

# THE ARMS COMMISSION and AIRCRAFT MANUFACTURE

*The Report Issued : " State Monopoly Undesirable " : A Ministry of Supply and Production ?*

**A**FTER examining a vast amount of evidence, the Arms Commission has arrived at the conclusion that State manufacture of armaments may be practicable but is undesirable. Its official Report was issued last week-end.

Under the full title "Royal Commission on the Private Manufacture of, and Trading in, Arms," the Commission was appointed and given its terms of reference by His Majesty the late King George V on February 9, 1935, and ratified and confirmed by King Edward VIII by Royal Warrant on February 10, 1936. Members of the Royal Commission were: Sir John Bankes, Sir Philip H. Gibbs, Dame Rachel Crowley, Sir Thomas W. Allen, Sir Kenneth Lee, Harold Cooke Gutteridge, and John A. Spender. The secretary of the Commission was Mr. Edward Twentyman, and the assistant secretary Mr. D. Haigh. The Report, which is dated September 24, 1936, is signed by all the members of the Commission and is therefore presumably to be regarded as unanimous. A note in the Report reveals the fact that the cost was £7,341 ros.

The Report is divided into eight parts and contains five appendices. Part I is introductory and describes the procedure followed and similar information. Part II outlines the evidence submitted, and Part III deals with the subject of limitation of armaments. The practicability and desirability of the establishment of a State monopoly of armaments is treated at length in Part IV under two heads: The international aspects of State monopoly, and the problem of State monopoly in the United Kingdom. Ten pages of the Report are devoted to the evils and objections to which private manufacture is alleged to be open, and Parts VI, VII, and VIII deal with export control, miscellaneous, including the disposal of surplus arms, and a final summary of conclusions and recommendations. The five appendices contain summary of evidence, list of witnesses examined, list of persons and bodies who have submitted memoranda, a selection of these memoranda, and alleged malpractices by British armament firms in the pre-War period.

## Conclusions

The summary of conclusions and recommendations of the Royal Commission are as follows:—

1. The most effective available means of removing or minimising the objections to the private manufacture of, and trade in, arms would be the limitation of arms by international agreement.

2. The establishment of a universal system of State monopoly of the manufacture of arms is likely to be impracticable, and in present conditions the promotion of general State monopoly should not be a part of the policy of this country.

3. The abolition of the private industry in the United Kingdom and the substitution for it of a system of State monopoly may be practicable; but it is undesirable. No sufficient case has in our opinion been made out for taking so drastic a step. We believe that the reasons for maintaining the private industry outweigh those for its abolition. We are of opinion that the necessities of imperial defence cannot be effectively met, in existing conditions, except by the maintenance in peace-time of a system of collaboration between the Government and the private industry of the country in the supply of arms and munitions.

4. We recommend that public officials (whether serving or retired) should not accept appointments with armament firms except with the approval of the Minister in charge of the Department in which they are serving or have served.

5. We are of opinion that this country should continue to promote and encourage the adoption of measures for the international regulation and control of the manufacture of, and trade in, arms. We believe that the proposals to this end recently submitted to the League of Nations by the Government of the United States afford a basis on which agreement might be reached.

6. We recommend that the Government should assume complete responsibility for the arms industry in the United Kingdom and should organise and regulate the necessary collaboration between the Government and private industry; that this responsibility should be exercised through a controlling body, presided over by a Minister responsible to Parliament, having executive powers in peace-time and in war-time, over all matters relating to the supply and manufacture of arms and munitions, costing and the authorisation of orders from abroad.

We further recommend that the Government's own manufacturing establishments should be fully equipped for the production in some measure of naval, military, and air armaments of all types.

7. We recommend that measures be taken to restrict the profits of armament firms in peace-time to a reasonable scale of remuneration, designed not only to prevent excessive profits, but to satisfy the public that they do so.

8. We are of opinion that the problems involved in formulating plans for the conscription of industry in war-time will have to be faced, and should be faced without delay.

9. We are of opinion that the administration of the system of licensing exports of arms should be governed by an outlook different from, and more positive in character than, that which now prevails; that licences should be granted only to such firms as shall have been specifically authorised to accept orders for export by the controlling body already recommended; that the grant of licences should be restricted to orders by foreign Governments, supported by import licences issued by those Governments which shall state that the goods will not be re-exported.

We recommend that the practice of issuing open general licences for the export of certain classes of arms, etc., be discontinued; that specific licences be required in all cases; and in particular that a rigid control be exercised over all exports of aircraft, whether classified as military or civil.

10. We recommend the complete cessation of the private export trade in surplus and second-hand arms and munitions of war.

## Air Armaments

Of direct references to air armaments the Report contains but few. In connection with the extent of the reliance upon private armament firms, the Commission had this described to it by each of the defence services, that relating to the Air Force reading as follows:—

"Apart from the Royal Aircraft Establishment at Farnborough, which is devoted to experiment and research only, the Air Ministry have no manufacturing resources whatever and are entirely dependent on the various private firms in this country, except for such armament as is manufactured for them by the Royal Ordnance Factories or the Naval Torpedo Factory."

Some of those who advocated nationalisation of arms manufacture had alleged that the Press of this country was utilised by the armaments industry as a means of improperly influencing public opinion in the matter of armaments. On this subject the Report states: "No evidence has been laid before us which we regard as supporting the charges that armament firms in this country have sought to influence public opinion through the control of the Press."

State control of export of arms comes in for a good deal of comment in the Report. After certain general recommendations concerning the standpoint from which the licensing system should be administered, the Report turns more specifically to the export of aircraft, of which the Report says:—

"As a part of these recommendations we desire to urge also the abandonment of the present practice under which certain categories of prohibited exports are licensed for export to certain destinations under open general licences.