

# Lloyd George's Acquisition of the *Daily Chronicle* in 1918

J. M. McEWEN

Five weeks before the armistice in November 1918 an unprecedented thing happened in Britain. The control of a modern popular newspaper passed from private ownership into the hands of the prime minister of the day. Ever since David Lloyd George assumed the premiership twenty-two months earlier there were signs aplenty that relations between Downing Street and Fleet Street had entered a new era. But the sale of the *Daily Chronicle* to agents of the head of the government went far beyond custom or precedent. Lloyd George's immediate predecessors had remained old-fashioned even in the face of the press revolution wrought by the likes of Sir George Newnes and Alfred Harmsworth (immortalized as Lord Northcliffe).<sup>1</sup> The phenomenon of mass-circulation newspapers had little appeal to great aristocrats like Lord Salisbury and Lord Rosebery, who were very selective in their dealings with Fleet Street. Likewise Herbert Henry Asquith scarcely troubled to hide his Balliol-bred contempt, ever preferring quality journalism to quantity, while Sir Henry Campbell-Bannerman seems not to have exerted himself unduly to cultivate and exploit the good will of editors and proprietors. At least it could be said of Arthur James Balfour that he was mildly intrigued by the workings of the popular press, in part because it offered opportunities for investment and he was fascinated by the entrepreneurial genius and commercial success of Northcliffe, the greatest press lord of all. On the whole the prime ministers of late Victorian and Edwardian England looked more to the past than the future where communication with the population at large was concerned.

Lloyd George was different. His fascination with the press began when he was a young man in Wales, and it never diminished. Of whom else could it be said; "The editor of *The Times* has often thought himself more important than the prime minister. Lloyd George was the only prime minister who apparently shared this belief."<sup>2</sup> As a ranker who scrambled to the top, he had no strong regard for any of the gods traditionally held sacred in Downing Street. Not only did he understand something of the power of the popular press, he welcomed its advent and used it whenever possible to advance his own interests and sometimes those of the nation too. Certainly the wartime scene, not least the manner of his

---

<sup>1</sup> On this point, see Stephen Koss, *The Rise and Fall of the Political Press in Britain*, (London, 1981), I, 412.

<sup>2</sup> A.J.P. Taylor, *English History, 1914-1945* (Oxford, 1965), p. 187.

own accession, had proved instructive in this regard. Then too there was the example of Northcliffe, who posed as an omnipotent being simply because he owned newspapers that reached vast numbers in all classes. Even a ranter like Leo Maxse of the *National Review* or a rascally demagogue such as Horatio Bottomley of *John Bull* looked big out of all proportion to his true size. It was frequently said of Lloyd George that he "trafficked with the press," words of sinister sound and vague meaning. In late 1918 with the war ending and a general election in prospect, his action in acquiring a great Liberal newspaper gave his critics further cause to complain on this score. There was yet an added reason for him to go after the *Daily Chronicle*. Of recent months the editor, Robert Donald, had become a hostile critic of the Lloyd George government where formerly he was regarded as a reasonably good friend and supporter. When the sale of the newspaper resulted in his immediate departure, the *Star*, a Liberal evening paper, was moved to remark: "Fleet Street knows that the prime minister does not spare those who cross his path."<sup>3</sup> Thus Lloyd George may have had a secondary motive, whose importance must also be considered.

The *Daily Chronicle* grew from small beginnings in the 1850s, reaching a circulation of about 400,000 by 1914.<sup>4</sup> This put it in third place among the London dailies (excluding the tabloids), behind Lord Northcliffe's *Daily Mail* and the Cadbury-owned *Daily News* but well ahead of the *Daily Express* and other morning papers. Since 1876 it had been owned by the Lloyd family, wealthy paper manufacturers whose other journal, *Lloyd's Weekly News*, reached millions of working-class readers. The present head of that family was Frank Lloyd, and the editor of both his papers since 1902 was Robert Donald, a product of Edinburgh journalism. Prior to 1914 the *Daily Chronicle* under Donald had emphasized news and books as much as politics, which made for a balanced paper with a wide appeal. Now some things were to change. The First World War elevated the national press to unprecedented heights of influence, the real measure of which has not yet been properly assessed. As purveyor of news and vehicle of propaganda at a time when both were desperately needed, the press had no other medium as a rival. In addition there existed a remarkably close relationship between, on the one hand, newspaper owners and editors, and on the other, the nation's political and military leaders and the mandarins of Whitehall to boot.

Upon the outbreak of hostilities London's popular newspapers and tabloids saw their circulation figures shoot up overnight, while even the quality journals increased their sales appreciably. The *Daily Chronicle* nearly doubled its circulation during the war years, reaching about

<sup>3</sup> Quoted by H.A. Taylor in *Robert Donald* (London, 1934), p. 189, but date not given.

<sup>4</sup> For the early history of the *Daily Chronicle* see Taylor, Donald, pp. 19-21, and Alan J. Lee, *The Origins of the Popular Press in England, 1855-1914* (London, 1976), pp. 162-67.

800,000 by 1915 and remaining close to this figure for the duration.<sup>5</sup> This brought it even with the other large popular Liberal newspaper, the *Daily News*, and much closer to the *Daily Mail* than formerly. Its stable companion, *Lloyd's Weekly News*, was now enjoying a wartime circulation of perhaps 1½ millions, so that the two papers edited by Robert Donald together accounted for nearly twenty percent of the total circulation of something over 11 millions for the national press (daily, evening and Sunday newspapers).<sup>6</sup> While this was less than half the circulation controlled by the Harmsworth brothers (Lord Northcliffe and Rothermere), it assured second place for United Newspapers Limited, Frank Lloyd's company. In January 1917 Lloyd told Robert Donald that the property was worth £900,000, and by March 1918 he had revised the figure upwards to £1,100,000.<sup>7</sup> Therefore in monetary terms alone United Newspapers Limited was a very valuable concern.

Less tangible but of greater importance was the position which the *Daily Chronicle* had come to occupy by 1918. Throughout the war Robert Donald had steered his papers judiciously, praising governments and individual ministers when he thought it their due but not failing to criticise either if the occasion demanded. This compared favorably with the performance of most other leading newspapers, Liberal and Unionist alike. By keeping the *Daily Chronicle* reasonably disinterested while other journals leaned this way or that, yet eschewing pusillanimity, Donald retained the respect of all sides. At issue here is the relationship between the *Daily Chronicle* and the man who mattered most on the war-time scene, Lloyd George. The owner Frank Lloyd seems not to have known his countryman personally, but Donald apparently was on fairly intimate terms with Lloyd George by 1914. As long ago as 1908 there was evidence that the statesman favored the *Daily Chronicle* over other newspapers, and when Britain's decision on intervention in the European war hung in the balance, Lloyd George discussed the situation at length with the editor. There is a close parallel between the way Lloyd George and the *Daily Chronicle* accepted the case for intervention and then moved towards a position of total commitment.

The intimacy between the two men may have been more apparent than real, games of golf to the contrary. Donald's biographer observed that "Lloyd George cared much for the editor and less for the man."<sup>8</sup> This would surprise no one familiar with his manner of using people so long as they served his purposes. On his part Donald was a good judge of character and can have had few illusions about the nature of a relation-

<sup>5</sup> According to such publications as *Sell's World's Press* (34th ed., 1915) and the *A.P.S. Monthly Circular* (issued by the Advertisers' Protection Society).

<sup>6</sup> More on wartime circulation figures will be found in the author's article on this subject in *The Journal of Contemporary History* for July 1982.

<sup>7</sup> House of Lords Record Office (hereafter HLRO), Robert Donald's memorandum entitled "Daily Chronicle Negotiations, 1917-1918," 16 pp. Robert Donald Papers, D/2/3.

<sup>8</sup> Taylor, *Donald*, p. 25.

ship between a great cabinet minister and the editor of a national daily. For whatever reasons, he refused to be mesmerized, and it became evident before the war was many months old that Lloyd George did not exactly have the *Daily Chronicle* in his pocket. The paper's response to his famous Queen's Hall speech in September 1914 was less than satisfactory to the emerging war leader, particularly since in that number Asquith was lauded rather than himself. A serious contretemps occurred in March 1915 when the *Daily Chronicle* published an account of alleged intrigues against the prime minister, in which Lloyd George was supposed to be involved. He reacted with great vehemence and anger, rather more than the occasion demanded. Possibly he was alarmed lest there be premature speculations about his growing misgivings over Asquith's war leadership, for Lloyd George did not like others to precipitate events that concerned his future. Or perhaps he felt he had been betrayed by a trusted comrade. Soon there were other issues to strain the bond between them, for instance Donald's opposition to the minister's huge scheme for state purchase of the drink trade, and later his reluctance to endorse conscription with the same speed and vigor as Lloyd George. In mid-1916 when Lloyd George was the obvious candidate to succeed Lord Kitchener as secretary of state for war, the *Daily Chronicle* strongly urged that control of strategy remain in the hands of the chief of the imperial staff, General Sir William Robertson. This hardly seemed a friendly act.

Although friction existed from time to time, it was certainly not the case that the *Daily Chronicle* had become consistently hostile to Lloyd George. Rather it generally spoke well of him, though not with the same gusto and enthusiasm as some less discriminating newspapers. Then came the great upheaval of December 1916 when the *Daily Chronicle*, if somewhat inadvertently, helped bring to a head the crisis that placed Lloyd George in the seat of power.<sup>9</sup> Any threat of estrangement had vanished, it seemed, when on New Year's Day 1917 there came a letter to the editor from the new prime minister:<sup>10</sup>

My dear Donald,

I wish you would go into the question of our present propaganda arrangements and let me have your views on the subject soon.

Yours sincerely,  
D. Lloyd George

Donald took up the task at once and soon was making recommenda-

---

<sup>9</sup> For the role of the *Daily Chronicle* in events leading up to Asquith's downfall, see J.M. McEwen, "The Press and the Fall of Asquith," *The Historical Journal*, Vol. 21, No. 4 (1978), pp. 863-83.

<sup>10</sup> Taylor, *Donald*, p. 154.

tions for improvements in British propaganda. More than that, there were signs of a resumption of something like the old friendship. But a glance at the state of the Liberal press at this time leaves little doubt that Lloyd George's interest in Donald was carefully calculated, insofar as anything he did could be described as calculated. The *Westminster Gazette*, the *Daily News*, and the *Nation* were clearly out of sympathy with the new coalition government; the *British Weekly* was for the moment an uncertain quantity; and the stern rectitude of C.P. Scott of the *Manchester Guardian* often made him an uncomfortable friend for Lloyd George. So during 1917 the *Daily Chronicle* remained one of the few national daily newspapers whose support for the government was anything like satisfactory in the prime minister's eyes (Lord Beaverbrook's *Daily Express* was another, but it was a Unionist journal). It did not go unnoticed that the editor of the *Daily Chronicle* seemed to enjoy a special status in Downing Street. C.P. Scott remarked on one occasion that Donald was now "a kind of scout for Lloyd George."<sup>11</sup> When, in February 1918, he was named director of propaganda in neutral countries, it looked as if the editor were firmly attached to the ministry while at the same time continuing to run his newspapers. This post was part of the new ministry of information which had been set up under Beaverbrook, with Lord Northcliffe a principal figure though not holding ministerial rank. In addition Donald was a member of a small committee of advisers to Northcliffe.

Such a combination of press figures working for the government was too much for some critics. In the House of Commons an independent M.P., the ineffable Pemberton Billing, called attention to this arrangement and asked if the government intended to nobble every editor in London. More serious was the reaction in the press itself, where such diverse journals as the *Daily News*, *Morning Post*, and *Saturday Review* attacked the "Press Gang" for adding new recruits every day, "the latest and most distinguished being, to our astonishment, the editor of the *Daily Chronicle*."<sup>12</sup> But they were quite wrong in thinking that Donald had bound himself hand and foot to Lloyd George's chariot. If he was a good friend to the government, he was equally anxious to give all possible support to Britain's service chiefs. This caused problems. As Lloyd George became more and more disenchanted with the performance of certain of his leading generals and admirals, the *Daily Chronicle* had to attempt a delicate balancing act. To the prime minister it soon looked as if his favorite newspaper was leaning much too far in one direction, and the wrong one at that. At the height of the private war between Lloyd George and the chief of the imperial general staff in early 1918, the prime minister warned Sir William Robertson to stop his press campaign, citing the *Daily Chronicle* as a leading offender.<sup>13</sup>

<sup>11</sup> Trevor Wilson (ed.), *The Political Diaries of C. P. Scott, 1911-1928* (London, 1970), p. 309. This was an entry in Scott's diary for 21 October 1917.

<sup>12</sup> *Saturday Review*, 9 February 1918.

<sup>13</sup> Lord Beaverbrook, *Men and Power, 1917-1918* (London, 1956), p. 55.

This brings us to the events leading up to the sale of the *Daily Chronicle*. From the outset of his premiership Lloyd George's political course was dictated by two considerations above others: he was a prime minister without a party, and he placed a high value on the role of the press in wartime, the popular press especially. To create a party of his own was out of the question at the moment, but Fleet Street offered plenty of scope for the Lloyd Georgian initiatives. Certainly he had his friends and supporters among the owners of a variety of journals—Sir George Riddell (*News of the World*) and Sir Henry Dalziel (*Reynolds News*) perhaps closest; Lord Beaverbrook (*Daily Express*), Lord Burnham (*Daily Telegraph*) and Lord Rothermere (*Daily Mirror*, *Sunday Pictorial*) a little further off; C.P. Scott (*Manchester Guardian*) the voice of conscience. This was good, but not good enough. How could he add to his allies in the press? What Lloyd George really wanted was a newspaper he could call his own. Such Unionist journals as might come on the market, the *Globe* for instance, mounted few heavy guns. There were, however, two important Liberal papers which caught his fancy, the *Westminster Gazette* and the *Daily Chronicle*. First he attempted to capture the *Westminster Gazette*, an improbable move since that paper's influence depended heavily upon its Asquithian editor, J.A. Spender, whom Lloyd George wished to silence. Suffice it to say that by the end of 1917 the *Westminster* had escaped the prime minister's clutches and added the chief shareholder, Lord Cowdray, to the number of his sworn enemies.<sup>14</sup>

Long before the failure of this enterprise Lloyd George had shown a marked interest in attaching the *Daily Chronicle* firmly to his cause. But the road to ultimate success in October 1918 was destined to be a long and tortuous one. Part of the story has been told by Robert Donald's biographer, while there are encapsulated versions in various other works.<sup>15</sup> After Donald's connection with the paper had ended he wrote a lengthy memorandum entitled "*Daily Chronicle* Negotiations, 1917-1918," giving his version of events while still fresh in mind.<sup>16</sup> He began by recounting how as early as January 1917 Lloyd George had hinted that he would like to see some of his friends acquire the *Daily Chronicle* as an official organ for the prime minister. Two or three names were mentioned, including the great soap manufacturer Lord Leverhulme, at one time a Liberal M.P. Donald ascertained that the owner of United Newspapers Limited, Frank Lloyd, was willing to listen but Lloyd put a value of £900,000 on his property which Leverhulme thought impossibly high. At another meeting with Leverhulme in September 1917 the matter was discussed further. Donald recalled:

<sup>14</sup> See for example Trevor Wilson, *The Downfall of the Liberal Party, 1914-1935* (London, 1966), pp. 113-17.

<sup>15</sup> Taylor, *Donald*, Chapters IX and X, pp. 165-93. See also Wilson, *Downfall of the Liberal Party*, pp. 117-18; Stephen Koss, *Fleet Street Radical: A. G. Gardiner and the 'Daily News'* (London, 1973), pp. 243-44; and A.J.P. Taylor, *Beaverbrook* (London, 1972), pp. 157-58.

<sup>16</sup> See n. 7 above.

I endeavoured to give him a better idea of the value of newspaper property. [Sir Howard] Frank had spoken to me several times on the subject and indicated that Lever[hulme] was quite off as he knew nothing about newspapers. Apparently the subject had been discussed with Captain Guest, the chief whip, if not with the Prime Minister. He said that £650,000 was available—partly I understood from Leverhulme and partly from the whip's fund. I told Guest that he had better ask an appointment with Mr. Lloyd. He did so. I had mentioned the matter to Mr. Lloyd. Guest went on behalf of the Prime Minister and he informed Mr. Lloyd that the purchaser would be Leverhulme. Mr. Lloyd said he was quite prepared to go into the matter. He said the price was £ 900,000 for the ordinary shares and offered to allow the company's books to be examined and to give all information. Captain Guest had shown discretion and tact in opening the negotiations.<sup>17</sup>

The full significance of this passage will be seen later. In the meantime a beginning had been made, and soon a member of a firm of chartered accountants, a Mr. Cutforth, called upon Frank Lloyd to obtain an estimate of the value of United Newspapers Limited, apparently on behalf of Lord Leverhulme. Now the proceedings hit a snag. A leak had occurred somehow and there appeared in the press stories to the effect that Lord Leverhulme and Lord Beaverbrook were negotiating for purchase of the *Daily Chronicle*. Donald not surprisingly was angered by this and sought an explanation from Captain Guest, who could only give a muddled reply about a possible combination with the *Daily Express*. The editor of course said that this was unthinkable and he pressed Guest to explain further. It appeared that Beaverbrook had given an undertaking to support Lloyd George for the next five years and therefore the chief whip was satisfied that he could have a share in the proprietorship of the *Daily Chronicle*. To make matters worse in Donald's eyes, Guest then said that Sir George Riddell would act for Leverhulme. This was even more absurd, for Riddell's *News of the World* was the chief rival to *Lloyd's Weekly News* in the Sunday market. Afterwards Donald concluded, no doubt correctly, that the real author of the scheme from the beginning was Lord Beaverbrook himself.

Straightway Lord Beaverbrook summoned Robert Donald and showed him Cutforth's report. The chartered accountant's estimate of the value of United Newspapers was barely half the figure Frank Lloyd had in mind, and Donald at once assured Beaverbrook that Lloyd would not accept less than £ 900,000. Evidently at this point Donald assumed that their talk had become nothing more than an academic discussion. But Beaverbrook's comments are revealing, as Donald tells the story:

<sup>17</sup> "*Daily Chronicle* Negotiations, 1917-1918," pp. 1-2.



When Cutforth's report was delivered Beaverbrook revealed himself for the first time . . . I let him talk. He saw himself controlling proprietor of the papers and said he was going to make a hell of a lot of money out of the business. He would raise the purchase money and charge £20,000 commission for doing it. He would put up half in Leverhulme's name and half in a Canadian friend's name. Ostensibly he would be out of it altogether. Before Guest wrote to Mr. Lloyd sending Cutforth's report and making the offer of £500,000, [he] received a letter from Lord Beaverbrook assuring him that he (Lord Beaverbrook) would be responsible for the money. I was certain Mr. Lloyd did not consider the offer seriously. Guest wished to continue bargaining, but by this time Mr. Lloyd was suspicious of the methods adopted and intensely annoyed at the publicity and gossip which had arisen over the matter. I had told him that Beaverbrook was in it.<sup>18</sup>

Rather than let the affair end there, Donald sought out Lloyd George. It was an unsatisfactory interview, taking place over lunch on March 21 the very day the Germans launched their last great offensive on the western front, and Lloyd George's mind understandably was preoccupied with bigger things. Donald told him the story of the purchase scheme and added that he (Donald) "put the worst possible interpretation on it." Lloyd George professed not to have known that Beaverbrook was involved, which Donald may have accepted at the time but disbelieved in retrospect. The editor's next step was to attempt to interest some prominent Liberals in buying the *Daily Chronicle* in order to prevent it from falling into unsuitable hands. With a strange disregard for Lloyd George's possible reaction, he approached men who for the most part were out of sympathy with, if not actively hostile to, the prime minister. Among them was the embittered Lord Cowdray who had spiked Lloyd George's guns over the *Westminster Gazette* purchase, and others included Lord Colwyn, old Sir Walter Runciman, and Reginald McKenna.<sup>19</sup> According to Donald this project collapsed when Frank Lloyd took exception to one financial clause, but perhaps the group could not or would not meet his price. Before that happened, however, Donald had further illuminating conversations with Lord Beaverbrook.

<sup>18</sup> Ibid, pp. 4-5. The "Canadian friend" may have been Colonel Grant Morden, a financier of dubious reputation and later one of the "hard-faced men" of the Coupon Parliament. He was the owner of *The People* in 1924 when it published a sensational interview with Stanley Baldwin.

<sup>19</sup> HLRO, "Sale of the *Daily Chronicle*. By Harry Jones, parliamentary correspondent," Robert Donald Papers, D/2/4, 11 pp. Donald described this attempt to Jones on 5 October 1918, the day he left the *Daily Chronicle* forever. Colwyn may have been on friendly terms with Lloyd George, but Sir Walter Runciman was the father of the Liberal ex-minister Walter Runciman whom Lloyd George disliked and distrusted only slightly less than his principal *bête noire*, Reginald McKenna.



On April 17 after a meeting at the ministry of information Beaverbrook asked Donald how he was getting along with his plan for the *Daily Chronicle* and if he needed financial help. (How did Beaverbrook know what Donald was attempting?) Though the answer was not at all encouraging, he nonetheless proceeded to talk about his own part and motives in the earlier abortive scheme. Beaverbrook reiterated what he had said in March about Leverhulme being a stalking-horse while he would emerge as real owner and (again repeating himself) "make a hell of a lot of money out of the business." Next day they continued their conversation and Donald now learnt that "Freddy" Guest had been less than honest or else thoroughly confused, possibly even hoodwinked, about a covenant to support Lloyd George for five years. "I asked him [Beaverbrook] if that covenant was intended to apply also to the *Daily Express*. 'My god, no!' he answered and laughed boisterously."<sup>20</sup> Beaverbrook ended with a friendly warning to Donald that he had only two choices: get financial backing from Asquithian Liberals who undoubtedly would have to use party funds to make the purchase; or agree to support Lloyd George for five years and accept money from the war chest which the prime minister had accumulated through the sale of honors. No one, Beaverbrook assured him, would consider buying the *Daily Chronicle* otherwise, as Frank Lloyd's price was too steep.

It was a vexed and perplexed Robert Donald who called upon Lord Leverhulme that same afternoon (April 18) in hopes of learning the truth about his role, if any, in Beaverbrook's project. Perhaps he was not too surprised when Leverhulme said he knew nothing about the negotiations which had been begun in his name, adding that he was not interested in newspapers anyway. A succession of firm negatives met Donald's questions about the activities of Beaverbrook, Guest, and Cutforth. Whether he was truly innocent or in fact shamming behind the protective cover of his deafness, Leverhulme steadfastly disclaimed all knowledge of the proceedings. Why he should have felt under any compulsion to admit his dealings to Donald is not at all clear. The only slightly suspicious circumstance is that he showed not a suggestion of annoyance that his name had been used in a proposed transaction without his authority.

This set the stage for a stormy session with "Freddy" Guest. Before this encounter, Cutforth visited Frank Lloyd in an attempt to reopen the negotiations on Guest's behalf. But the owner had been apprised by his editor of the recent maneuvers and at once he challenged Cutforth to admit that he was working for Beaverbrook, not Guest and Lloyd George. Cutforth denied this, again invoking Guest's name and also mentioning another of Lloyd George's Liberal colleagues, the postmaster-general Albert Illingworth. Here was a new lead for Donald to follow and accordingly he visited Illingworth on May 18. The postmaster-general was a plain-spoken Yorkshireman and he said without hesitation that while Lloyd George had consulted him, he understood Leverhulme and

<sup>20</sup> "*Daily Chronicle* Negotiations, 1917-1918," p. 8.

Beaverbrook were to acquire the *Daily Chronicle* jointly, with the former in control of policy. He was quite surprised when Donald said that Leverhulme disavowed any part in this scheme, and he undertook to speak to Guest about it. Donald's sense of outrage broke through when he called it all "a mean dirty business." He told Illingworth that the goal was "to tie up the paper for five years to Mr. Lloyd George. I was not consulted of course. I and the whole of the staff were evidently regarded by the Canadian financial buccaneer as part of the fittings."<sup>21</sup>

It was not Beaverbrook's style to retire quietly from a scene that offered so many interesting possibilities. He accosted Donald the very next day and said he was still prepared to do business since "money talks." Donald replied stiffly: "I said he had not enough money to buy a single share and that Mr. Lloyd would never sell his business to a Tory, and that I was amazed that he ever dreamt of the possibility of coming in on it."<sup>22</sup> That kind of remark never put Beaverbrook off his stride, and soon he was exploring other ways of capturing the *Daily Chronicle*. To say the least his ideas were ingenious, though all proved unsuccessful.<sup>23</sup> For example, one plan was for a syndicate headed by Sir Henry Dalziel and including other rich friends of the prime minister, while he (Beaverbrook) pulled the strings from the shadows. This fell through when the necessary support was not forthcoming to meet Frank Lloyd's price. Another was to purchase the *Sunday Times* from the Berry brothers and make a parcel which would include the *Daily Chronicle* and, presumably, the *Daily Express*. Now it was Guest's turn to become alarmed and he killed this scheme (on Lloyd George's instruction?), doubtless for fear of an excessively powerful Beaverbrook in control of a vast newspaper empire. One can only speculate on the shape of the British press for generations to come if the "Canadian financial buccaneer" had pulled off such a merger at this time. As things turned out, he had to be content with founding the *Sunday Express* when the war ended and building up his own newspaper holdings.

The confrontation between Robert Donald and Captain Guest occurred on May 28. Donald began by charging Guest with unethical conduct in pretending to represent Leverhulme and the prime minister when in fact he was acting in Beaverbrook's interest. He then repeated what Leverhulme had said to him about knowing nothing of the negotiations in which his name was used. Guest flatly rejected the statement that Leverhulme was never in the picture, insisting that the Liberal peer indeed had made an agreement with Beaverbrook to share equally the cost of purchasing the *Daily Chronicle*. Donald refused to believe that this was true, and the argument grew heated. The unyielding Guest stuck to his earlier position that there was no good reason to exclude Beaverbrook from an arrangement to purchase, until finally in anger he accused

<sup>21</sup> Ibid, p. 12.

<sup>22</sup> Ibid, p. 12.

<sup>23</sup> For a brief account, see Taylor, *Beaverbrook*, pp. 157-58.

Donald of "causing difficulties between him [Guest] and Mr. Lloyd and spoiling the deal." Donald retorted with equal vigor that the proposal was impossible from the start because Beaverbrook was a Tory and Frank Lloyd would never have consented to sell to such a man. Further, and aside from the party consideration, Lloyd believed that Beaverbrook's name would only succeed in halving the share value of United Newspapers Limited. Donald's parting shot to Guest was that "the whole scheme was a very dirty business and that I could not be expected to trust people who adopted such methods."<sup>24</sup>

Whether he fully realized it or not, Robert Donald in effect was saying that he could trust Lloyd George no longer. As Guest was Lloyd George's chief whip on the Liberal side, his account of the conversation would reach Downing Street almost immediately. And the story would lose nothing in the telling, to Donald's certain disadvantage. Doubtless the editor like many others had a poor opinion of "Freddy" Guest, who was regarded as something of a joke in political circles. But he was in a position to cause mischief. As it happened Guest's opinion was of little account insofar as relations between Lloyd George and Robert Donald were concerned, for the die had been cast a fortnight earlier. On May 9 there took place in the Commons the famous "Maurice Debate," when Asquithian Liberals tried to bring down the government over Major-General Sir Frederick Maurice's accusation that Lloyd George had lied about the size of the British army in France. This was the kind of *cause célèbre* beloved by Fleet Street, but the *Daily Chronicle* was comparatively soft-spoken as befitted a friendly newspaper. Then followed a stunning surprise. Within a few days, Donald invited General Maurice, whose army career was finished, to join the staff of the *Daily Chronicle* as military correspondent. From a purely journalistic standpoint this was a brilliant stroke. As former director of military operations at the war office, and an accomplished writer as well, Maurice was eminently well qualified to fill such a post. But in the eyes of Downing Street it could scarcely be regarded as other than a deliberately hostile and provocative act. It appeared, no one knew why, that Donald had chosen this moment to break publicly with Lloyd George. Nobody imagined the prime minister would be happy about this. Few can have guessed the nature of the consequences that the Maurice appointment was to have for the *Daily Chronicle* and for Robert Donald himself.

Inevitably the paper quickly became more outspoken on behalf of the generals and more hostile to the Lloyd George administration. One inhibition was removed when Donald resigned from the ministry of information at the end of June 1918, so ending an arrangement that had become uncomfortable. Readers of the *Daily Chronicle* were now treated to very different fare where the government and its head were concerned. General Maurice would have been other than human if he had not used his column to hit back at Lloyd George. He did so with a will, and Donald

<sup>24</sup> "Daily Chronicle Negotiations, 1917-1918," p. 14.

did not discourage him. One or two examples illustrate the method used. When the British army in France was steadily rolling back the enemy, Maurice pointedly asked why the government refused to pay tribute publicly to the splendid performance of Haig and his troops.<sup>25</sup> Lloyd George as if in response praised the French general Foch in a speech on September 12 but failed to mention Haig, at which the *Daily Chronicle* in a leading article observed waspishly: "It is a small mind that petulantly refuses to acknowledge the services of a great soldier."<sup>26</sup> Not unnaturally such a jibe rankled. On the 21st the paper attacked again, this time over the war cabinet's decision not to publish Haig's despatch on operations on the western front during the period March to June 1918 when the tide turned. A few days later the charge was made that the war cabinet remained conspicuously silent while others heaped congratulations upon Sir Douglas Haig for his victories. Donald's biographer wrote: "That was published on October 3rd. It was the last word the *Daily Chronicle* published in criticism of Mr. Lloyd George."<sup>27</sup> Two days later the paper became the property of the prime minister.

Unbeknownst to the editor and staff of the *Daily Chronicle*, secret negotiations had been under way for some time. Beaverbrook had warned Donald as long ago as March that Lloyd George was "very anxious to get hold of an influential paper on whose support he could rely."<sup>28</sup> Precise details of what went on behind the scenes will never be known. But a hint of Lloyd George's activities is found in the following "Most Secret" memorandum from Lord Beaverbrook, undated but probably written in May or June:

At your request, I offered £ 525,000 for ordinary shares. Offer was refused. I met with two of your supporters & offered to contribute £ 100,000 part of the £ 850,000 purchase price. You decided that nothing could be done. R. Donald approached me & asked me to join him in securing control for himself. I declined.

Sir H. Dalziel then approached me & asked me to join forces with your friends. I agreed to do so. We settled on the basis of my paying £ 200,000 & securing the weekly paper. On the same evening I met H.D. at Hyde Park Hotel & ratified transaction.

I am waiting for the result of H.D.'s negotiations though I have heard strange rumours of proposals for my exclusion.<sup>29</sup>

Beaverbrook indeed was excluded from any share in the *Daily Chronicle* purchase, thereby wrecking his scheme for a combination of leading newspapers under his control. Not only excluded, but also, it

<sup>25</sup> *Daily Chronicle*, 7 September 1918.

<sup>26</sup> *Ibid.*, 13 September 1918.

<sup>27</sup> Taylor, *Donald*, pp. 172-73.

<sup>28</sup> "Daily Chronicle Negotiations, 1917-1918," p. 9.

<sup>29</sup> HLRO, Beaverbrook to Lloyd George (n.d.), Beaverbrook papers, Box E/10, folder 269.

seems, made the subject of malicious and wounding remarks by the prime minister and his entourage. In another undated "Most Secret" letter to Lloyd George he complained with some warmth: "Bonar Law tells me that you say I am unreliable, & F. Guest tells me that you say I am ungrateful . . . I hear of a conversation between yourself and Guest & H.D. [Dalziel] in which I am exposed to merciless attacks & these charges of inconstancy or levity or ingratitude are re-iterated." And towards the end of this long letter: "I have never been accused of ingratitude. If I became ungrateful it would be an entirely new feature in my character, for it is not my defect."<sup>30</sup> It is impossible to know if either this or the preceding letter was sent. They do not appear in Lloyd George's papers, not too surprising in the circumstances. That hardly matters. Something of Lloyd George's and Beaverbrook's press machinations stand revealed, while even Robert Donald may not have been quite the injured party that his biographer depicts. If, that is, Beaverbrook was telling the truth when he wrote: "R. Donald approached me & asked me to join him in securing control for himself."<sup>31</sup>

Lord Beaverbrook now drops out of the story, leaving largely unexplained his part in the proceedings to date. Even at this remove of time, it is unclear what he hoped to achieve. Possibly he himself did not know, though he pretended otherwise. One of his "Most Secret" letters to Lloyd George ends with these words: "Perhaps you have been misinformed as to my attitude, or have got my whole line of conduct out of focus, so that things appear big which are really quite small, & things dark which are really quite bright."<sup>32</sup> This was scarcely illuminating, and Lloyd George cannot have been reassured about Beaverbrook's intentions or loyalty. Certainly the prospect of effecting a great newspaper merger, from which he hoped to make a lot of money, must have been very appealing on a number of counts. But that alone hardly accounts for the sudden surge of interest in Fleet Street. In fact Beaverbrook at this time was seeking new fields of action. The reality of being a minister, even a propaganda minister, had proved no more satisfying than the reality of being a peer. Lack of support from Lloyd George and Bonar Law when he became involved in irksome quarrels with such difficult colleagues as A.J. Balfour and Lord Robert Cecil prompted him to seek escape. And close at hand was the example of Northcliffe, free-wheeling and powerful, owing allegiance to none and feared by all. Apart from all of these considera-

<sup>30</sup> Ibid, Box E/10, folder 269. This letter contains more information on Beaverbrook's financial proposals. At one moment he "offered over half a million to buy a [newspaper] business" to back Lloyd George. Then, "I offered £ 100,000 to your friends to put into newspaper politics irrespective of the financial side." And finally, in an attempt to get *Lloyd's Weekly News*, "I undertook to pay £ 200,000 of my own money." Such agility was too much for the Lloyd George camp, and they backed away from their prospective partner.

<sup>31</sup> Apparently this refers to the meeting between Beaverbrook and Donald at the ministry of information on 17 April. See p. 135 above.

<sup>32</sup> HLRO, Beaverbrook to Lloyd George (n.d.). Beaverbrook Papers, Box E/10, folder 269.

tions, it seems that the newspaperman in Beaverbrook was stirring by 1918.<sup>33</sup> As usual he was playing his own game. But no one knew what it was.

By the summer of 1918 Lloyd George was thinking of an early general election, and it was essential to move fast if he hoped to acquire that "influential paper" which would back him to the hilt. Now there appears a note of urgency in his directives to his lieutenants. From the exiguous evidence it is clear that the prime minister was determined to have the *Daily Chronicle* without further delay. To Captain Guest in mid-August he made plain his annoyance that the chief whip "had not been able to see this thing through before leaving [for Scotland to shoot grouse!]. It has now been drifting for a whole year."<sup>34</sup> Thus reproved, Guest hastily sent a telegram to J.T. Davies (Lloyd George's private secretary) that everything was arranged and the deal would go through if Sir Henry Dalziel could be persuaded to play his part. Next day (August 24) Guest followed up with a lengthy letter to Davies, outlining a scheme that would pivot on Dalziel but exclude both Beaverbrook and the Berry brothers of the *Sunday Times*: "The P.M. can now with his influence with H.D. close and achieve a very great & vital coup in his own interest."<sup>35</sup> Soon this was being discussed in the inner circle of Lloyd George's associates. Riddell noted after a visit with Winston Churchill and Lord Rothermere in early September: "Much talk about the purchase of the *Daily Chronicle*, on which L.G. is very keen."<sup>36</sup> Negotiations moved ahead rapidly in the next fortnight, and by October 1 Riddell was writing in his diary: "The *Daily Chronicle* purchase has been completed. L.G. is to have full control of the editorial policy through Sir H. Dalziel, who will in effect be his agent." Riddell added that he thought the experiment would be "interesting."<sup>37</sup>

All the while Robert Donald was completely unaware of impending doom. The first hint he received was on October 3 when Riddell told E.A. Perris, news editor of the *Daily Chronicle*, that the paper had been sold. Donald laughed his disbelief on hearing this, confident that he had Frank Lloyd's promise not to sell without giving him first option, and further convinced that Lloyd did not intend to sell until after the war at the earliest. But Donald was sufficiently shaken to seek out his employer next day. His record of the conversation is testimony to the shock he received:

I saw Mr. Lloyd a little after lunch. I saw him on some other matters and said casually that there were rumours on foot again with regard to the purchase of the *Chronicle*. He asked what I had heard. I informed him of what Sir George Riddell had told

<sup>33</sup> See for example Taylor, *Beaverbrook*, p. 134.

<sup>34</sup> HLRO, Lloyd George to Guest (n.d.). Lloyd George Papers F/21/2/32.

<sup>35</sup> Ibid, Guest to Davies, 24 August 1918. F/21/2/34.

<sup>36</sup> *Lord Riddell's War Diary, 1914-1918* (London, 1933), pp. 352-53.

<sup>37</sup> Ibid, p. 365.

Perris. I was about to ask him to allow me to issue a contradiction to settle the rumours when, to my astonishment, he told me that the statement was true, and that Sir George Riddell must have been informed by the Prime Minister.<sup>38</sup>

The tale now unfolded how Frank Lloyd had been won over. He told Donald that Sir Henry Dalziel had got in touch with him in late July, and a few days later had made a definite proposal to buy. Lloyd remarked, as if by way of explaining his change of heart, that he had been bothered by the critical tone recently adopted by the *Daily Chronicle* towards the prime minister. He further admitted that Lloyd George and Guest had called upon him in mid-September. "He said that Mr. Lloyd George complained of the criticisms which had appeared in the *Daily Chronicle*, and said, 'We cannot trust Donald.'" No great amount of imagination is required to visualize the kind of performance put on for the benefit of Frank Lloyd on this occasion. Donald's notes continue:

He said that Mr. Lloyd George did not resent ordinary criticism, but complained very bitterly of the articles which had appeared about Haig, more particularly with one in which the Prime Minister was said to have a small mind. Mr. Lloyd said that that was more than he could stand.<sup>39</sup>

There is one small ambiguity here. In the last sentence did "he" mean Frank Lloyd or Lloyd George? Probably the latter, but the sentiment seems to have been firmly planted in Frank Lloyd's mind also. The final shock to Donald was the information that the new proprietors wished to take possession next evening by six o'clock. True to form, Lloyd George did not mean to let any grass grow under his feet.

The rest of the story can be told briefly. In the offices of the *Daily Chronicle* there was consternation and dismay. Donald of course said at once that he could not continue under the new regime. Others were prepared to follow his example. General Maurice, for one, said: "Well, you have been a very good friend to me, Donald. I stand or fall with you."<sup>40</sup> Admittedly he could hardly do other in the circumstances, for certain dismissal awaited him at the hands of the new owner. Three other key figures in the newspaper were E.A. Perris (news editor), Harry Jones (parliamentary correspondent), and R.C.K. Ensor (chief leader writer), and there is a full account by Jones of their struggle with their consciences. In the end they agreed to remain, with Perris becoming the new editor, but only after Dalziel gave what seemed to be satisfactory assurances about the future policy of the paper.

Of some interest is the role Perris may have played in making possible

<sup>38</sup> "Daily Chronicle Negotiations, 1917-1918," p. 2 of diary postscript. Also quoted in Taylor, *Donald*, p. 178.

<sup>39</sup> Taylor, *Donald*, p. 179.

<sup>40</sup> "Sale of the *Daily Chronicle*. By Harry Jones," p. 3.



the sale. There were those in Fleet Street who believed he was the "inside-man" for Guest and Dalziel. For example J.A. Spender of the *Westminster Gazette*, who wrote to Sir Donald Maclean (an important Liberal M.P.) on October 8: "The new editor is supposed to have been the instrument from within . . . . He is merely a news gatherer without politics or writing capacity & is ready to serve either faction, the sort of man loved by newspaper bosses."<sup>41</sup> Certainly the subsequent history of the *Daily Chronicle* proved that Perris was not of the same stature as Robert Donald. Another who resigned with Donald, Mrs. Mildred Canivet, editor of the women's pages, wrote to H.A. Taylor years afterwards: "Perris had known all along and had agreed to act as editor under Dalziel."<sup>42</sup> Whether or not this was true, it did look suspicious that Perris so readily agreed with Dalziel to add the words "subject to the approval of the managing editor [that is, Dalziel]" to the clause in the agreement drawn up by Ensor defining the authority of the editor.<sup>43</sup> Harry Jones objected strenuously to this insertion but had to yield. It was not long before he forsook the Donald-less *Daily Chronicle* for the more agreeable climes of the *Daily News*.

If Perris's role was ambiguous, what can be said of Frank Lloyd's conduct? He has remained a shadowy figure in the history books, reputed to be "frail and elderly" (A.J.P. Taylor's phrase). In fact Lloyd was sixty-three years of age at this time, and as a young man he had been a first-class rugby football player, only just missing playing for England in international competition. He lived for another nine years after the events of 1918, and his obituary gives no hint of long illness or chronic bad health. Therefore it would be more accurate to say that Frank Lloyd was a man of retiring disposition whose chief interest was the prosperity of his business. He had shown repeatedly that he was determined to extract every possible penny from his newspaper holdings, and he displayed the same spirit in smaller matters. There was for instance the question of certain shares in the company which Perris, Jones, and Ensor thought Lloyd had promised them years earlier, a reasonable assumption since they had been paid the dividends on the shares regularly. Now they learnt to their great surprise that their employer regarded the arrangement as purely imaginary. After a difficult interview Harry Jones commented wryly: "Mr. Lloyd was kind and courteous in an old-fashioned gracious way, but on the business side he is a hard nut to crack."<sup>44</sup> This was amply proven by the price he finally extracted from Lloyd George for United Newspapers Limited: £1,600,000, of which three-quarters was to be in cash and the remaining one-quarter in debentures held by the Lloyd family. As Beaverbrook said, "money talks."

<sup>41</sup> Bodleian Library, Oxford. Spender to Maclean, 8 October 1918. Asquith Papers, Box 145.

<sup>42</sup> HLRO, Mrs. M. Canivet to H.A. Taylor, 5 May 1933. Robert Donald Papers, D/2/18.

<sup>43</sup> "Sale of the *Daily Chronicle*. By Harry Jones," p. 10.

<sup>44</sup> *Ibid.*, p. 17.

In retrospect it is easy to catalogue Robert Donald's errors, if not to understand fully why he acted as he did. His trust in Frank Lloyd, a man who had benefited immensely from the editor's services to United Newspapers, was shamefully betrayed for immediate profit. Nonetheless some of Donald's actions remain puzzling. His attempt to form a syndicate of wealthy Liberals known to be hostile to Lloyd George was certainly maladroit, if not provocative. The hiring of General Maurice was an even bigger gamble, gratuitously offensive to the prime minister at a moment when his political fortunes had been retrieved just short of disaster. One more saintly than Lloyd George would have found it difficult to forgive that act. But Donald was not an insensitive man. Had Fleet Street editors shown a tendency to get above themselves during wartime, forgetting that their positions were not sacrosanct? At any rate nemesis followed swiftly for the unfortunate Donald, just as surely as it followed for Northcliffe later when he engaged Lloyd George in mortal combat, and for Beaverbrook and Rothermere when they in turn challenged Stanley Baldwin. The moral seems pretty clear: in this kind of warfare the advantage lies with Downing Street every time. It would be ludicrous to suggest that Lloyd George wished to destroy Donald out of sheer vindictiveness and for no other reason. Yet it would be equally naive to pretend that the editor's fall did not give him a certain satisfaction. Was there ever a prime minister who did not rejoice a little when he scored off Fleet Street? Donald had failed, in spite of an unusually close association to perceive the essential hardness in Lloyd George's make-up, mistaking superficial friendliness for a special relationship. Perhaps it comforted him slightly in the years ahead to observe that politicians like David Davies and Christopher Addison could make the same mistake. Donald, however, went one step further by allowing the sale of the newspaper to be raised in parliament, which did absolutely nothing to help him.<sup>45</sup>

So Lloyd George had his own special mouthpiece in time for the 1918 general election, which he would have won anyway without the *Daily Chronicle*. Parliamentary majorities are not fashioned out of newspaper purchases, but Lloyd George was nervous at the prospect of facing the electorate for the first time as prime minister. Yet his coup was not in vain, at least in a financial sense. When United Newspapers went on the market again in 1926, it realised £ 3,000,000 for the Lloyd George fund, an impressive return on the original investment price. By then the wartime prime minister was long out of office and even that princely sum could do little to revive his sagging fortunes. Indeed it may have had the opposite effect.<sup>46</sup> As for the others in the cast of this strange story, all save

<sup>45</sup> 110 *H.C. Deb.*, 78-94, 15 October 1918.

<sup>46</sup> This is suggested by A.J.P. Taylor (*English History, 1914-1945*, p. 118), who writes: "The [Lloyd George] fund is generally held to have been a decisive element in discrediting Lloyd George. If this is so, Maurice—by provoking Lloyd George to a step which greatly increased the fund—helped him, in the end, on the road to political ruin."

the irrepressible Lord Beaverbrook were soon lost from view in the hurly-burly of the post-war world. Sir Henry Dalziel, the indispensable cog in the machine which had been created, was rewarded with a baronetcy in 1918 and then raised to the peerage in 1921 as Baron Dalziel of Kircaldy. Perhaps these honors, cheaply obtained in an era of high prices, mitigated somewhat his failure as political director of United Newspapers Limited after such a flying start. His co-worker in the enterprise, "Freddy" Guest, achieved minor ministerial office under Lloyd George before fading from sight, an uninspiring figure to the end. Lord Leverhulme's part in the affair remains a mystery, and whether he or Guest lied about the alleged arrangement with Beaverbrook to purchase the *Daily Chronicle*, that secret went with them to the grave. This leaves Robert Donald, the least happy figure of all. He never ran a great newspaper again, though he had brief and unsuccessful flings with some lesser journals. His work for broadcasting and the Empire in the nineteen-twenties won him much esteem and a G.B.E., but these could not make up for the loss of an editorship which he had raised to a distinguished level. Perhaps Frank Lloyd came out of it with the fewest scars, at least in his own lifetime. As far as is known he lived on serenely until 1927. Three years later the end came for the *Daily Chronicle*.<sup>47</sup>

Ordinarily the sale of a daily newspaper, even an important London one, is not of sufficient interest to justify lengthy analysis and comment. But this was no ordinary transaction. It happened at a momentous time in British history, the protagonists included the greatest figure of the day and at least one other who left his mark, and the results for the national press have not yet been fully determined. It may be added that a consensus appears to be as far away as ever on the decline and fall of the Liberal party, to which the *Daily Chronicle* affair contributed its bit. Some things, however, can be stated as incontrovertible facts. A fine paper lost its independence and the press as a whole was the loser; a first-class editor was destroyed; an aggressive young "press lord" who held ministerial office was deprived of his quarry; and a famous prime minister ventured into unknown territory to spend heavily from a treasury that was not quite his own. This last point provides enough justification for telling the story of the *Daily Chronicle* at some length. With the acquisition of a major London newspaper an early ambition of Lloyd George had been fulfilled, and his satisfaction can be imagined. But while this may shed a little additional light on his character, the essential mystery remains. Elusive as ever, Lloyd George continues to be the delight and the despair of his pursuers.

BROCK UNIVERSITY

<sup>47</sup> When it merged with the *Daily News* to form the *News Chronicle* which perished in 1960.