amelioration of these conditions. The people, who supported Daniel O'Connell in his struggle to win Catholic Emancipation, and later to win Repeal of the Union, worked for these as immediate objects, recognising that national freedom was the ultimate aim. Thomas Davis, in his letter to the Duke of Wellington quoted by Mr. Lloyd George, was seeking immediate amelioration of the conditions of the people. But Thomas Davis in national politics was a separatist and the "Young Ireland" movement of which he was the "fervent exponent" revolted against O'Connell for the very reason that O'Connell, by such speeches as that quoted by Mr. Lloyd George, compromised the ultimate object of sovereign independence in his endeavours to obtain the immediate reform. Parnell is mentioned but not quoted by the British Premier. Parnell's policy was to obtain a reform which was urgently necessary, a partial reform called "Home Rule". But when asked was that partial freedom to be a final settlement he said at Cork on January 21st 1885:-

"We cannot, under the British Constitution, ask for more than the restitution of Grattan's Parliament, but no man has a right to fix the boundary of the march of a nation. No man has a right to say: 'Thus far shalt thou go, and no farther': and we have never attempted to fix the ne plus ultra to the progress of Ireland's nationhood and we never shall."

And that phrase is the one which has lived and has been accepted as defining Parnell's national position. The other



leaders from whose speeches Mr. Lloyd George quotes are also remembered by phrases such as his. Grattan said:-

“A country enlightened as Ireland, chartered as Ireland, armed as Ireland and injured as Ireland, will be satisfied with nothing less than liberty.”

O’Connell at a meeting of Catholic democracy in Dublin on January 13th 1800 said:-

“Let every Catholic who feels with me proclaim that if the alternative were offered to him of Union or the re-enactment of the Penal Code in all its pristine horrors that he would prefer without hesitation the latter as the lesser and more sufferable evil, that he would rather confide in the justice of his brethren, the Protestants of Ireland, ..... than lay his country at the feet of foreigners.”

Thomas Davis wrote a short time before his death in 1845:-

“And now, Englishmen, listen to us: Though you were to-morrow to give us the best tenures on earth . . . though you were to disencumber us of your debt and redress every one of our fiscal wrongs – and though in addition to all this you plundered the treasuries of the world to lay gold at our feet, and exhausted the resources of your genius to do us worship and honour, still we tell you, - we tell you in the name of liberty and country - we tell you by the past, the present and the future, we would spurn your gifts, if the condition were that Ireland should remain a province. We tell you and all whom it may concern, come what may - bribery or deceit, justice, policy or war - we tell you in the name of Ireland, that Ireland shall be a nation.”

“Government by the Consent of the Governed.

In the concluding passages of his letter Mr. Lloyd George says:-

“We consider that these proposals (of July 20th) completely fulfil your wish that the principle of ‘government by the consent of the governed’ should be the broad guiding principle of the settlement.”

Ireland has, in three successive plebiscites, with steadily increasing majorities, declared the manner in which she wishes to be governed. In the General Election of December 1918 the Irish people voted in a majority of seventy per cent for complete independence. In the local elections of January and June 1920 the policy of independence was supported by seventy-five per cent of the people, and in May 1921 eighty per cent of the nation desires to be governed by its own people without outside interference or imposed authority of any kind. The proposals of the British Government ignore this thrice-declared expression of the national will. In opposition to it they expressly state that Ireland shall be subject to the authority of the Imperial Parliament and shall not control services upon which the national welfare in a great part depends. Moreover, they imply that Ireland is not a whole but two broken pieces, and a denial by the National leaders of the historic unity of Ireland is implicitly made a condition of the acceptance of the proposals themselves.

### **The Essential Unity of Ireland.**

Mr. Lloyd George, in his letter, disregards this fact, that his proposals presuppose a dismembered Ireland. But his speech at Barnsley on August 27th, in which he referred to “Southern Ireland” shows that Partition is still the policy of his Cabinet. No Irish leader can accept the dismemberment of Ireland. Grattan, O’Connell, the Young Irelanders, Butt and Parnell would have scornfully rejected any such proposal. Even the Irish Unionists never until this generation contemplated Ireland as two separate entities. They do so now unwillingly: Sir James

Craig himself describes “Ulster’s acceptance of the “Northern Parliament” as a “sacrifice”. The leaders from whose speeches Mr. Lloyd George quotes regarded the national integrity as unquestionable. It remains unquestionable for the Irish leaders of to-day.

**END.**

## **VOLUME 5. NUMBER 64. IRISH BULLETIN. TUESDAY, 30TH AUGUST, 1921.**

### **THE FALSE ANALOGY WITH AMERICA.**

The British Premier never loses an opportunity of comparing his position with that of the famous American President Lincoln, and of justifying his own war upon the liberties of the Irish people by the precedent which he alleges to have been set by Lincoln in the American Civil War of 1861-5. In yesterday’s issue of the IRISH BULLETIN we referred to this question but below we give a detailed consideration of it.

Mr Lloyd George has always felt it necessary to thwart the natural sympathy of the American people towards Ireland and to enlist it upon the side of Great Britain. Every important speech he has made on the Irish Question in recent years has drawn a parallel between the Southern States of America in their armed effort to secede from their American Commonwealth and Ireland in her effort to escape from the rule of Great Britain, to the exclusion of all the innumerable parallels which would naturally suggest themselves from the history of subject states and military empires.

Lincoln, one of the noblest of statesmen, would turn in his grave to hear himself made responsible for the tyrannies and barbarities which have disgraced British rule in Ireland. He would recognise no parallel between Ireland and the Southern States; for no parallel exists. That is not to say that the present situation in Ireland suggests no analogy with the American Civil War. There is an analogy, and a close one, between the attempted secession of North East Ulster from the Irish state and the attempted secession of the Southern States from the Union. Let us take the false analogy and the true analogy in turn.

### **The Position of the Southern States.**

What was the position of the Southern States of America? They were equal partners with the Northern States in a federation freely formed by the consent of all. That they were willing to enter into a joint association of common interests was due to the fact that all their inhabitants, North and South, were of common race and origin speaking the same language, owning the same culture and inspired by the same traditions. All these communities were British colonies, and until the common instinct of self-defence against English tyranny impelled them towards federation, held no political relations with one another but looked to England alone. Freed finally from England by their War of Independence they formed that close federal union among themselves which is embodied in the famous Constitution which was a free democracy with a Parliament of its own and unrestricted freedom of choice in agreeing or refusing to enter the Union. The choice was a matter of long and mature consideration and, when it was once made, might well be held to be as binding as any compact man can devise. Lincoln and the Northern States took the view that to break this compact was a defiance of legitimate authority and an act of civil war.

Whether they would have taken this view in all possible circumstances and without any regard to the cause of dissension between the South and North no one can say. But the cause of dissension was such as to make their determination to resist secession in arms inevitable. The Southern States wished to maintain the institution of slavery. The Northern States determined utterly to abolish it within the limits of the Union. There was no question of strategic unity or military domination. Lincoln never said that the “geographical propinquity” of the South made it necessary for the North to hold the South under its military control. He never said that the economic interests of the North compelled it to retain the South against its will in an economic union. His action was dominated by a nobler principle, namely that a social institution which he and the citizens of the North believed to be incompatible with a Christian civilization should not be allowed to maintain itself in the North American Continent. This great motive gave him redoubled power to insist on the sanctity of the Constitution freely subscribed to only eighty years before by every individual state. The Southern States took a different view and upheld it in arms against the North in a long and bitter struggle. They were beaten and acknowledged their defeat. The issue of slavery disappeared from American life. The Southern States resumed their allegiance to the federal union and have never since shown any sign of changing that resolution. The Union lives unshaken, and perhaps even strengthened, by the supreme ordeal which it met and survived.

### **No Parallel With Ireland.**

Where is the parallel with Ireland? We search in vain for a single element of likeness. England and Ireland, so far from being offshoots from a common stock were absolutely distinct races of which Ireland was the more ancient, with distinctive languages, cultures and traditions. For more than seven centuries they have been in constant conflict: Ireland, the weaker nation, refusing to submit to the domination and conquest of England, the stronger nation. For a short period in the latter part of the eighteenth century there was a close parallel between Ireland and the American Colonies regarded as a whole, both simultaneously coming to a crisis in their contest with England. America won the battle: Ireland, after a moment of illusory triumph, lost it. All the American states coalesced in a voluntary partnership based on the free consent of free democracies. At no moment in history had there ever been a question of free union between Ireland and England. The so-called Union of 1800 was founded, as nobody denies, on force and corruption. Every generation rebelled against it in arms and in our own time, when the Irish people at last emerged from the fearful economic prostration of the nineteenth century – prostration which was the direct result of bad English laws – and a young generation grew up which had the physical strength and the moral courage for revolt, the old challenge to British rule has been renewed in a veritable War of Independence.

One last point of contrast. Lincoln’s motive was to purify human society of a disease which threatened its existence. Mr. Lloyd George’s motive is to stereotype and justify a principle closely allied to slavery and as surely destructive of civilised human relations, namely that strategical interests override national rights. Europe would be a perpetual Armageddon if that principle were countenanced by the opinion of the world.

### **The Parallel between the Southern States and “Northern Ireland”.**

If the attempt of the Southern States to secede from the American Commonwealth has any parallel on this side of the Atlantic it lies in the attempt to mutilate Ireland by separating from her the six North Eastern counties. The only faults in the parallel are such as strengthen the case, already strong enough, against the British Government. The Southern States were states with definite boundaries. North East Ulster is an integral part of Ireland geographically, economically and by tradition. Her frontier has been artificially set within the last few months not by the people of that area, but by an external power which defined her boundaries without reference to the desires of the people and in fact in opposition to them.

There is little political resemblance between the Southern States of America and this small area artificially carved out of the body politic and given the absurd name of “Northern Ireland”. Until six months ago no one in this area had dreamt of its forming a separate state with a separate parliament. And the acceptance of that status is now described by those who accepted it as a “sacrifice”. Two of the counties in this artificial area are vehemently opposed to the democratic majorities to inclusion in it. The dissentient minority in the six taken together is thirty-three per cent and the rule of the majority has been sustained by a military terror hardly less repulsive in its incidents than that which has existed in the rest of Ireland. We seek in vain for a real resemblance between the constitution of this strangely created province and any Southern American State or the group of States forming the Southern Confederation. Any right to secede which these States may have possessed was at any rate based on the fact that they were homogenous units whose frontiers and Governments had existed ever since the States themselves came into existence.

### **North East Ulster an Integral Part of Ireland.**

The resemblance lies not in any of the reasons that might be advanced in support of the claim of the Southern States to secede but in those grounds upon which secession was opposed. North East Ulster is historically part of the Irish nation, her people are Irish people and acknowledge Ireland to be their country, her tradition is the Irish tradition, she is a part of a single geographical unit, she has never disputed her inclusion within the frontiers of Ireland, she has occupied and accepted through her history the position of an integral part of Ireland under the same unified laws and the same unified administration. Yet North East Ulster claims the right to secede and Mr. Lloyd George supports her right to secede with all the force at the command of the Empire of which he is the head. The same Mr. Lloyd George claims the right to exterminate the Irish people rather than allow them to secede from an unnatural union based solely on force.

To buy books and pamphlets published by  
Athol Books,  
The Aubane Historical Society,  
And  
The Belfast Historical and Educational  
Society  
Go to  
[www.atholbooks.org](http://www.atholbooks.org)  
(Please use Firefox, Safari, Chrome)