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offered up as a sacrifice for the perpetuation of power for the Liberal party. *Since the industrial home.*

What is wanted for the next election is one or two central ideas for the political inertia of at least one half of the population must be recognised. What is wanted is strategy that will get you the benefit of that inertia or at least have it not count against you. One central idea is the incompetence, selfishness and non-morality of the King Government; and another is that salvation from our economic impasse might come easiest from close cooperation with the other units of the British Commonwealth. Baldwin is evidently going to move very slowly in the direction of any preference. I can see the opposition of the immense British interests in the Argentine shewing its hand. I imagine there is as much British capital invested in the Argentine as in Canada; the Rothschilds, the Barings and many of these big London houses have large investments in all the South American countries and their political influence is very great, especially with a Conservative party to which most of them belong. The shipping interest which derives great profits from the South American trade would also be opposed. The fact is that if the British Labour party were to lay aside its internationalism and tackle a real Imperial economic policy, it would have more chance of securing results than any other party would. It would not be afraid of offending vested Argentine interests, who if the Tories did anything to annoy them would cost them seats next election in Liverpool, Bristol etc by going over to the Liberals and for proposals which emanated from a Labour party we might get the cooperation of our western radicals. Christie writes me that while he is dubious about the possibilities of any real reorganisation of the British Empire in the immediate future and foresees enormous difficulties, yet he thinks that the straits in which all the British communities find themselves makes the ground more favourable than it was some time ago. It is probably not time to formulate any definite policy but what can be done is to begin turning the public mind in that direction.

But ~~reorganisation is impossible~~ reorganisation of it comes should be done comprehensively. I see in the Manchester Guardian an account of a scheme for a great nationwide cartel of all the steel industries of the continent of Europe. Why should there not be organised similar industrial cartels in all industries for the British Empire. Take the waterlogged British Empire Steel Corporation. Has it any chance of evading bankruptcy in its present course but would it not emerge to prosperity as part of a real British Empire steel cartel which would bring to it as a reinforcement the accumulated capital and brains of the British steel industry. If we got some such cartel organisation set on foot, the competition of the great American and German trusts could be met. A good tariff fence could be maintained round the British Empire and the need for barriers between the different units except for revenue purposes would disappear. Trusts may have their ~~bad features~~ evil features but in my view they are like political parties, neither good nor bad; they take their color and character from the forces that control them and in proper hands they can be made a very beneficent instrument.

I hope Mrs Reford and her allies are really doing something to organise such a movement as I wrote about. There are lots of rich young men in Canada and poor young men as well who ought to be dragged into it and made to give some time to public work. I knew Jim Macdonnell had something like it in mind and probably he is involved in it.

I have been making some inquiries about the raisin situation here and I enclose what is the gist of a letter I received from the Sunmaid Raisin Growers Association at Fresno. Dafoe is very dubious about this raisin tariff and has agreed to publish a letter from me exposing it.

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