LLOYD GEORGE DECLARES BRITAIN'S SALVATION DEPENDS ON COALITION

Armament and concluded his praise with the declaration: "The United States and ourselves are marching side by side on the path of peace."

Speech in Full.

The full text of Mr. Lloyd George's speech follows:

The banner of party strife has been hoisted at the Carlton Club. The great combination of men of all parties and creeds for national purposes, a combination which led us to victory in the war and which was leading us gradually but surely out of our troubles in peace, has been brought to an end. It has been brought to an end not because it has ceased to serve the nation; it has been brought to an end because the parties are not getting enough out of it. It is for the people of this country to say whether the party comes first or the nation comes first.

I stand for the people. The time has come for a calm, dispassionate, perfectly fair review of what that combination, which started six years ago, has accomplished for the nation. If it has not served the nation, condemn it. On the other hand, if it has served the people well, if it has helped to achieve something, treat it fairly and well. It has been, I think, subjected to more criticism from more adverse conflicting quarters than almost any Government. It had one or two disadvantages in defending itself. The first was that it did not have parties and press. It had no Liberal press, it had no Conservative press and, therefore, it had no steady partisan press that you could depend upon, whatever happened, to defend its actions.

Cites Hard Work Done.

The second difficulty in disposing of criticism arose from the fact that no Ministers in any administration in this country have been so continuously hard worked. I have been worked pretty hard all my life, but I have never been so hard worked as I have these last six years. I have not had a holiday. I have started on many. [Laughter.] I have many times said, 'Well, I'll hie me off to the valleys of Wales, where I will be sheltered even by the impediment of language, from prying eyes and from deputations.' [Laughter.] I said, 'If Wales is not a success I'll try Scotland,' and off I went. I chose a place where there is no road [laughter], but I had to hold Cabinet councils in the wildest recesses of the highlands. Believe me, I have not had a holiday.

I have worked hard and I have had no time, when criticism was falling upon me, to go and tell the real story. [Cheers.] I am now one of the unemployed, and when somebody wrote me a couple of days ago asking me if I could receive a deputation of the unemployed I said, on the contrary, I would join the deputation. [Laughter.]

Begins Serial Story.

I am going to begin by telling my story now and I'll tell it in numbers. It will be a serial and I think that the people will listen to it and read it, and having done so, I am willing to put my record in the hands of the people as to whether I served them well or not. (Voice: 'You have.') I have served them honestly. (Cheers.) I have served them sincerely. I have served them with one dominant purpose and that was to serve my native land to the best of my ability.

This combination was formed during the war to put more vigor and more power into the problems of war. Governments can win wars and Governments can lose wars. Governments can make it possible for our gallant soldiers and sailors to win victory. Governments can make it easy for the most gallant soldiers and sailors to lose. The only claim I put forward in behalf of the Government is this: We did everything that a Government could do to enable the soldiers and sailors to win the war. They can organize the material resources of the nation, they can organize the nation at home to face its responsibilities and sustain its responsibilities. If there is a failure at home it means failure in the field. Loss of morale at home is always reflected in the battle line because they are closely related to the soldiers at home who assist the soldiers in the field.

One Reason Germany Failed.

That is one reason why Germany broke down. Her soldiers were brave soldiers—let us recognize courage in an enemy—but they heard stories of starvation and privation and misery at home. That minimized their spirit, their courage. Everything that could be done to sustain the spirit and will of the nation that she may go through to victory I claim that this Government did for that purpose.

We did our best to promote unity at home and in the forces abroad so as to enable the whole strength of the Allies to concentrate, and, as a matter of fact, the leading part in promoting that unity was taken by us among the Allies.

So much for what we did during the war in that great trying time. I am told I made a very good war servant but I am no good in peace. I am first rate in a row, but when things are quiet and there is really nothing to bring forth my energy I am really of very little use, they say. I am a sort of doctor who is very good in bad cases when it is a matter of life and death, but I am no good to cure a headache. You want somebody who is more commonplace, somebody with a better bedside manner. (Laughter.) It is not for me to say whether they have got something of that sort. (Laughter.)

War Not a Bad Test.

Well, a war is not a bad test for even a statesman. Organization ability, imagination, every resource of statesmanship, is brought out in war, and if we can somehow or other apply those qualities in peace—and I have done even a few things in peace. I found the other day in the city of London that I had organized a new port board of London. That is quite a necessary and important work.

I think I took quite a leading part in establishing the system of old age pensions and the securing of finance for operation. I also organized in the time of peace health insurance, and worked for peace in that respect that brought satisfaction to the doctors and every one else.

Praises League of Nations.

Before the war and after the war the first thing we had to do to make (here Mr. Lloyd George broke off his sentence and continued). I know the treaty of Versailles was opposed by a great number of people who were constantly proclaiming that some of the most important positions belonged to them. What did the Treaty of Versailles stand for?

The first clause of the Treaty of Versailles established the League of Nations. What is the League of Nations? It is for the purpose of organizing good will and cooperation among nations—a league of nations which will provide some means by which it can settle disputes between nations without resorting to the cruel barbarism of war.

Removed Sources of Irritation.

Who proposed the League of Nations? The resolution upon which it is based was moved by me at the peace conference as soon as it met in Paris. That covenant is now incorporated in the first chapter of the Treaty of Versailles. We restored Alsace-Lorraine to France. We restored the Italian provinces in the north of Italy to Italy. And these questions, which were the constant source of irritation and inflammation, have been removed by the Treaty of Versailles.

What next? We emancipated a number of races which had for centuries been under the rule of oppressors in central and southern Europe—Poles, Czecho-Slovaks, inhabitants of Transylvania, Slavs of Jugo-Slavia, Arabs in Asia—populations which numbered in the aggregate 100,000,000. They had for centuries been groaning under the rule of oppression that penalized their energies, destroyed their liberties and prevented the development of their national life. They were freed by one great act prepared in Paris and signed at Versailles which has become the charter of liberty for tens of millions of people to-day. [Cheers.]

Worked for Disarmament.

We destroyed the great armament of Central Europe which made war. [Cheers.] Conscription has gone. Their navy, which was a great source of anxiety and menace to this country and to all other lands has disappeared. Their huge army, the greatest army which probably the world has ever seen, which intimidated Europe, which suppressed the spirit of Europe, which darkened the horizon of Europe is lying in the dirt—that was one act of the treaty of Versailles which is abused by everybody. [Cheers.] And not only that. It rid Europe of the burden of armaments. That is the first act in the great drama of peace.

I predict to you that the democracies in other lands will not continue to bear the burden of huge armaments when they see central Europe free from that oppression. It is beginning to go.

Conscription at an End.

Conscription disappeared here within a few months after the war. It will disappear before many years in other lands as well. That will be due to the fact that the treaty of Versailles stipulated that neither Germany nor Austria—the two countries that made war—can raise great conscript armies in the future.

There is another provision in the treaty of Versailles to which value is not given. That is the labor provision which has been introduced for improving the condition of labor by international cooperation. When there was any proposal for improving the conditions of labor we had to bear in mind the competition of other countries where there is no provision of that character. But when you get nations marching together and working side by side and cooperating, that difficulty disappears, that excuse vanishes and by that means you will greatly improve the conditions of the workers throughout the world by the process of international partnership. These are only some of the provisions of the treaty.

Praises Versailles Treaty.

It was a great human charter. That will become apparent more and more as the years go by. Defects, weaknesses and surprises in it were inevitable because you had to deal with so many races and nations. But in the main I claim it is a great human document which in its operations will bring great benefit not only to Europe but to the human race throughout the world.

"What is the next task we had set ourselves to? It was the reestablishment of national credit. The cost of the war was colossal. The figures were so vast that none could have contemplated them before the war, and I have seen able financiers in the middle of the war say: 'This cannot go on. It must come to an end in two or three months.'

Colossal Cost of War.

But it went on and the expenditures mounted up. We spent, I think, over ten thousand millions more than the national revenue of this country for fifty years. The debts at the present moment are something in the neighborhood of eighty thousand millions.

Before the war we were the financial center of the world. This was the great market that brought us business and trade. The money we advanced to the dominions, the colonies and foreign countries paid for the foods we manufactured. The interest which was paid was for our advantage. It was given back to us in the food and raw materials that we purchased from other countries. It is vital to our position that we should maintain our financial status.

We had actually to borrow on a very large scale. We, a lending country, had to sell our foreign securities. When the war was over it was a very serious position for the future of this country. What did we do?

Post-War Problems.

What did we do—and this is not sufficiently understood. There were two courses open. One was to follow the method that had been followed all through the war on the continent—to borrow. To go on borrowing—you know that kind of a concern—but as long as it can keep on borrowing there is an appearance of prosperity.

You can spend as you go on borrowing. You can keep taxation down if you go on borrowing, but your credit gets lower, and lower and lower, and in the end you are paying compound interest. That works out in figures, but in your financial position it becomes more and more difficult to recover. It is, of course, easy to go on borrowing; it is the popular course to go on borrowing. If we had gone on borrowing there would have been less unemployment for the time being, but there would have been more two, three, four years hence, and nobody knows what would have happened.

That is one course—the popular and easy course. It is the course pursued by every country in the same position as ours on the continent of Europe.

Budget Balancing Problems.

What is the next course? A thoroughly unpopular course—to make our budget balance. One way of doing this was by ruthlessly reducing expenditure. Do you think that is a popular course? You try it. [Laughter.] Everybody will say to you: 'Economize, cut down your expenses.' You start and they say: 'Oh, it's not convenient to cut that down.' Then you propose something else. Another section says: 'No, you must not cut that down.' And the man who proposes it never comes to your support. If you want to know something about that look up the division lists of the anti-waste party.

They are always making cheap speeches on economy. But when we faced the problem and cut some items down we got into difficulties with the people who were interested in that direction. The anti-waste party was never known there. They wanted the popular side of reducing taxation and leave to use the unpopular side.

Finds Economy Unpopular.

Economy is unpopular and when we were cutting down the civil service, cutting down the supply departments everywhere, we had no end of people in these various spheres who were pinched and were affected. It was brought home to us and they knew it immediately, while all economists were writing articles to the *Daily Mail*. [Laughter.]

Cutting down expenses is a difficult task and a very unpopular one. We have done it, and don't you make any mistake, we have had 'our cutting down in expenditure.'

What is the other course? Even if we cut down expenditure to the lowest possible limits the war debts are so enormous and the costs of everything have gone up so much that the expenditure of the country is bound to be infinitely greater than before the war. What means that? Taxation is bound to be put on the country whatever you do. Therefore, we had to do two things. We had to cut down expenditures ruthlessly, and we have done it, and in order to meet the balance and pay interest on the debt we had to put up taxation, also unpopular.

"We are the only people in Europe who are completely balancing our budget by raising enough money to meet expenditures. It has been a great struggle.

Cites Exchange Difficulty.

When we started we found the credit of the country very low by comparison with what it was before the war. One great difficulty was the dollar. We had to buy cotton in America. America received all the gold in Europe. She was glutted with gold. America therefore was in a very prosperous position. Before the war you sent to America $4.86 for a sovereign. If you had gone there after the war you would have got $3.20. What meant that?

Everything you got in America, cotton and food, cost you very much more because the purchasing power of the sovereign had gone down there. By cutting our war expenditure, balancing our budget, saving, our deficiency of credit in that country rose and rose and rose, and to-day our sovereign, instead of being worth $3.20, is $4.47. We are just beginning to look the dollar in the face on equal terms. We are very nearly where we were before the war.

Praises Chancellors.

That is because our two Chancellors of the Exchequer, Austen Chamberlain and Sir Robert Horne [cheers] were men not merely of capacity but of courage. They have kept in touch with the soundest advice, although accused like pickpockets, and our credit has risen and risen and at the present moment we have recaptured the money markets of the world.

This is a marvelous achievement—a tribute to British courage and common sense—and every country in the world not merely knows it but says it—that is, every country says it except this one. [Laughter.] We will not say it here. Why? Because if they say it they know it will rebound to the credit of the much abused Lloyd George Government.

We are lending money abroad. That comes back in goods. We are lending more and it comes back in goods. It is going on accumulating and the credit of the old land is as good as it ever was. (Cheers.) Not merely better, because somehow or other we have managed to get cash; better because we have given more confidence throughout the world. They say this is a steady country, this steadfast, this courageous country. It is not a country that is going in for that sort of wild paper printing to get out of its temporary difficulties. It faces them as it always has in the past, and British credit not only in cash, but in character stands highest throughout the world.

Exchange Conditions.

Follow the other countries. It is no use talking of Germany. If you had gone to Germany eight years ago with a sovereign in your pocket you would have had 20 marks. If you go to-day what would you get? Seventeen thousand marks. But there is no use talking of that. Take a rich country like France, a steady country like France, a very industrious people, a very thrifty, frugal race like the French.

Our purchasing power of the dollar has fallen from 100 to 92 per cent. We have only eight points to go to get perfect equality. What about France? France's purchasing power of the dollar was 100 per cent. before the war. It is now down to 26.67. Italy has fallen to 17 per cent. And when you remember the difficulties of all these countries there is no country had greater difficulties than ours. (Cheers.)

We are pulling through largely owing to the statesmanship of men like Chamberlain and Horne.

Tells of Economy Practiced.

Now that combination that was pulling through our trade, our commerce and our credit throughout the world has been smashed. It is a crime against the nation. (Cheers.) In economy I know what has been done. Never in our history has there been such ruthless examination of every item of expenditure, great and small. The business of the Government is a gigantic one. Take an ordinary business, go through the whole accounts, cut down every item—it takes a long time. But in the business of a great country like this you can imagine what time it takes.

Every item, great and small, was examined scrupulously to see whether we could cut here and there without damaging the efficiency of the services. As every business man knows, when you are cutting down you never get the full benefit at once. It takes time. Last year we got very considerable reductions. This year we have still more considerable reductions from changes made last year.

More Economy to Come.

And next year you will have still more considerable reductions from the changes made this year and last year. Everything was done with the assistance of the ablest officials, aided by a committee of business men under Sir Eric Geddes, which accomplished so much to reduce the expenditures of the country to the lowest possible level.

That has been aided by the destruction of the German army and the arrangement about armaments with the United States. Let me say also, aided by the cheerful way in which Winston Churchill [cheers] handled the problems of Mesopotamia and Palestine. I am sure I may in your behalf wish him a speedy recovery.' [Cheers.]

Next year in view of the recent economy the country will face the future with greater confidence even [woman interrupting: "What about Bonar Law?"]—

Mr. Lloyd George smilingly replied: "He's a very old friend of mine. He was a friend of mine before the war, and has been a friend of mine since. He is still a friend of mine, and I should be sorry to say anything to put an end to our personal friendship."

Industrial Troubles.

We have also had to deal with the industrial situation, and it was full of difficulties, full of dangers. You know how difficult is a period of transition between the time of a great boom in trade, when wages are very high, and depression. There were two things that made it more difficult than ever. The first was that the boom of the war was absolutely exceptional—never anything like it—and then, when the war was through, the reaction was exceptional.

It was very difficult, but it had to be done to save the country from disaster. Another thing was very difficult. There were many revolutionary movements more or less creeping over the world. The temperature was high, and when the temperature is high people talk very wildly and incoherently. That is what revolution is. You had them in Russia and you had them in central Europe. There was a good deal of it even here. Don't forget this is the most highly industrialized country in the world—a little topheavy, with no great peasant population such as they have even in Germany.

Industrial Crises.

And if the situation hadn't been handled very carefully, anything might have happened. It was industrial crisis after industrial crisis, and some of them very menacing. We got through them—we got peace throughout the industrial world, and I claim the much abused Coalition Government has to be borne in mind when you look at the industrial record of the last four years. There again, I must say, Eir Eric Geddes and Dr. McNamara were very thoughtful, and I did my best on one or two occasions. (Laughter. Cheers).

We have been trying to deal with unemployment—the post war unemployment that always occurs after great wars. The Napoleonic war was followed by grave unemployment that produced starvation on a great scale. Thank God, there was none of that this time! We made provisions, the most liberal for unemployment not merely, that has ever been done in this land, but in any other country. It was right from the point of view of humanity and right from the point of view of the safety of society. In regard to housing, we built 181,000—you might have thought we had built none—and after those in the course of construction are completed there will be 215,000 houses which through the efforts of the Government will have been provided. The cost was very substantially reduced. I think they have been brought to the lowest figure which at the moment it is possible to build houses at.

In regard to railways, instead of having a good deal of duplication of expenditure, which always falls in the end upon the trader and the consumer, we have had the amalgamation of all the great concerns, which will have the effect of saving £20,000,000 a year in the cost of running the railways. The steps taken with electricity will tell a tale in the history of this land.

If we had not carried through the great Pacific disarmament pact with the United States of America we might have had a competition in armaments with the richest country in the world, which would have led perhaps unto insolvency. Instead of the crushing expenditure in competition we have good will and cooperation. Instead of the fist, we've got the handshake. The United States of America and ourselves march side by side in the path of peace and international good will. [Cheers.]

Brought Peace in Ireland.

One of the things we have been able to achieve is something which I think has far more to do with the breakup of the Coalition than anything else, and yet one of the things I'm proudest of. We have made peace with the Irish race. (Cheers and counter cheers.) The feud lasted hundreds of years with one of the most gifted races of the world. How gifted they are only those who have been fighting them can tell. The feud of hundreds of years, the feud of constant embarrassment, that brought us no credit, no strength, was closed by an act honorable to both sides. You know what the effect has been. Die-hardism has got a great accession of strength. They will never forgive it. There are men—great Unionists, great Unionist statesmen—who took part in it. Let them be of good cheer. Their names will be honored forever.

I'm also glad that the firmness of Britain in the East has given renewed strength to our prestige, renewed confidence in its work. We have secured the freedom of the straits (cheers) for which so many died. We have prevented war spreading over Europe, with all it means; and have prevented a repetition of scenes, spectacles and atrocities which would have made the world shudder. That, we claim, has been done by the resolution and determination with which we confronted our difficulties. We have been harassed at every turn, not after the thing was done, but when the conference was sitting and negotiations pending.

Has No Personal Reproach.

This combination, which I think has achieved memorable things in the history of this country, has been closed. I have no personal reproach. I have received much kindness and much consideration from men who differed from me entirely. I've never concealed from them, and I've never concealed from the House of Commons, and I've never concealed from the country, that my sympathies always were democratic. No Conservative can say I have taken him in. None. They know it, every one of them. My bringing up was in the sympathies of the old bent of mind, democratic; and they allowed for these things. They did not like it, and they got to like it less and less. But I'm not complaining. They stood it very long.

But, after all, when you're concerned for the difficulties of the under dog—education, housing difficulties, disarmament, peace with Ireland, more liberty for India—these are not things that sound well to Mayfair, and they make no appeal to Belgravia, and so the revolt began there, and soon it spread.

Partisan Appeals.

Party appeal is a very deep one. And when you have a number of people sounding it very loudly and very often you call a certain response in very many honest and sincere minds. It's very difficult to resist it, believe me. There's always the suggestion on the lips of partisan fighters that if you do not respond to the partisan appeal you are betraying some principle. I have suffered as much as anybody from that kind of call. I can readily understand these men getting gradually uneasy, as the party call was constantly sounded. The most distinguished, the most experienced and the ablest men of the party were all against it. They are still against it. (Cheers.)

It was one prominent die hard addressing a fellow die hard who said: "We've not got one man of outstanding ability among us." Who can question their honesty after that? They are honest up to the point of simplicity. (Laughter.)

Bonar Law himself was reluctant. I regret he allowed himself to be led, not by the best brains of the party, not by the wisest heads of the party, but by the least in experience and ability. He has put himself in the position as a horseman, not of holding the reins but holding by the tail. [Laughter.] He is neither dignified nor particularly secure.

Discarded Personality.

All experienced men were of the opinion that until the nation got through with its difficulties it was better that all elements that made for stability, whatever the party colors, should keep together until the trouble was over. So convinced was I of the importance of this that I was prepared to eliminate my own controversial personality from office. I begged Bonar Law or Chamberlain to take the matter in hand and I would give them support, provided it was clear it was not a reactionary Government. [Cheers.] So there was no personal element in my criticisms.

The coalition is brought to an end, despite the advice of all those great men—Balfour, Chamberlain, Horne—take all the names of the men whom I've quoted you as having taken a prominent part in restoring our national credit and getting us through our troubles. The Lord Chancellor, who by common consent was the most brilliant the country ever had seen for a generation, the man who carried through the codification and simplification of the law of real property, which for fifteen years the lawyers had been unable to achieve—he also was against it.

To put it quite frankly, those who smashed the coalition thought they would have the opportunity for snatching a purely party advantage. That was disastrous in view of the difficulties of the country. They imagine that by devices they will be able to hold office. Fatal! The country is accustomed to be ruled by the majority, and it will accept the will of the majority, but it won't accept government by the minority, and its provoking—its direct provocation—of the subversive elements of society, because this country, I think, after long experience, ought to be steady and moderate in its progress. Reaction is fatal, even if for the moment temporary party success is achieved. In the end it will tend to be the subversive element to such an extent that the day of fate will certainly come.

That is what I want to avoid. This is what those great statesmen whose names I've quoted also want to avoid. When the time comes for appealing to the people, and I don't see how it can be much delayed, they will have very important decisions to take. If this reactionary movement, which culminated in the Carlton Club, receives the majority of votes in the country I am honestly apprehensive of the result. Once they are firmly in the saddle they will want to carry out their die hard program.

The House of Lords will not be a check upon them. Once they are there, I fear their measures will be carried; and there will be acts of administration and otherwise which will strengthen at every stage those subversive elements which are deep down, with disastrous results to our native land.

For Sane Progress.

I stand for firm and sane progress. [Cheers.] I have become closely acquainted with the real horizon of this great people. I know what they are capable of achieving, what they are capable of enduring, what they are capable of sacrificing. After that experience, I promise the people of this country that, whatever the day may bring forth, I shall do nothing mean or paltry. I promise you I shall play no part unworthy the confidence placed in me by the people of this country at the greatest moment in the history of the empire. [Cheers.]

Replying to a vote of thanks, Mr. Lloyd George said: "Thank you for the great warmth with which you have received me, and the resolution and patience and cordiality with which you have listened to me. I've never in my whole life witnessed such spectacles as at the stations crowded with people to greet me on the way down last night."

LORD DERBY OPPOSES ANTI-LIBERAL VENDETTA

Declares Each Constituency Must Decide Attitude.

BOLTON, Eng., Oct. 21 (Associated Press).—The Earl of Derby, who is expected to enter the Bonar Law Cabinet, took a conciliatory view of the present political position in addressing a Conservative meeting here to-day.

"The Coalition has come to an end," he said, "but cooperation still lives. We must not forget that while we thought we had made sacrifices for the Coalition, our Liberal friends also made sacrifices."

The attitude of the Conservatives toward Liberal Coalition candidates, Lord Derby declared, was a matter for decision in each constituency. To pursue a vendetta against those with whom they had worked would be stupid and criminal.

BIRKENHEAD RECTOR IN GLASGOW UNIVERSITY

Unionist Chosen Over Liberal and H. G. Wells, Labor.

GLASGOW, Scotland, Oct. 21 (Associated Press).—The political turmoil in Britain was reflected in the proceedings at the election of Rector at Glasgow University this afternoon when Lord Birkenhead, Unionist, who splits with his party to follow Lloyd George, was elected with 1,165 votes over Sir John Simon, Liberal, with 530 votes, and H. G. Wells, the novelist, as Labor candidate, receiving 353 votes.

In the course of the polling several free fights occurred among the students, in which flour, soot, rotten eggs and decayed fish were freely used. Several of the students received minor injuries.

LLOYD GEORGE CHOSEN LEADER OF LIBERALS

National Council Elects Winston Churchill Vice-President.

LEEDS, Oct. 21 (Associated Press).—Coincidentally with the speech of Mr. Lloyd George here to-day the National Liberal Council, composed of Coalition Liberals, elected him president, giving the vice-presidency to Winston Spencer Churchill, who was his Secretary for the Colonies.

Lloyd George was previously the leader of the Council.

FRENCH EXTEND LAW AGAINST PROFITEERS

Prosecutions Restricted to Offenses Before Oct. 23.

PARIS, Oct. 21.—There will be no letup in the prosecution of French war profiteers. The Senate to-day adopted the measure already passed by the Chamber of Deputies continuing in operation the anti-profiteering law, which would have expired next Monday.

As continued the prosecutions are restricted to offenses prior to October 23 of this year. The Senate abandoned its disposition to reframe the legislation when it was seen that such action would lead to all night sessions of both houses and that even then there would probably not be enough time left to put the bill through before the law would expire.

SAN DOMINGO REGAINS FULL INDEPENDENCE

Burgos Takes the Oath as Provisional President.

SANTO DOMINGO, Dominican Republic, Oct. 21 (Associated Press).—Juan Bautista Vicini Burgos took the oath as Provisional President of Santo Domingo before the Supreme Court here this morning, ending the regime of American occupation.

The ceremony took place in the presence of the representative of the President of the United States, diplomatic and consular officers and high officials, and was accompanied by demonstrations of gratification over the restoration of independence.

BONAR LAW AND KING CONFER ON CABINET

Former to Advise Dissolution of Parliament if He Heads Conservatives.

LINES NOT YET DRAWN

Elections Probably Will Be Called for Week of November 11.

HOUSE MEETS NOV. 21

Passage of Irish Treaty Bill First Business Before New Parliament.

Special Cable to THE NEW YORK HERALD.
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New York Herald Bureau, London, Oct. 21.

Mr. Lloyd George went into the "wilderness" and Mr. Bonar Law went to see the King again to-day. The former did not make good his threat to swing any sword, save mild invective against the Tories; and the Prime Minister designate went only to report progress. Meanwhile the lines are not yet drawn for the battle of the coming election, and the date now seems certain for the week beginning the 11th of November.

The tentative date for the assembly of the new Parliament is November 21 or 25. The first business before it will be the passage of the Irish treaty bill, which is expected to be ratified by the Dail Eireann by then.

Mr. Bonar Law declined to make any comment on his visit with King George, but he did make the following statement to the newspapers: "If I am elected the leader of the Conservative party I may be in a position to advise the King to order immediately the dissolution of Parliament. This would give plenty of time to get the Irish home rule bill through."

Derby Urges Cooperation.

While Mr. Lloyd George merely raged against "Mayfair" and "Belgravia," the Earl of Derby, the essence of all that is Mayfair and Belgravia in the Unionist councils, declared at Manchester that he hoped it was still possible for the Conservative Government to cooperate with the genuine Liberals.

Hence some observers are declaring to-night that Mr. Bonar Law, seeing the peril in yielding too much to the die hard influence, the peril of which Mr. Lloyd George plainly warned him to-day, is making a valiant effort to endow the new Cabinet with the signs of progress. What lends color to the reports that it may be that Mr. Bonar Law is trying to conciliate Mr. Lloyd George is the utter failure of the Liberals to allow to escape the slightest gesture of friendship for former Prime Minister Asquith and other important leaders who have not yet spoken. But the *Evening Star* suggests that the most important thing for the Liberals to do now is to make a working agreement with the moderate section of Labor.

Mr. Lloyd George's bitter slurs at Mayfair and Belgravia, however, will hardly help his welcome in either camp just now, and, notwithstanding the length of his speech, he is regarded as still in the wilderness. What is worrying the politicians is just where he will break from cover.

The *Sunday Times*, which is celebrating its hundredth anniversary to-day, though a stanch supporter of Lloyd George, has kind words for Bonar Law, but warns him, too, that if the general election goes like the one at Newport the other day it will result in perhaps a Conservative House of Commons, but Conservative by minority vote, the majority being split among the Lloyd Georgians, Liberals and Labor, and a possible combination of any two of these at any time would be able to overthrow the Ministry.

Therefore Mr. Lloyd George's refusal to enunciate any policy to-day is interpreted as carrying out his threat to oppose any party that is "reactionary or revolutionary" and menaces the nation's interests. His speech was received with much disappointment even among his supporters here. Despite the handsome apologia for the coalition's wartime and postwar achievements, it is recognized that he spun out his line so long that it is not bullet proof in many places.

New Light on Turk Issue.

The hitherto stanchly Lloyd Georgian *Pall Mall Gazette*, for instance, carries to-night an interview with Gen. Sir Charles Townshend, which sketches the memorandum he handed the former Prime Minister upon his return from Angora late in August, showing that peace then could have been obtained with the Turks on practically the same terms as now granted, or even better, with France, England and Italy still controlling both sides of the straits.

Another interpretation placed upon Mr. Lloyd George's speech here is that it was merely a feint to get the others to open the attack. He bespoke all the things the coalition had done that proved popular. If the new Ministers base their program for the opposition upon anything he enumerated, such as housing, education, disarmament, the League of Nations or an American understanding, it will give him a firm bases for his opposition with much support by the masses.

Lacking any definite pronouncement, the press, even the unfriendly press, is treating the erstwhile Prime Minister courteously, concentrating their voices upon praise for the successor. Lord Beaverbrook leads the chorus in the *Daily Express*, calling Mr. Bonar Law a modern Lincoln and insisting that the slogan for the new campaign must be "Law and order."

Among the most important accessions to Mr. Bonar Law's prospective collaborators to-night is Reginald McKenna, formerly Chancellor of the Exchequer. It is not believed he has altered his determination to hold no office unless a crisis in the national necessity demands him, but he has announced that he will speak in support of Bonar Law at a big meeting in the city soon.

SCIENTIST TO LECTURE.

In the Catholic Club to-night Sir Bertram Windle, F. R. S., will lecture on Mendel, Catholic scientist, and Colin O'More, tenor, will sing. Miss Emilie Rose Knox, violinist, will assist.

ASSERTS LABOR STOCK IS AT HIGHEST POINT

Clynes Says Opponents' Fear Was Never So Great.

LONDON, Oct. 21.—Speaking at Bristol to-day, John R. Clynes, the labor leader, said there was no promise of betterment for the people in the week's dramatic events. Labor, however, welcomed eagerly the coming contest. He described Mr. Andrew Bonar Law as "clever and honest but obstinate," and asked what the new Premier would do about the unemployed and housing questions. The stock of the Labor party, Mr. Clynes declared, was never so high; the fear of its opponents was never so great. Labor, he added, had submitted itself as an alternative Government.

The Labor party will not merge itself into a new party with other elements united with Lloyd George, according to announcements made at Labor party headquarters to-day.

"However, if Lloyd George wishes to join our party we will be glad to have him," was a remark made by the party spokesman.

During the last three weeks the party had been preparing an effort to double its number of Members of Parliament at the forthcoming election, it was declared. The party has 400 candidates in the field, including twelve women, it was stated by Arthur Henderson, M. P., secretary of the party, who added:

"One great part of our work will be helping to organize the newer freedom for women, who have the right to a million votes in this election.

"Our party," continued Secretary Henderson, "polled 2,250,000 votes in 1918, as compared with 5,000,000 votes for the two other great parties, the Liberals and the Conservatives, then known as the coalition, to finish the war and win the peace. Since then, in parliamentary by-elections, we have gained fourteen seats, bringing the total to seventy-five seats.

Among the Labor candidates already announced are Norman Angell, author and lecturer; Rev. Gordon Lang, General C. B. Thomson, one of the British military staff at the Versailles Peace Conference; G. M. Gillett, banker; Charles Diapend, editor of the *Catholic Herald* of London.

HARDING LAUDS ADVENT OF GERMAN PIONEERS

Regrets Inability to Attend Celebration Here.

Exercises commemorating the founding of Germantown, Pa., by their forefathers in 1683 will be held at the Hippodrome at 2:30 o'clock this afternoon under the direction of the United German Societies of America. Addresses in English and German will be made.

President Harding wrote to Magistrate Charles A. Oberwager of the committee that he will not be able to attend.

"I wish it were possible," he said, "for me to join in this tribute to those who started the great movement of German pioneers to the American shores. Their efforts marked the beginning of a magnificent contribution to the making of our nation, one which has always been and always will be thoroughly appreciated. It is most gratifying to realize that once more our country is at peace with the great German homeland, and to record the hope that the democratic movement in Germany may bring to that country the blessings of permanent peace and prosperity which the whole world so greatly needs at this time."

ITALY'S KING RESCUES FISHERS FROM DANGER

With Princesses Pulls Boat From Strong Current.

ROME, Oct. 21 (Associated Press).—King Victor Emmanuel is pictured in advices from San Rossore to-day in the role of rescuer of an endangered pleasure party. While the King was out fishing with the royal princesses at the mouth of the Arno in Tuscany he saw a short distance away a sailboat being carried into danger by a strong current.

The royal party hurried to the rescue, and when their boat had closely approached the drifting craft the King and the princesses got out and, standing in water up to their hips, threw a rope to the fishermen and joined in tugging them in.

Tullio Romeo, the owner of the fishing boat, did not know who his rescuers were, but he wanted to do the nicest thing possible, so after complimenting the young girls on their courage he insisted on presenting them with a basket of fish.

He nearly collapsed when the princesses and the King told him who they were.

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£3,000,000 Campaign Fund for Lloyd George

LONDON, Oct. 21 (Associated Press).—Several of the political writers in this morning's newspapers agree that the Center party idea has been completely abandoned and that Lloyd George will make his appeal to the country as a pure Liberal and free trader, strong on economy and favoring the League of Nations. He is credited with having at his disposal the Coalition Liberal machine, whose funds, according to the *Daily Mail*, amount to nearly £3,000,000.

FOUND ANYTHING?
If so, see if it is advertised in the Lost and Found columns of to-day's New York Herald.