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Great Britain's Remarkable Recovery

By THOMAS L. ROBINSON
Publisher, The News

(Editors' Note: This survey of Britain's postwar economic progress is the last in a series of nine editorial page articles by the publisher, based on visits to the major capitals of Europe.)

IN THE bright days of autumn as the harvest—luxuriant, rich and abundant—creeps northward across the British Isles, economists and historians are recording a modern miracle. It is the dramatic economic recovery of Great Britain from the backwash of total war.

No longer is Western Germany monopolizing the spotlight. In many ways, the United Kingdom's gains have been more striking than the highly publicized comeback of the defeated Reich. The sheer volume of output sheds strong light on what the free world can or cannot hope for in its struggle for survival.

The miracle started with VE-Day in 1945. It has not ended yet. The massive force known as technology is Britain's secret weapon. It is the island kingdom's antidote for the stark and elementary realities of hunger, the disquietude springing from Cold War pressures, the specter of dwindling energy in desperate times.

Production per head expanded twice as fast in Western Europe as it did in the United States between 1947 and 1952. Much of this expansion is credited to Western Germany. But Britain had a far larger share in swelling the statistical picture than she is generally given credit for.

For example, in 1947 the United Kingdom and the Scandinavian countries had already reached or surpassed the prewar level of per capita output, whereas countries now forming the European Coal and Steel Community, taken as a group, were still more than 25 per cent below 1938. Western Germany did not regain the 1938 level of per capita production (much less than the 1938 mark) until the end of 1949 and Italy was still 25 per cent below 1938 in 1949.

Germany did not surpass the 1938 mark until 1952.

The economic position of Britain—so vital to the free world—is worth considering in some detail. The United Kingdom's national economy offers to the rest of the globe one of its most concentrated markets. There are 540 people to every square mile—11 times as many as in the United States—and their standard of living is among the world's highest.

But just about half of Britain's food is imported. The people grow no cotton, rubber or jute, process no economically workable deposits of aluminum, lead, copper, tin or zinc and import four-fifths of their wood and wool. The nation that invented steel can now supply only half of its needs of iron ore, and the pioneer of the jet engine buys virtually all its crude oil from abroad.

Yet the national economy of Britain, using as it does many imported supplies, is itself the second largest supplier of the world's needs of machinery, electrical apparatus and vehicles; of fine quality textiles and pottery; of coal, chemicals and cutlery; of whisky, jet aircraft and fertilizers. About half of the world's trade is conducted in its currency, and in London are held the gold and dollar reserves of the sterling Commonwealth and other sterling countries.

THE United Kingdom's rapid progress in switching its economy from a wartime to a peacetime footing is an amazing tale. Industrial production has climbed 50 per cent since 1946, when it was at about the prewar level. It rose some 8 per cent a year and by 1950 was nearly a third higher than in 1946. Bigger than average gains were shown by shipbuilding, electrical goods and vehicle industries. Supported by rising production, exports made swift progress—from an half-of-the-war volume of about half the prewar volume, they had overtaken prewar figures by 1947. The swift rise continued until 1950 when the volume was nearly two-thirds greater than in 1947.

In national income per head—which is a very approximate measure of the standard of living—the United Kingdom ranks today in the second group to the top together with Norway, Sweden, Denmark, Switzerland, Australia and New Zealand. (Only the United States and Canada are in the top group.) From 1948 to 1953 the United Kingdom's gross national product—equivalent to the national income plus depreciation—is estimated to have risen in real terms at the rate of about 3 per cent a year. As a result, in 1953 the real national income was about 15 per cent higher than in 1948.

The nation's capacity for producing steel, chemicals and capital goods has increased tremendously since the war. And among its currently most successful exporters are industries which, before the war, played little or no part in United Kingdom trade. Aircraft, radar equipment, agricultural tractors, office machinery and petroleum products are examples of this development. Among the older industries, the motor trade has given an outstanding illustration of the

possibilities of export expansion. Pre-war income has been maintained, meanwhile, in such industries as wool goods, pottery and bicycles.

Industrial production as a whole was higher in 1953 than ever before—and about 6 per cent higher than in 1952. Steel production was again a record (the target of 17 1/2 million tons was exceeded). With the abandonment of restrictions on home sales, more than 150,000 more cars were made in Britain than in 1952. The building trade of 300,000 homes was exceeded. Output in the chemical and textile industries—which shared the world recession of 1952—recovered in 1953. Net output in agriculture in 1952-53 was 52 per cent above the prewar level and for 1953-54 is estimated at 56 per cent higher. Unemployment was at the very low figure of 1 1/2 per cent of the total civil employment.

Meanwhile, economists report that one U. S. dollar exchanged into pounds sterling at the normal rate and spent in the United Kingdom on the same pattern as expenditure in the United States, would buy about 25 per cent more than in the United States.

Drew Middleton, chief of the London bureau of the New York Times, is one American correspondent who has watched and gauged the astounding recovery of Britain following World War II. In these six vital fields, he told me, the United Kingdom has outdistanced Western Germany:

Employment, steel production, exports, coal production, automobiles and electrical equipment.

British government economists I talked to added still more areas of United Kingdom supremacy—aircraft, atomic energy and new products.

The proof is contained in great bundles of statistics only now beginning to be unraveled for the whole world to see. For instance, between 1950 and 1952 Western Germany rapidly increased her exports to a level of over 40 per cent higher, by volume, than before the war. But during the same period, the United Kingdom increased her exports 50 per cent.

IN TERMS of production and exports, the most important British industries are the metals and the chemical group.

As for metals, iron and steel are the basic materials. Actually, Britain pioneered the application of coal to the smelting of iron ore from the 17th century. The United Kingdom's technical development which led to the great expansion of steelmaking in the second half of the 19th century. Today Britain is the world's third largest producer (after the United States and the Soviet Union) and is renowned for the quality of its special and alloy steels. In 1953, steel production totaled 17.6 million tons—12 million tons more than the previous year.

Aircraft exports—including parts other than tires—reached a value of \$13 million pounds sterling. (182 million dollars, one pound equals \$2.80) in 1953. British contributions to aeronautical science have been numerous, by the way. They date from the early 19th century, when Sir George Cayley founded the science of aerodynamics to the 20th century when the use of a jet turbine for jet propulsion granted a patent in 1930 came to fruition with the flight of the first jet-propelled aircraft May 15, 1941. Since World War II, the United Kingdom's aircraft industry has built over 1,000 commercial transport planes for buyers at home and abroad. It has concentrated mainly on the development of jets.

Britain's fast-growing electrical engineering industry has become the largest group of exports totaling 179 million pounds sterling last year. Output was valued at 310 million pounds in 1948 and 750 million pounds in 1953. Whisky is one of the United Kingdom's largest single dollar earners. Exports in 1953 were valued at \$77 million pounds—and over half of these exports went to the United States. The big demand is for Scotch.

Another important feature of Britain's postwar economy is the expansion of exports of new types of commodities to meet new and growing needs. In many cases, these newly-developed industries are based on inventions or discoveries made during or after World War II. In other cases, the research had been done before the war but production on a commercial scale was not undertaken until later. Radar television equipment, penicillin and new textiles are examples of these new industries.

All these "growing points" of Britain's economy have required a great deal of research, capital investment and skilled manpower for their successful development. Their rapid growth—and their success in the export trade—is an illustration of the way the United Kingdom economy is adapting itself to the changing patterns of world conditions.

In a world of compensating factors, the youngster's sigh of regret on returning to school is matched, volume and incidence, by mother's sigh of relief.—S. LOUIS GLOBE-DEMOCRAT.

'Pleased To Meet You, I Think'



HERE LOCK... DID RE-RELEASED POST

H-Bomb Hassle

Was Teller's Bomb A Dud?

By JOSEPH & STEWART ALOP

ANDERSON. As ranking Democratic member of the Joint Congressional Atomic Energy Committee, Anderson should also know what he is talking about.

Asked to comment on the Shepley-Blair book, Anderson said: "I wish that the AEC would remove from its classified character the report of what happened to the bombs designed by Dr. Teller and the Livermore Laboratory. The authors' remedy have asked the AEC how Dr. Teller's thermonuclear bombs have thus far exploded."

The conclusion is obvious. The "New Mexican," the astutely edited newspaper which serves Los Alamos, drew it. Anderson's statement, the well-informed "New Mexican," noted, "most nearly says what informed Los Alamos opinion has left unsaid is that the Teller-Livermore version of a hydrogen bomb designed a dud."

There is nothing shameful about this. Although, as far as is known, there has never been a previous failure in the many AEC nuclear tests, failures are not doubt inevitable in so unexplored a field. Moreover, his bitterest critics do not doubt that Dr. Teller is a brilliant scientist. Yet in the rewrite of history now being promoted, Teller is not only a brilliant, he is the virtually single-handed creator of the hydrogen bomb.

Teller, according to the book, "was at least within citing distance of a successful H-bomb in 1946. Yet the opposition of a cabal of the most distinguished American scientists, combined with 'foot-dragging at Los Alamos,' caused a near fatal delay in the American H-bomb project. The day was saved when, thanks to the intervention of Lewis Strauss (the book's second hero, the Livermore Laboratory was 'created' for the lonely genius, Teller. This, the authors contend, belatedly had the effect of 'energizing Los Alamos.'"

After citing the evidence that the "successful H-bomb" which Teller supposedly envisaged in 1946 turned out to be a dud in 1954, the "New Mexican" mildly remarked that there should be no doubt in anyone's mind who is energizing whom.

There is irony in this episode. But there is tragedy, too. The tragedy does not lie in the explosive failure at Eniwetok—if such it was. The real tragedy is the "New Mexican" note by the Chairman of the Atomic Energy Commission, has called the Singley-Blair book, a "blatant and unscrupulous distortion of history." The blood, of course, is that of Dr. Teller's fellow scientists. The idea seemed to be that if the traditionally poorly paid army men were to hold up their heads in Caracas society, they needed a proper place to do the holding. They got it. Hilda's still blinking.

It was late in the evening when we arrived, to be hit in the eye by a riot of muted colors, polished brasses, and glittering crystals. We admired the solid wall of orchids growing in moss, the many-colored marbles, and the down-filled sofas. We inspected the two swimming pools, the theater, the gymnasium, the indoor swimming pool, the tennis courts, the gardens, and the wing of handsome apartments for men visiting town with their wives.

Naturally, as a party, we see until we reached the bar, which was a paneled chamber about 30 feet long and 15 feet wide. This was crowded. You know what the military men were doing? Some were sitting at a table, some were standing. At least not in my pajamas.

People's Platform Swap That Corn Go To Church And For Something Hip Pray For Rain

Editors The News: MAY I HAVE been reading about so many needing rain and of pipe lines being put in for water. I am sure that if people would gather at their churches and pray one hour for God to send rain it would be a blessing.—MRS. MAYME BARGER

LA PAZ, BOLIVIA SEN. Allen Frear of Delaware was attending an official dinner party in La Paz, Bolivia, when the National Revolutionary government of President Paz Estenssoro had put across its sweeping land reforms.

Pollsters For CIO See No Democratic Tidal Wave

By DORIS FLEESON

WASHINGTON The Congress of Industrial Organizations decided this year to find out whether labor and its preferred candidates were talking about the things the American people will listen to. It therefore engaged a reputable polling outfit to quiz a cross-section of the public in eight pivotal states where the CIO feels its interests are deeply involved.

The eight are Massachusetts, Illinois, California, Oregon, New Jersey, Pennsylvania, New York and Ohio. In all but New York and Pennsylvania, there are Senate contests. In those two giant states, Democrats are given chance to upset the firm sheet by taking the governorship away from Republicans.

The aim of the questions was to uncover the issues rather than to test the popularity of the candidates. The poll was not designed for publication but here are its highlights:

- MANY UNDECIDED 1. There is still a big undecided vote. 2. There is no one single issue causing people to like or dislike the Eisenhower Administration. 3. By and large the third Congress as such is not considered to have been a bad Congress. This indicates that Harry Truman is off on the wrong foot when he tries to repeat his successful 1948 record. 4. Incumbents have a big advantage and the Administration was generally approved by well over 50 per cent of those questioned. 5. The reaction on power policy

Oh It's Great To Be A Shavetail In Caracas

By FREDERICK C. OTTMAN

CARACAS. Venezuela. THE MILITARY here does not, either, spray with perfume the petunias at the Circulo de las Fuerzas Armadas.

This is the officers' club, such as no second lounge anywhere else in the world even could imagine. It cost 26,000,000 bolivars, which adds up to \$3,000,000 cold American dollars, and such a lushness of living orchids, waxed marble floors, mahogany planks, crystal chandeliers and antique tickling carpets nobody ever saw anywhere else.

So along came a soggy-eyed newscaster from New York, couple of months ago, who wandered through the fabulous glitz of the place, sniffed the pleasant odors wafting from an acre or so of flower beds, and wrote that the soldiers were sprinking perfume on the pousas.

This pained the management because it simply wasn't true, but I think I can sympathize with the composer from the states. He must have figured that in a place so luxurious, performing the flowers was only logical.

The military is important in Venezuela. President Marcos Perez Jimenez is an army colonel, himself. The idea seemed to be that if the traditionally poorly paid army men were to hold up their heads in Caracas society, they needed a proper place to do the holding. They got it. Hilda's still blinking.

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"I have found," replied President Paz, "that the best way to combat communism is to give each man some land of his own. A man who owns land doesn't become a Communist."

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