

tralized authority over its members which characterizes the Norwegian and Swedish employer federations and its role in wage negotiations has been negligible.

The British experiment with a national wage policy of "voluntary wage restraint" was inaugurated in 1948 with the promulgation by the Labor government of a policy statement on personal incomes, costs, and prices (Cmd. 7321, HMSO, 1948). In this white paper the Government took the position that it should not institute direct controls over incomes except through taxes, nor attempt a general "freeze" of all wage rates. But it enjoined the parties to collective bargaining not to depart from the terms of collective agreements, expressed the opinion that there was no justification for a general increase in money incomes under the then existing conditions, and stated that every demand for a wage increase had to be considered on its "national merits" (which were left undefined). In contrast to Norwegian and Swedish stabilization efforts during the same period, the British Labor government was unable to get the trade unions to participate in the development of a national wage policy. The 1948 white paper was issued without prior consultation with the union leadership. Nevertheless, after reserving their position by listing a broad set of conditions which they felt would justify wage increases, the unions undertook to support the Government in its efforts to limit wage movements.

The policy of "wage restraint" did serve to restrict the upward movement of wages and prices in the succeeding 2 years. But, like the "wage drift" in the Scandinavian countries, the haphazard influences of increases in earnings not associated with contractual changes led to increased tensions among the unions and greater dissatisfaction with a policy that had not had wholehearted support from the beginning. After the devaluation of sterling in the fall of 1949, and despite the efforts of general council, the 1950 Trade Union Congress voted against any continuation of a "wage restraint" policy. It is probable that, even had TUC made the contrary decision, the inflationary impact of increased defense expenditures and rising import prices after the outbreak of the Korean war would have destroyed the possibility of any further reliance on voluntary restraint to control wage levels.

Following the vigorous wage and price increases of 1950-51 and the 1951 election of a Conservative majority in Parliament, Government policy to achieve wage-price stability entered a new phase. The Conservative government first attempted through the National Joint Advisory Council—an advisory body to the Labour Ministry composed of representatives from the TUC, the British Employers' Confederation, and the nationalized industries—to obtain union cooperation in devising means for keeping wage movements in line with productivity changes. The TUC, however, rejected the Government's proposal. Since then there have been occasional governmental appeals for the exercise of union restraint coupled with exploratory moves in the direction of working out arrangements which would make possible a greater degree of coordination between wage-fixing and general economic policies. All of these have met with trade-union opposition and achieved little significant result. Upward pressure on wages declined somewhat after the end of the Korean crisis and the easing of internal demand resulting from the disinflationary measures introduced by the