Our London Letter.

(Special Correspondence, Journal of Commerce.) London, December 6th, 1913.

The first practical step to be taken by the British Government toward carrying out its great scheme of land and housing reform is the provision of rural cottages. The necessary capital is available in the presence of the National Insurance Reserve Fund of now ten millions sterling; and this will be turned to cottage building without waiting for the construction of any new legislative machinery. But the most remarkable thing about the matter is the way in which the proposal is received by all classes Prominent members of the Opposition in speech after speech have lately admitted the necessity even the alternative means they suggest do not differ very widely from those proposed by the Government. And more than all, it is being re-alised that this provision of adequate housing for the rural population will automatically lead to other deeply necessary reforms. If within the next few years the Government carries out its purpose to provide at least 120,000 new cottages in country districts, the farm workers will not feel themselves so inextricably tied up to the employers whose cottages they now occupy on sufferance. There will be room to accommodate more labor, and the shortage is now pressing. The better cottages will mean better health, and the better rearing of families; and these things in themselves will help to raise the spirits of a depressed class of labor, so that they may begin to claim better remuneration even before the State is ready to legislate in their behalf. Another important revelation that has followed the announcement of the Government proposals is that employers on the land are really addicted to the paying of low wages more from habit than from choice. Good farmers who would willingly pay their men better do not care to do so because they dislike to break away from the local customs and run the risk of offending neighbouring employers. It is indisputable that thousands of farmers who still keep to the bottom scale could very well afford to raise it. I believe you will find that the mere discussion of the project will have the effect of increasing the rate of pay in very many places. The truth is, the employers of this wretchedly paid class are beginning to feel just a little ashamed of themselves. what public opinion has achieved already

Imperialism and Political Parties.

More than once I have asked your readers to bear in mind the important fact that both the great political parties here deserve the full confidence of the overseas Dominions. It has been the fashion to pretend that Imperialism is a virtue belonging to only one of them. Mr. Herbert Samuel, the Postmaster General, who not long ago returned from a visit to Canada, made a notable addition to the evidence on the other side in a speech this week. He declared that the social policy of Liberalism was a real Imperial service, and that it was the duty of Liberals to see that "here, at the heart of the Empire," our own civilisation should be "maintained at the highest level." In practice, "the best service the Mother Country could render to the Dominions was to manage the foreign relations of the Empire soberly and successfully, to maintain peace, to abstain from aggressive tendencies in foreign relations, and to keep armaments at a point at which they were adequate without being

exaggerated." It was significant, also, that he should have foretold a time the Dominions would desire to exercise control over those high matters of Imperial policy which so vitally concern them, "and would not be content with merely influencing the men who exercised the control." All this indicates that Liberal opinion in this country is not what it has been represented to be. Indeed, a profound change has come over the party in this respect, perhaps because it is no longer considered necessary that Imperialism should be aggressive. The days of conquest appear to be over; the days of development have come; and although, as Mr. Samuel said, "no statesman would press forward this question of an Imperial Constitutional Union before it was fully ripe," there is no doubt that it is ripening rapidly, and ripening, too, under the influence of Liberal Statesmanship.

There is one word to be said about the Navy development. Ever since Mr. Winston Churchill represented the Admiralty in the Cabinet a powerful section of the Liberal Press has rather savagely attacked his policy. His invitations to Germany to join us in taking a "naval holiday" have been called insincere; he has been accused of over-feeding his "pet;" and, in short, has been regarded by not a few Liberals as an aggressive and wasteful administrator. I cannot find that this opinion is very widely held, or that is is growing; though there certainly is a fairly general feeling that Mr. Churchill is as much a Conservative as a Liberal. Out of this has grown the absurd suspicion that Mr. Churchill will go over to the Opposition, who badly need a leader of ability and character. As to the Press campaign, it may be said that the principal newspapers engaged in it are all under one proprietorship. The Churchill rumors should therefore be heavily discounted in arriving at an estimate of the political situation in this country.

Reduced Armaments.

Nevertheless, the opinions that have found public expression represents a deep conviction that is spreading throughout the nation. Many members of the Opposition share that conviction with the supporters of the Government. It is felt that the time is more opportune than for a long while past for some international step in the direction of reduced armaments. On the continent of Europe the governments are faced with financial problems of unexampled difficulty. They know—as we know—how impracticable it is to add year after year to the national expenditure; there are definite indications of a decline in commercial activity; and never before has there been so general and so profound a demonstration of unrest and dissatisfaction among the populace. The international organisation of Labor is partly responsible for this pronounced and unanimous expression of determination that the waste of warlike preparations shall cease. If the desires of the working classes are to be met, governments must spend less on arms and more on reforms; there must be a redistribution of the proceeds of labor. So much is this now felt to be the case that a strong appeal is being made to the British Prime Minister, Mr. Asquith, to make the first move toward an agreed reduction in the rate of expenditure. The fear of war in Germany-never very sincerely held and always aided by the intrigues of the armament press-now no longer affrights the British nation and Mr. Asquith has himself recently spoken in such a way as to show that he, too, shares in the belief that something can be done

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