CONCLUSIONS of a Meeting of the War Cabinet held at 10 Downing Street, S.W. 1, on Thursday, April 15, 1943, at 5.30 P.M. 

Present:
The Right Hon. WINSTON S. CHURCHILL, M.P., Prime Minister (in the Chair).
The Right Hon. C. R. ATTLEE, M.P., Secretary of State for Dominion Affairs.
The Right Hon. Sir JOHN ANDERSON, M.P., Lord President of the Council.
The Right Hon. OLIVER LYTTELTON, M.P., Minister of Production.

The following were also present:
The Right Hon. Sir KINGSLEY WOOD, M.P., Chancellor of the Exchequer.
The Right Hon. Sir ARCHIBALD SINCLAIR, Bt., M.P., Secretary of State for Air.
The Right Hon. Sir STAFFORD CRIPPS, K.C., M.P., Minister of Aircraft Production.
The Right Hon. R. S. HUDSON, M.P., Minister of Agriculture and Fisheries.
The Right Hon. Sir WILLIAM JOWITT, K.C., M.P., Minister without Portfolio.

The Right Hon. ANTHONY EDEN, M.P., Secretary of State for Foreign Affairs.
The Right Hon. ERNEST BEVIN, M.P., Minister of Labour and National Service.
The Right Hon. HERBERT MORRISON, M.P., Secretary of State for the Home Department and Minister of Home Security.
The Right Hon. VISCOUNT CRANBORNE, Lord Privy Seal.
The Right Hon. THOMAS JOHNSTON, M.P., Secretary of State for Scotland.
The Right Hon. HUGH DALTON, M.P., President of the Board of Trade.
The Right Hon. LORD WOOLTON, Minister of Food.
The Right Hon. LORD CHERWELL, Paymaster-General.

Secretariat
Sir EDWARD BRIDGES.
Mr. NORMAN BROOK.

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1. THE War Cabinet had before them a Memorandum by the Minister without Portfolio (W.P. (43) 103) submitting, on behalf of the Committee on Reconstruction Problems, a Report on Post-War Agricultural Policy prepared by the Agricultural Departments. The Committee on Reconstruction Problems (three Ministers dissenting) invited the War Cabinet to give authority for discussions to be opened on the basis of the Report with agricultural interests in this country, and in due course with the Dominions and India, on the understanding that no financial commitments were implied.

The War Cabinet also had before them a Memorandum by the Home Secretary and Minister of Home Security (W.P. (43) 152) suggesting that discussions with outside interests ought not to be initiated until the general lines of policy had been broadly agreed, and setting out a number of questions of substance which, in his opinion, needed further study before agreement could be reached on the policy to be adopted.

The first issue raised in the discussion was:

*Whether it was expedient that discussions with the agricultural interests should be initiated at this stage.*

The War Cabinet were informed that this procedure was suggested in the hope that it would be possible to guide the farmers into accepting a moderate post-war agricultural policy which would not conflict with the commercial policy which we might wish to adopt after the war. If left to themselves, the farmers would probably formulate more extravagant demands. It was not intended, at this stage, to enter into any financial commitments; the discussions would be exploratory and provisional, and final decisions would be reserved until such time as the Government were in a position to review all reconstruction projects as a whole.

In his statement on the 1st December, 1943,* the Minister without Portfolio had indicated that Ministers would probably be ready to open discussions with the farmers early in the spring of this year; and it was believed that the prospects of securing general agreement on a policy on the lines indicated in the Report would be favourable at the present time. Moreover, there were numerous technical problems which called for detailed discussion with the agricultural interests. The difficulties of the hill-sheep farmers were mentioned in this connection. These discussions would necessarily be protracted; and on this account it was important that they should be started soon.

In discussion the objection was raised that in practice satisfactory discussions with the farmers could not be carried on if all questions of finance and prices were reserved. It might be argued that the views of the farmers could be obtained on the general principles underlying the Report, viz., a system of mixed farming together with close public control of farming operations. But if there was to be no commitment about prices, why should the farmers accept the restrictions proposed without knowing what they were to receive in return. Would not the negotiations reach a stage at which either some assurance on finance would have to be given, or the discussions would break down?

The general view of the War Cabinet was against opening discussions with the farmers at this stage.

The second main issue raised was as follows:

*If discussions were initiated with the farmers on the basis indicated in the Report, would this not be inconsistent with the Government’s general policy (as announced in the Debate on the Beveridge Report) that financial commitments in respect of schemes of post-war reconstruction could not be accepted until it was possible to make some general forecast of the financial implications of post-war policy as a whole?*

*Official Report, Col. 1035.
† Official Report, 16th, 17th and 18th February, 1944.*
It was urged that the procedure now proposed was not inconsistent with the attitude taken by the Government in respect of the Beveridge Report; for the suggestion was that certain proposals should be accepted in principle, but that final decisions should be reserved, and, in particular, that no financial commitment should be accepted.

On the other hand, it was argued that the procedure now suggested differed in two respects from that followed in regard to the Beveridge Report. First, it was proposed that the Government should take the initiative in entering upon discussions which were bound to become public. In the case of the Beveridge Report, public discussion and a declaration of the Government's policy had been made inevitable by the publication of the Report and the publicity which it had attracted. Secondly, the present proposal involved discussion with interests directly affected by the policy.

The general feeling of the War Cabinet was that, once these discussions were begun, it would be very difficult to avoid being forced into a position in which the claims of agriculture would have to be considered in advance of the general review of all post-war reconstruction projects. The War Cabinet took the view that, before being discussed with outside interests, proposals for post-war agricultural policy must be considered by the Reconstruction Priorities Committee and placed in perspective together with all the other claims on the Exchequer likely to arise from post-war reconstruction projects.

Discussion then turned on various points as to the merits of the scheme set out in the Report. The following were the main points raised:

(a) It should be an object of policy to prevent our agricultural industry from falling into the depressed state which had characterised the inter-war period and to maintain a healthy and well-balanced agriculture. No dissent was expressed from the view that to achieve this object it would be worth our while to undertake expenditure up to a sum of the order indicated in paragraph 4 of W.P. (43) 103, provided, of course, that the necessary funds could be made available.

It was further agreed that every endeavour should be made to formulate a post-war policy for agriculture which had the full support and agreement of all three political parties.

(b) It was, however, suggested that there should be a clearer conception of the objective of our agricultural policy than that given in the Report, in which primary emphasis was laid on maintaining all reasonably good agricultural land in a state of fertility and productivity. If help was to be given to the agricultural industry, this would have to be justified rather by relation to such principles, as for example, nutritional standards, the provision of food for the people with fair conditions to the producers, or a saving of foreign exchange.

(c) Reference was also made to the problem of distribution. Several Ministers emphasised that consideration should be given, as an integral part of our post-war agricultural policy, to the problem of promoting increased efficiency in marketing, processing and distribution. The Ministry of Food had been asked to put forward proposals on this subject in collaboration with the Agricultural Departments.

(d) It was also pointed out that the scheme proposed contemplated in the post-war period an increase in our arable acreage of about three million acres as compared with our pre-war arable acreage, and that if, under the system proposed, prices were to be fixed at a level to give a fair remuneration to the farmer on the products grown on
marginal land, this would mean paying prices higher
then were necessary in respect of the products grown on
better land. In reply to this it was stated that the
scheme was based on the maintenance of the fertility
and productivity of "all reasonably good agricultural
land," and not of marginal land.
(c) Reference was also made to the difficulties which land-
owners experienced, owing to heavy taxation and death
duties, in fulfilling their functions. The question was
raised whether the proposals in regard to a Land
Commission went far enough to meet these difficulties.

The War Cabinet's decisions were as follows:—
(1) It would be premature to authorise discussions at the
present stage with the agricultural interests in this
country on the basis of the proposals set out in
W.P. (43) 103.
(2) The Chairman of the Reconstruction Problems Com-
mittee was asked to arrange for the scheme to be re-examined,
and for revised proposals to be formulated with a view
to meeting the points raised in discussion.
(3) These revised proposals should be submitted—
(a) In the first instance to the War Cabinet, who would
determine whether a scheme on the lines proposed
was acceptable.
(b) Thereafter to the Reconstruction Priorities Com-
mittee, who would take the scheme into account
as part of their general review of the claims likely
to be made on the Exchequer after the war.

2. The War Cabinet took note of a Memorandum by the Prime-
Minister (W.P. (42) 613), covering a Note by the Agricultural
Ministers epitomising the results of their labours on the land.
The War Cabinet asked that a formal expression of their
approval should be conveyed to the Ministers concerned, and asked
that they in turn should make this known throughout their Depart-
ments, and among their voluntary assistants.

Office of the War Cabinet, S.W. 1,
April 15, 1943.