

RECONSTRUCTION.

PRIME MINISTER'S DECISION.

MR. LLOYD GEORGE'S STAND.

A SMALL WAR COUNCIL.

The following official statement was issued at 11.45 last night:—

The Prime Minister, with a view to the most effective prosecution of the war, has decided to advise his Majesty the King to consent to a reconstruction of the Government.

From Our Parliamentary Correspondent.

The political storm, which had been gathering for some days, broke during the week-end. It took the form of a Cabinet crisis of unusual severity, and the outcome, only two days after the appearance of the first signs of trouble, is the announcement that the Government is to be reconstructed.

The present crisis, like that which led to the formation of the Coalition Government 18 months ago, has sprung from internal difficulties in the Cabinet, and not from an adverse vote in the House of Commons or any of the constitutional checks and balances which brought Governments down in peace time. But undoubtedly the break would not have been so sudden and so violent if it had not been for the grave disquiet with the direction of the war which has existed in the public mind for many weeks.

It was Mr. Lloyd George who brought matters to a head by a direct demand for reform, and there can be no doubt that he will play a large and perhaps controlling part in the drama of reconstruction. Whatever the personnel of the new Government, it will certainly not be confined to members of one political party. The principle of Coalition will be continued and probably extended. But the Prime Minister's statement that the change is to be made "with a view to the most effective prosecution of the war" encourages the hope that new blood will be introduced and old methods scrapped. With everything in the melting-pot and all patriotic men contributing their ideas to the common stock, the moment has come for achieving the ideal of a Government for War.

The story of the crisis can be soon told, for the facts are simple. For a long time Mr. Lloyd George is known to have been gravely dissatisfied with the dilatory and irresolute manner in which the Cabinet and the War Committee have directed the war. On Friday he informed the Prime Minister that he could not continue to remain a member of the Government unless the machinery for directing the war was drastically overhauled. Mr. Lloyd George, who made his representations in writing, proposed to Mr. Asquith that the War Committee should in future consist of only four members, and that it should have absolute control of the direction of the war. He suggested that the constitution of the War Committee should be as follows:—

MR. LLOYD GEORGE A LABOUR MEMBER
SIR EDWARD CARSON (POSSIBLY MR. ARTHUR
MR. BONAR LAW HENDERSON)

These four men would, of course, have the active cooperation of Sir John Jellicoe and Sir William Robertson.

THE PRESENT WAR COMMITTEE.

The War Committee at present consists of seven members:—Mr. Asquith, Mr. Lloyd George, Mr. Bonar Law, Mr. Balfour, Mr. McKenna, Lord Curzon, and Mr. Montagu. It is a Committee of the Cabinet, and its decisions are subject to confirmation by the full Ministerial body of 23. While it is true that it controls the day-by-day conduct of the war without reference to the Cabinet, which almost automatically ratifies its acts, it has expanded, with its official advisers and regular Ministerial visitors, into almost as cumbersome a body as the Cabinet itself. We have, in fact, almost reached the position of seeing two Cabinets sitting side by side and taking a hand in the war.

The Prime Minister obviously needed a little time to consider this proposal, which involved at least three important departures from the existing policy.

(1) The withdrawal of certain prominent Ministers from the War Committee.

(2) The infusion of new blood, by the introduction of Sir Edward Carson and a Labour member.

(3) The transference from the Cabinet to the War Committee of independent control of the war in all its aspects, from the conduct of operations to such semi-domestic questions as supplies, blockade, food control, and man-power.

The Prime Minister did not reply until Satur-

day morning. Meanwhile, there had been some "kite-flying" in some of the London newspapers. It was said that the Prime Minister was considering a reduction of the size of the War Committee from seven to five members, namely, Mr. Asquith, Mr. Lloyd George, Mr. Bonar Law, Mr. Balfour, and Sir Edward Carson. The best commentary on this story is the fact that Sir Edward Carson has not been invited to join the War Committee, and had never heard of the project until he saw it in print on Saturday. Still the "kite" served a purpose. It distracted attention for a few hours from the real seat of the crisis.

The Prime Minister informed Mr. Lloyd George on Saturday that he could not accept his proposal as it stood. There the issue remained for a few hours, and the various parties went out of town, after the Prime Minister had had a long audience of the King at Buckingham Palace.

CONFERENCES YESTERDAY.

Yesterday found Ministers hurrying back to town for a series of important conferences. The Prime Minister returned from Walmer by motor-car. Mr. Lloyd George came up from Walton Heath. Lord Derby, who had intended to spend the week-end in Lancashire, had arrived from Knowsley on Saturday evening. Sir Edward Carson also returned from Birchington on Saturday.

In the morning the Unionist members of the Cabinet had a conference. Mr. Bonar Law presided, and all the Unionist Cabinet Ministers were present except Mr. Balfour, who was ill, and Lord Lansdowne, who was at Bowood.

In the afternoon the Prime Minister had interviews at 10, Downing-street with several of his colleagues, including Mr. Lloyd George, and Mr. Bonar Law.

At night matters stood thus. The Prime Minister had not accepted Mr. Lloyd George's proposal. He was prepared to accept a reduction in the number of the War Committee. The obstacles to a settlement were two:—

(1) The proposal that the War Committee should have unlimited power in the conduct of the war.

(2) Certain personal questions connected with the proposed additions to and exclusions from the War Committee.

It was made clear, however, to Mr. Asquith that Mr. Lloyd George did not stand alone. Mr. Bonar Law is believed to have given general support to his proposal. Both Mr. Lloyd George and Mr. Bonar Law particularly insisted on the need for associating Sir Edward Carson with the work of the War Committee. Sir Edward Carson's inclusion, in fact, may be taken as a proposal on which Mr. Lloyd George and those who are acting with him intend to insist.

LORD DERBY'S POSITION.

Lord Derby, too, has definitely associated himself with Mr. Lloyd George. He is prepared to support him even to the extent of resignation of his office, if a satisfactory settlement is not found. Lord Derby is indeed ready for any contingency. He has provisionally called a meeting of his Lancashire council for next Saturday, in order to explain in public any action which he may think it necessary to take.

The Cabinet as a whole were not consulted. The crisis was acute, and the chiefs of the Ministry seemed to have reached a deadlock. When the Ministerial Conference ended for the night it was in the belief that the conversations between Mr. Asquith and his colleagues would be resumed to-day, when Mr. Lloyd George's proposal was to be further examined.

But the Prime Minister had taken his decision, and just before midnight it was announced that he had cut the knot by advising reconstruction. The crisis, therefore, enters on an entirely new phase this morning, although the issue at stake is the same. The old order of war control cannot survive, and a new one must take its place, with new men and the most vigorous of the old at the helm.

It remains to be seen how the crisis will affect the sittings of Parliament. Important debates are fixed for this week in the House of Commons on such grave topics as the Air Board crisis, man-power, and the general position of the war. The Unionist War Committee have sent an urgent "whip" to members on active service for the man-power debate next Thursday.

But the time-table may have to be rearranged. It may be difficult for a Government which is undergoing reconstruction to meet Parliament. Governments in the past have usually been formed or reconstructed during a recess or adjournment, and it would not be surprising if the Prime Minister to-day asked Parliament to take a few days' holiday while Ministers are setting their house in order.

SIR E. CARSON'S INCLUSION.

A LIBERAL JOURNAL'S COMMENT.

By the courtesy of the editor of the *Manchester Guardian*, we are enabled to publish the following extract from its leading article to-day:—

This, as we understand, is in effect the proposal which Mr. Lloyd George has submitted to the Prime Minister, and the adoption of which makes the condition of his remaining a member of the Government. In this he has the powerful support of Mr. Bonar Law. The War Committee which he is understood to have proposed would consist of himself, Mr. Bonar Law, and Sir Edward Carson, with the addition of Mr. Henderson as representing the interests of Labour, which are so vitally concerned. Sir Edward Carson is not, of course, at present a member of the Ministry, but he represents a powerful and growing element in the Unionist Party in Parliament, and he resigned his position in the Cabinet precisely because of a conspicuous example of the fatal shortcomings which have now necessitated a change in the distribution of power. We differ from him deeply on most questions of internal politics, and if his re-entry into the Ministry in a position of great influence meant the attempt to enforce conscription in Ireland or any accentuation of the repressive policy still in force there, we should regard his inclusion as disastrous and to be opposed at all costs. Definite assurances would be needed on this point, but Sir Edward Carson is not in all respects the Sir Edward Carson of pre-war days, and we cannot suppose that he, any more than Mr. Lloyd George, would be guilty of the supreme folly of raising a storm within our gates at the moment when their whole thought and strength should be given to quelling the terrible storm outside them. But the matter would have to be made clear.