

Bank of England

by the Bank of England in carrying out the country's monetary policy; (f) other accounts, (balances of Commonwealth and foreign banks and ordinary customers). The main assets of the Banking Department comprise: (a) government securities, mainly government stocks, Treasury bills and "ways and means" advances; (b) other securities (mostly securities acquired by the Bank in the open market); (c) discounts and advances, (the amounts lent by the Bank to members of the London money market); (d) notes, (the reserve of banknotes); (e) gold and silver coin, nowadays almost entirely silver, held like the notes to meet demands from the commercial banks for cash.

Bankruptcy. If a debtor is unable to meet his commitments his creditors may file a bankruptcy petition, provided the sum involved exceeds £50. The petition asks for a receiving order to be made and if this is done the official receiver, an official of the Department of Trade, will temporarily take charge of the debtor's affairs. Then the official receiver will call a meeting of creditors and if they so desire the debtor can be formally declared bankrupt. Either an individual or a company can be adjudged bankrupt, the company in such circumstances going into liquidation. When the debtor's assets have been realised, the creditors will receive a dividend. An undischarged bankrupt cannot serve as director of a limited company or take an active part in its management without the consent of the court. If he continues to trade he is not allowed to incur credit in excess of £50 unless he informs his creditor of the fact that he is a bankrupt. As an alternative to bankruptcy a debtor may effect a composition with his creditors, if they are agreeable, to pay (say) £0.50 in the £.

Bank statements. See Statement.

Bank tokens. Coins issued by banks for short periods to relieve shortages of cash. They were usually issued for unusual denominations such as three shillings (1811-12), one shilling and sixpence (1811-12) and sixpence (1812), bank.

Banque d'Affaires. A type of French bank formerly concerned with investment banking. The largest of this kind is the Banque de Paris et des Pays Bas.

Banque de Bruxelles. The oldest and largest commercial bank in Belgium. It has a network of 1,050 branches covering the whole country. It also has branches also in Luxem-

bourg. It is an associate of Barclays Bank Ltd.

Banque de Commerce d'Anvers. One of the smaller banks of Belgium, it is an associate of Barclays Bank Ltd. In 1965 the Chase Manhattan Bank of New York also acquired an interest in it.

Banque de France. Established by Napoleon in 1800. As early as 1803 it acquired the sole right to issue notes in Paris, and since 1848 it has been the sole bank of issue in France. It is one of the oldest central banks on the continent of Europe. It undertakes much more ordinary banking business than the Bank of England and has over 260 branches in France. It was nationalised in 1945.

Banque de la Société Générale. The largest commercial bank in Belgium.

Banque Européenne de Crédit à Moyen Terme. An international bank consortium established in 1967 with headquarters in Brussels, for the provision of medium-term credit to industry. All the participating banks are European - the Midland and Samuel Montagu (British), Credit Lyonnais and Société Générale (French), Deutsche Bank (German), Amsterdam-Rotterdam Bank (Dutch), Société Générale de Banque (Belgian) and the Banca Nazionale del Lavoro (Italian). The head office is in Brussels. See Medium-term credit.

Banque Nationale de Belgique. The central bank of Belgium, it was founded in 1850 with its head office in Brussels and with branches in Antwerp, Liège, and Luxembourg. It is the sole bank of issue in Belgium.

Banque Nationale de Paris. Formed in 1966 by the amalgamation of two nationalised French banks - Banque Nationale pour le Commerce et l'Industrie and Comptoir National d'Escompte de Paris. It joined in 1968 with a number of other banks to form the Société Financière Européenne. It is the largest commercial bank in France. The British and French Bank is its London affiliate. It has over 2000 branches in 67 countries, based in Paris.

Banque Occidentale. Established in Paris in 1869 by the Société Générale Française and the Central National Bank of France. In 1958, a type of bank found in all European countries, was founded by the Société Générale Française and the Central National Bank of France. A credit card offered by Barclayscard.

Barclays Bank. Reciprocal facilities are available with Visa (*q.v.*) and BankAmericard (*q.v.*) in the United States and with Carte Bleu in France (*q.v.*) See also **Credit card**.

Barclays Bank. One of the "Big Four", it developed from a private bank run by John Freame, a London goldsmith, in the eighteenth century, whose son-in-law, James Barclay, later joined the family business. By amalgamations with other banks and by opening new branches it increased in size, but it was not until 1896 that it became a limited company on the amalgamation of twenty private banking firms, for some time having been the leading member of this group. Amalgamations with other banks followed. In 1968 it acquired Martins Bank. It has over 3000 branches. It controls the Bank of Scotland Group and also has interest in the Banque de Bruxelles, the Banque de Commerce d'Anvers, the Canadian Bank of Commerce, and a Spanish Bank - Banco del Desarrollo Económico Español. It controls Barclays Overseas Development Corporation, Crédit Congolais, Barclays Bank (California), and it has interests in the Bank of London and Montreal and in the Société Financière Européenne. It is the sole owner of the finance company Mercantile Credit. It ranks as the twelfth largest bank in the world. It was the first British bank to offer its own credit card—the Barclaycard. Also in the Barclays Group is Barclays Unicorn, a unit trust company.

Barclays Bank International. A subsidiary of Barclays Bank, it is the leading British overseas bank and has over 1500 branches. On 1st January 1986 it merged with Barclays Bank Plc to form Barclays Plc.

Barclays Bank Review. a quarterly publication of Barclays Bank PLC, it contains articles on current economic and monetary matters.

Bar Council. In full, the General Council of the Bar, it is the representative body of the English Bar. It acts in an advisory capacity on matters affecting the profession and has disciplinary powers.

Bargain. A transaction on the stock exchange. The number of bargains "marked" on any day is merely the number of transactions for the sale or purchase of securities recorded for that day. All "bargains", however, are not recorded.

Bargaining. See **Haggling**; **Collective**

bargaining.

Bargaining theory of wages. The theory that wages in an occupation are determined by the relative strength of the trade union and employers' association concerned. See **Wages**.

Baring Crisis. In 1890 Baring's, one of the oldest merchant banks in the City of London found itself in serious financial difficulties. The firm was heavily involved in Argentina, where a financial crisis had occurred, and though sound, Baring's had insufficient liquid assets to meet all calls on them and there was a danger that payment would have to be suspended. However, with the help of the Bank of England the firm was able to overcome the crisis and it met all its liabilities in full. It was reconstituted as a limited company five years later. It is still active in London.

Barlow Report (1940). The Report of the Royal Commission (Sir Montague Barlow being Chairman) on the *Distribution of the Industrial Population*, published 1940. Two fifths of the population of Great Britain, the report pointed out, lived in seven great conurbations, each with a population of over a million, with London as the outstanding example of urban congestion. The report described these huge urban areas as "sprawling agglomerations of humanity", which it was considered had strategic, economic, and social dangers to the country's life and development. It was recommended that the government should take definite action to remedy the situation, and that a new central authority to plan the location of industry should be set up. The planning and development of new towns was one result of the Barlow Report.

Barter. The exchanging of goods for goods without the use of money. It has three serious drawbacks: (a) it is dependent on two people mutually being able to satisfy one another's wants; (b) a rate of exchange has to be determined before a transaction can take place; (c) the exchange of large for small commodities is difficult. The use of a medium of exchange overcomes the difficulties of barter.

Base rate. Introduced in 1971, it replaced bank rate as the basis for other interest rates, e.g. bank loans, bank deposits. Each of the commercial banks decides base rate for itself, though they tend to keep in line. See **Bank Rate**.

Base stock method. When the value of

money is falling rapidly the valuation of current assets presents a problem. The "base stock" method is one way of attempting to surmount this difficulty. Where a certain amount of raw material is always being employed it is treated in the firm's accounts as basic stock and always valued at the price at which it was originally purchased.

base year. The year selected as a base for an index number series and usually given the index number 100. For example, for the Index of Retail Prices the base year has been changed from time to time, 1914, 1947, 1952, 1956, and 1962 all having at different times served this purpose. See *Cost-of-living index; Index of Retail Prices.*

basic rate. The lowest main band of income tax, formerly known as standard rate. It is the rate charged on all income above a certain level of income (depending on the allowances of individual taxpayers).

basing-point system. A method of standardising freight charges to their customers irrespective of the distance the goods have to be carried, adopted by some producers in the United States.

Basle Arrangements. A meeting in March 1961 at the Bank for International Settlements, Basle, of the Group of Ten (*q.v.*), called to consider the run on sterling that followed the revaluation of the German mark. As a result of these Basle arrangements Switzerland made a loan to Great Britain. In 1968 the Group of Ten offered Great Britain a substantial credit to support the sterling balances (*q.v.*)

Basle Club. See *Bankers' Club.*

BAT. Abbreviation of British American Tobacco Co. Ltd.

batch. See *Economic batch quantity.*

bazaar. In eastern countries the term is used to mean an open market. In this country it is sometimes used to mean a fixed-price shop that sells a variety of goods. Between the wars the larger fixed price stores sold only goods priced at threepence and sixpence. Since 1945 the severe fall in the value of money and the rise in the general standard of living have caused the disappearance of the fixed-priced stores, which now sell goods over wide range of prices.

BCA. Abbreviation of British Caledonian Airways (*q.v.*).

BCI. Abbreviation of Banca Commerciale Italiana, a large Italian commercial bank

with its head office in Milan. It has an interest in the Banque Européenne de Crédit à Moyen Terme.

BCom. (or **BComm.**). Abbreviation of Bachelor of Commerce, a degree awarded by a number of British universities. Courses of study usually include economics, economic history, commercial geography, accountancy, commercial law, and cognate subjects.

BComSc. Abbreviation of Bachelor of Commercial Science, a university degree similar to BCom. (*q.v.*)

B/d. Abbreviation of brought down.

B/Dft. Abbreviation of bank draft (*q.v.*)

B/E. Abbreviation of bill of exchange (*q.v.*)

"Bear". The name given to a speculator on a market, more particularly on the stock exchange, who sells stock or shares in anticipation of a fall in their prices See also **"Bull"**.

Bearer. A term applied to cheques and bonds, the possession of which gives a right to payment without formality. A cheque payable to bearer, unless crossed, can be cashed over the counter of the issuing bank without requiring to be endorsed by the person presenting it. Banknotes are always payable to bearer.

Bearer bonds. Bonds which can be transferred from one person to another without the new ownership having to be registered, the legal owner being the holder.

BEC. Abbreviation of Business Education Council (*q.v.*). It has amalgamated with the Technician Education Council (TEC) to become the Business and Technician Education Council (BTEC).

Bedaux system. A bonus system of wage payment invented in New York in 1911 by Charles Bedaux, it was introduced into England in 1926. It attempts to apply a uniform system of bonus payments to work of differing degrees of difficulty, each type of work being analysed and, according to the strain involved, a proportion of time being allowed for rest. For all kinds of work there is a standard unit of time, known as a "B" unit, these standard times being supplied by experts employed by the Bedaux company. The bonus is then calculated as a percentage (usually 75 per cent) of the hourly rate for the time saved in addition to the time rate for the actual time taken.

Beeching Plan. A scheme outlined by Lord Beeching after a detailed examination

under his direction of British Railways at the request of the Minister of Transport. The Report was published in March 1963. Lord Beeching's aim was to reshape the British railway system to suit the needs of the day. For some time British Railways had experienced an increasing operating deficit. On many routes the decline in both passenger and freight traffic had been very considerable as a result of severe competition from road haulage, public passenger road transport, internal airlines, and above all from the private motor car.

The main recommendations of the Report were: (a) Non-remunerative branch lines and their stations should be closed to passenger traffic or entirely closed to all traffic. (b) Stopping trains on many lines should be abolished, and intermediate stations closed, and only fast services provided between many towns. By 1962 the railways enjoyed only 10 per cent of a declining demand for short journeys for which stopping trains were run, and yet such trains provided 40 per cent of the total train mileage. Over 95 per cent of all railway traffic was dealt with by only half the total of 7000 stations, the average distance between stations being only 2½ miles (4 km). (c) Speedier and regular "liner" freight service should be provided, freight to be distributed by road from a smaller number of railheads. For example, it suggested that coal should be distributed from a few modernised loading centres instead of from the existing 3750 loading points. (d) Higher fares should be charged to suburban travellers ("commuters"), owing to the excessively high cost of meeting the intensive peak period demand. (e) Even some main lines should be closed where there were alternative routes between the same towns, a relic of the days of independent competitive railways. (f) Many lines serving the smaller holiday resorts should be closed. To meet peak demand for holiday traffic was unremunerative in spite of the low marginal cost of running additional trains, since two-thirds of the coaches required for these services were not used during the rest of the year. As a result of these changes the labour force on the railways would have to be reduced.

There was opposition to the Report from all classes of people adversely affected by it, and in some quarters it was suggested that the railways should be

deliberately run at a loss as "a service". If fully implemented the Report would leave large areas of the country without railways (which, of course, it did). The aim, however, was to make use of the railways for the sort of traffic for which they were most suited. It was hoped that "if the plan was implemented with vigour, much of the railways' deficit would be eliminated by 1970", but in spite of further closures British Rail has not succeeded in paying its way. Before any line is closed objectors have to be heard and any decision by BR to close a line can be vetoed by the Secretary of State for the Environment if he thinks fit. See **British Rail**.

"Beggars-my-neighbour" policy. A term used during the Great Depression of the 1930s to describe the policy adopted by many countries which might be of some benefit to themselves though harmful to the economies of other countries. Such policies included extreme forms of exchange control, multiple exchange rates, competitive devaluation of currencies, restriction of imports and bilateral trade agreements. Their overall effect was a gradual strangling of international trade from which all countries suffered.

"Below-the-line". A term used during 1949-64 in the Financial Statement for income and expenditure on capital account. See **"Above-the-line"**.

Beneficial rates (or remunerative rates). Local rates raised to provide services such as lighting and drainage, such services being regarded as a net benefit to the people paying the rates, in contrast to onerous rates which yield no compensating benefits to the ratepayer.

Benefit society. A type of friendly society (*q.v.*).

Benefit theory. With reference to taxation, the view that people should be charged by the government for services according to the benefit received. The same argument is sometimes put forward as a basis for the payment of rates to local authorities. If this principle were adopted it would mean that taxation would be regressive since the state provides many services which are mostly for the benefit of people with low incomes.

Benelux. The name given to the customs union between Belgium, the Netherlands, and Luxembourg, established in 1946. A closer economic union between the three

countries was established in 1958. *See* **Customs union**.

Benevolence. A compulsory loan first levied by Edward IV. Although parliament in 1484 declared such loans to be unlawful they continued to be levied in Tudor times, but they were again declared illegal in 1628 and 1689.

Bentley's code. *See* **Codes**.

Berne Convention (1886). An international agreement on copyright, it was superseded by the UNESCO Agreement of 1952. *See* **Copyright**.

Berne Union. An international association, known as the Union d'Assurance des Credits Internationaux, established in 1934, to assist credit insurance in international trade, the British Government Export Credits Guarantee Department being a founder member.

Betterment. A charge on local rates to cover local improvements. The term was also used of the tax levied by the Land Commission (*q.v.*) on the development value of land.

Betting duties. A tax on betting through bookmakers imposed by the Finance Act of 1926. It was repealed in 1930. In 1947 a tax on football pools was imposed, the tax being levied on the whole pool and not on individual winnings. Most forms of betting have been taxed since 1966.

Beveridge Report. A *Report on Social Insurance and Allied Services* made by Lord (then Sir William) Beveridge in 1942 at the request of the British government; its conclusions are sometimes referred to as the Beveridge Plan. Its principal recommendations were: (a) the establishment of a comprehensive health service, providing sickness benefit for those too ill to work, and medical and dental attention; (b) payment of family allowances; (c) more generous unemployment benefit; (d) widows' pensions; (e) higher rate of retirement pension; (f) maternity benefit; (g) funeral grants. To provide all these benefits higher contributions would have to be paid. The Report formed the basis of the comprehensive system of national insurance introduced in 1947. *See* **National Insurance**.

B/f. Abbreviation of brought forward. A balance in a statement or ledger brought forward from the previous page. *See also* **C/f**.

BIB. Abbreviation of Brazilian Investment Bank (Banco de Investimento do Brasil).

BIBA. Abbreviation of British Insurance Brokers' Association.

BICC. Abbreviation of British Insulated Callenders Cables Ltd.

Bid. 1. At an auction sale an offer to purchase the commodity put up for sale at a stated price. 2. An offer to purchase the whole or a large fraction of the capital of a company. *See* **Takeover bid**.

Bid price. Two prices are quoted for stocks and shares, the lower or bid price being the price at which the broker or agent will purchase the security from the investor. *See also* **Offer price**.

"Big Four". The four large English commercial banks: Barclays, Lloyds, Midland, and National Westminster. Together they have upwards of 10,000 branches. *See* **Banking**.

Bilateral flow. With reference to government expenditure and revenue, a bilateral flow occurs when goods produced by the private sector of the economy are sold to the government, payment then being made by the government to the private sector. The term is used in contrast to a unilateral flow where payments are made to the Government, as in the case of most taxes.

Bilateralism. *See* **Bilateral trade**.

Bilateral monopoly. This occurs when there is only one buyer of a commodity or service and only one supplier. Such a condition might exist in the case of a nationalised industry which has a complete monopoly of some form of production and so becomes the sole employer of a particular kind of specific labour, the suppliers of which are all members of a craft union. Discussion between employers and employees would then be between two monopolists.

Bilateral trade. This occurs when each country attempts to balance its payments and receipts separately and individually with every other country. Such a system is very similar to barter. Its effect would be to reduce the total volume of trade of all countries taking part in it, since it would reduce the trade between each pair of countries to the lesser amount that one wished to purchase from the other. Multilateral trade is necessary if the total volume of world trade is to be raised to its maximum amount.

Bilateral trade agreement. A trade agreement between two countries. *See* **Bilateral trade**.

Bill. 1. A bill of exchange (*q.v.*). 2.

American term for a banknote.

Bill broker. A small firm engaged in discount business on the London money market. *See* Discount house.

Billingsgate. The most important wholesale fish market in London, it is the oldest London market.

Billion. In American usage 1000 million but in Great Britain generally taken to mean a million million, though increasingly used in the American sense.

Bill market. An alternative term for discount market. (*q.v.*)

Bill of entry. Particulars of all goods imported into the country are required by the customs at the port of entry, these particulars being given on a form known as a bill of entry.

Bill of exchange. As legally defined, "an unconditional order in writing, addressed by one person to another, signed by the person giving it, requiring the person to whom it is addressed to pay on demand or at a stated future date a sum of money to a certain person or to the order of that person or to bearer". Most bills of exchange are drawn for three months after date, except cheques which in effect are "sight" bills. Bills usually fall due for payment three months and three days after date, the extra three days being known as "days of grace". Before a bill has any value it requires to be accepted by the drawee. It is then often known, especially among bankers, as an acceptance. Once the bill has been accepted three courses are open to the creditor: (a) he can hold it himself until it is due for payment; (b) he might be able to discount it with a bank, that is receive payment at once, less interest for the outstanding period and the bank's fee for the service; (c) he might be able to use it, after he has endorsed it, to pay a creditor of his own, if the creditor is willing to be paid in this way. At one time bills of exchange were commonly used as means of payment in inland trade, but nowadays they are rarely used for this purpose, the cheque generally being preferred. Bills of exchange, whether inland or foreign, arising out of trade transactions are known as trade bills. *See also* Acceptance; Foreign bills of exchange; Treasury bill.

Bill of exchequer. *See* Exchequer bill.

Bill of health. When a ship leaves port its captain receives a bill of health which gives particulars of the state of health at that

port.

Bill of lading. A document used in foreign trade, it gives the name of the ship and full particulars of the goods – the quantity, their type, the special markings on the packing cases (if any), any other important details, together with the names of the ports of embarkation and disembarkation. A bill of lading is made out in triplicate, one copy being retained by the exporter of the goods, another being handed to the master of the ship carrying the goods, and the third being despatched to the importer in the country to which the goods are being consigned. The copy – or sometimes, an additional copy – is sent to the importer by a different route from that taken by the ship carrying the goods, nowadays usually by air mail. A bill of lading is a document of title, giving the holder a right to possession of the goods to which it refers.

Bill of sale. A method of raising a loan on the security of one's possessions – furniture, stock-in-trade, etc. – a bill of sale is a document formally transferring legal ownership of the property to the lender, the borrower retaining possession of the goods until the debt is repaid, it being a condition of the agreement that the goods shall then be reassigned. Thus, a bill of sale is a kind of mortgage. An absolute bill of sale, however, transfers property absolutely from one person to another. To be valid a bill of sale must comply with certain legal formalities and requires to be registered.

Bill of sight. A document used in the import trade given to the customs officer when at the time a full description of the goods cannot be provided, to enable the goods to be landed.

Bill of store. A document giving permission to reimport dutiable British goods, exported within the previous five years, without payment of duty.

Bill rate. The discount rate on bills of exchange, it varies according to the quality of the bill, being lower on Treasury bills than on first-class (bank) bills, and lower on the latter than on fine trade bills.

Bills discounted. An item in the balance sheet of a bank (*q.v.*), it shows the total value of bills held by a bank at a particular date.

Bills in a set. A term used when more than one copy of a bill of exchange is drawn up. Foreign bills of exchange are drawn

up in triplicate and are known respectively as the first, second, and third of exchange, the aim being to reduce the risk of loss in transit.

Bills retired. A term used, mainly in the United States, of bills of exchange withdrawn from circulation or taken up before due.

BIM. Abbreviation of British Institute of Management (*q.v.*).

Bimetallism. At one time most monetary systems were based on a silver standard, and later on gold. A bimetallic standard is one based on two metals, the belief being that such a monetary standard would be less liable to fluctuations in the value of the currency than single-metal standards. If, however, coins composed of different metals – for example, gold and silver – were minted so that each contained its face value in metal, difficulties would arise as soon as any change took place in the relative value of the two metals. If the price of silver rose while that of gold remained unchanged, the silver coins would become worth more than their face value, and would tend to be driven out of circulation, in accordance with Gresham's Law. However, during 1878 unsuccessful efforts were made to introduce a bimetallic standard into Europe. In the United States bimetallism was an important item at the presidential elections of 1896 and 1900, but in 1900 the United States adopted the gold standard and the controversy died down.

Binary system. An arithmetical system based on two digits 0 and 1, as used in computers.

Birmingham Municipal Bank. Founded in 1919, it is the only municipal bank in Great Britain.

Birth-rate. The crude birth-rate is the number of births per thousand of the population during a period, usually of one year. The birth-rate of the United Kingdom fell continuously from 34.2 in 1880 to 14.7 in 1940. Since 1945 it has been more variable but during the period 1955–64 it rose from 15.4 to 18.7, then fell to 12.1 in 1976, rising again to 12.8 in 1978 and 1981. Changes in the birth-rate are studied in connection with the population problem, but changes in the average family size are probably of greater importance than the birth-rate.

BIS. Abbreviation of Bank for International Settlements (*q.v.*).

BL. Now the official name of British Leyland, the motor vehicle manufacturers. See **British Leyland**.

B/L. Abbreviation of bill of lading (*q.u.*)

"Black". A colloquial trade union term for goods or activities that are to be boycotted.

Black-bourse. A black market in foreign exchange. See **"Black" exchange rates**.

Black economy. Moonlighting (*q.v.*) and similar means of evading tax. The loss of revenue to the state can be very considerable. See also **Tax avoidance**; **Tax evasion**.

"Black" exchange rates. Unauthorised exchange rates when exchange rates are controlled – similar to the "black market" when retail prices are controlled. Traders doing business at "black" exchange rates are generally liable to heavy penalties.

Blackleg. A pejorative term used during a strike of those who continue to work in defiance of instructions from the trade union concerned or of those who volunteer to work in order to try to break a strike.

Black list. A list of traders to whom it is risky to allow credit, compiled by status inquiry agents (*q.v.*), so that they can inform subscribers when required.

"Black market". When the price of a commodity is controlled by the state and rationing introduced, demand for the commodity at the controlled price will be greater than the available supply. As a result some people will be prepared to offer a much higher price than the controlled price in order to obtain greater amounts of the commodity. Since such a black market is illegal, heavy penalties are usually imposed on both buyers and sellers when caught contravening the rationing laws in force at the time.

Black Thursday. October 24 1929, the day of the Wall Street crash (*q.v.*)

"Black Year". A term applied to the year 1879, a particularly bad year in Great Britain for agriculture on account of exceptionally bad weather following a succession of poor seasons. Migration from the country to the towns was accelerated. It led to the appointment of a Royal Commission which recommended a reduction of local rates payable by landowners.

Blank cheque. A cheque which the drawer has signed but deliberately left the amount blank for someone else to complete. As a safeguard he may add "Under £—". The

term should not be confused with open cheque (*q.v.*).

Blanketeers. Cotton workers who gathered in St Peter's Field, Manchester, in March 1817 prior to marching to London to draw attention to their grievances, carrying blankets so that they could sleep in the open on the journey – hence their name. The arrest of the leaders, however, led to the demonstration being called off.

Blind alley. A term used of occupations which offer no future prospects to employees. In many cases, school-leavers entering such occupations are dismissed on reaching a certain age. These jobs are often better paid at first than those with better prospects.

Blocked accounts. When a restrictionist system of exchange control is operated payments for imports may be credited to blocked accounts in the names of the foreign exporters, who may be prohibited – at least, for a time – from drawing on them other than in the country where they are located. When Germany introduced exchange control on leaving the gold standard in 1931 payments which were at the time due to foreign merchants were transferred to blocked accounts, some of which were released later at a rate of exchange disadvantageous to the foreign holders.

During the Second World War Great Britain was unable to earn much foreign currency by exports, and so it was impossible currently to pay for imports. Foreign exporters, therefore, were credited with the amounts due to them in blocked accounts. This was simply a method of buying on credit, but it was impossible to release the entire amount of sterling in blocked accounts at the end of the war, as by that time the amount involved was much too great. However, after 1945 holders were allowed to draw on blocked accounts gradually.

Block grant. Services provided by the state fall heavily on local authorities which, since these are to a large extent national services, the government helps to finance by making grants to local authorities. At one time these grants were earmarked for particular purposes – so much for education, so much for roads, etc. The system was abolished in favour of the general or block grant, the division of which among the various services to be provided was left to the local authority, though the local

authority's choice was severely restricted by the fact that by law certain minimum services had to be provided.

Block offer. The offer of a large number of units by a unit investment trust. Although units can be purchased – and sold – at any time many investors appear to prefer to respond to a block offer.

Block vote. A vote at meetings of some trade unions and of the Trades Union Congress of delegates according to the number of members they represent.

Blue Book. An official publication of the British government, published by the Central Office of Statistics, so called on account of its blue covers. Blue Books are usually larger than White Papers, often being reports of Royal Commissions which may run to hundreds of pages. In March of each year it is usual for a White Paper to be published giving a preliminary estimate of national income and expenditure for the previous calendar year, this being followed in August or September by a more detailed account in the form of a Blue Book.

"Blue button". A term used of an authorised clerk of the London Stock Exchange, so-called because he wears a blue badge in the lapel of his coat. *See also* Pink button.

Blue chip. A term of American origin used of the shares of progressive, soundly run public limited companies which are not likely to be seriously affected by temporary trade recessions.

Blue collar workers. A term sometimes used of technicians and other manual workers to distinguish them from white collar workers (*q.v.*).

BNEC. Abbreviation of British National Export Council (*q.v.*).

BNOC. Abbreviation of British National Oil Corporation (*q.v.*).

Board of directors. A committee elected by the shareholders of a limited company to be responsible for the policy of the company. Sometimes full-time functional directors are appointed, each being responsible for some particular branch of the firm's work.

Board of Guardians. Under the Poor Law Amendment Act of 1834 parishes were grouped together in unions which had to provide workhouses, their administration being placed under Boards of Guardians. During the Great Depression the administration of the Poor Law placed a great