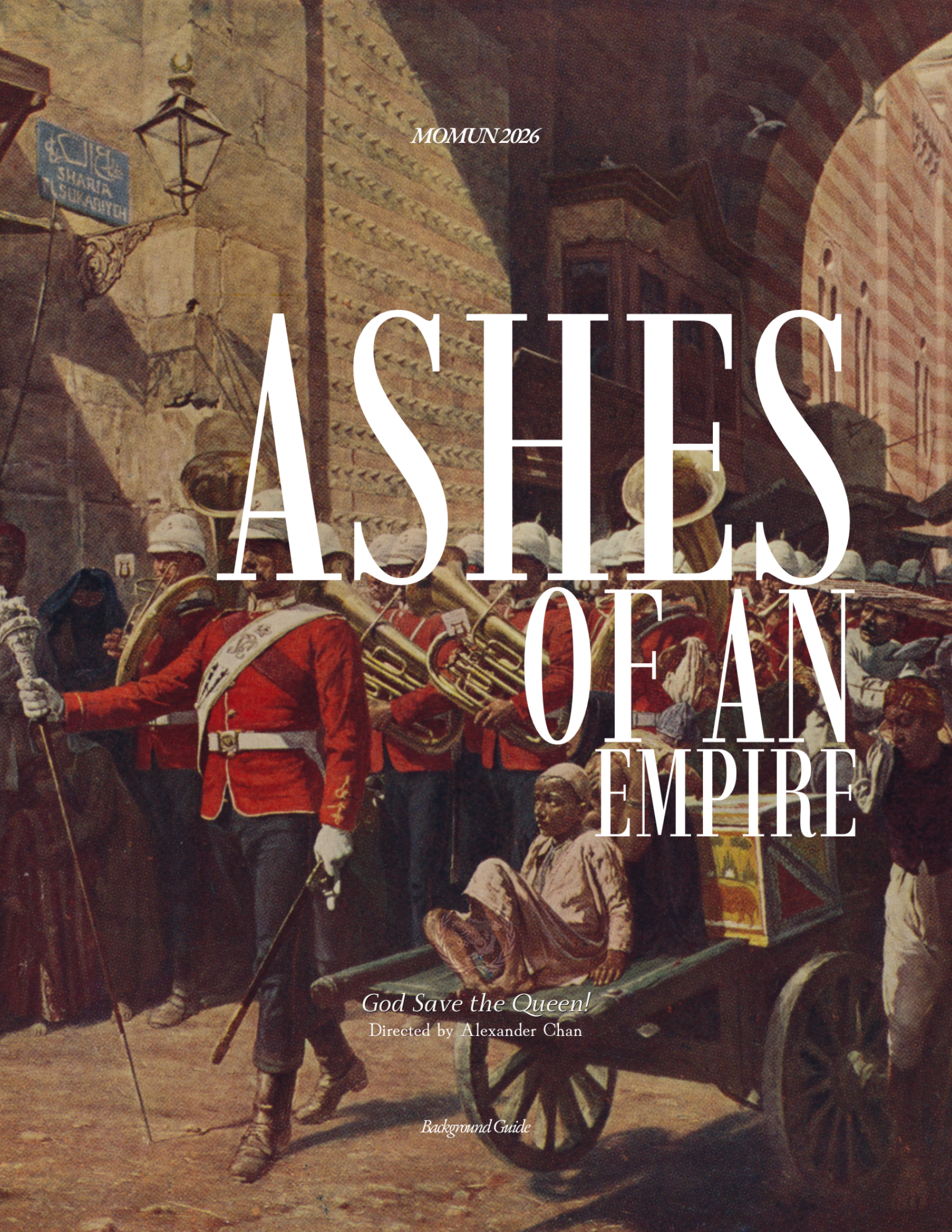




MOMUN 2026

ASHES OF AN EMPIRE

God Save the Queen!
Directed by Alexander Chan

Background Guide

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Directors Letter

Dear delegates,

Welcome to MOMUN! My name is Alexander Chan, and I will be your committee head. I was first introduced to Model UN in grade 9, and have been deeply involved in the hobby ever since. My personal interest in modern history eventually led me to the currently relevant topic of the rise and fall of great powers, which naturally brings up Great Britain. This nation, that once dominated most of the world, had eventually lost it all, serving as a reminder of how empires fall but also can recover. This process of rebuilding and reversal led me to want to run this committee, allowing delegates to explore the rise and fall of great powers. Overall, Model UN has been a wonderful learning experience, with it causing me to learn about history, public speaking, and negotiation, while also being pretty fun. These amazing outcomes are what I strive to achieve for all of you in this committee, so if you have any questions, including payment and the itinerary, contact mpcmodelun@gmail.com, and for committee questions, contact 343467916@tdsb.ca. With that out of the way, I hope you all have fun and the best of luck with your preparations.

- Alexander "Aleggs" Chan, committee head and background guide author

Equity Statement

MOMUN 2026 has a zero-tolerance policy for equity violations within or outside of the committee. We acknowledge that this committee may touch on controversial issues; however, we implore delegates to maintain a high degree of respect and decorum. As a reminder, instances of racism, sexism, homophobia, transphobia, xenophobia, ableism, or any other form of discrimination will not be tolerated and may lead to disqualification from awards or removal from MOMUN 2026, depending on the severity.

Additionally, in order to avoid trivialising the effects and impacts of colonialism, the discussion of these policies will not be a central topic of debate in this committee and should remain at a minimum. Moreover, topics such as war, poverty, and classism that could be present in this committee should be treated with utmost respect and sensitivity.

We strongly encourage delegates to refrain from controversial topics, past and present. For clarity, please email or speak to any staff member of this committee. We kindly ask all delegates to approach sensitive issues with the utmost respect and understanding toward others. Moreover, a basic level of respect and order is expected when interacting with other delegates, pages, staff, faculty facilitators, and all MOMUN personnel who make this conference possible.

Historical Background

Ever since the start of the invasion of Poland in 1939, the United Kingdom and its colonial and Commonwealth allies have been involved in fighting across various fronts, such as North Africa, the Pacific Theatre, Italy, Greece, and mainland Europe¹. This war was no half-hearted effort, but rather a full commitment by the whole nation, with the war even being referred to as “the people’s war” to emphasise the country’s combined efforts². And while victory was achieved after six long years, it came at an immense cost. Approximately 380,000 men were killed in combat, while 70,000 civilians were killed during bombing raids³. Additionally, during the war, an average of around 44% of the country's GDP was spent on the war, with expenditures peaking in 1943 at 55%. This, combined with other economic strains, resulted in the United Kingdom losing around 20% of its pre-war wealth, with £4.6 billion being lost⁴.

While the treasury struggled, the people suffered. Bombs, rockets, and all sorts of other explosives rained on London and other British cities, resulting in the loss of many lives and the destruction of infrastructure, including more than one million houses⁵. German submarines had attacked transport and cargo ships en route to the United Kingdom, limiting various key resources and imports such as fuel and food. This resulted in rationing being introduced for all sorts of food items

¹ Frere, Sheppard Sunderland, and Linda J Colley. “United Kingdom | History, Population, Map, Flag, Capital, & Facts.” Encyclopedia Britannica, 5 Aug. 1998,

www.britannica.com/place/United-Kingdom/Baldwin-and-the-abdication-crisis#ref274531. Accessed 6 Mar. 2026.

² The British Psychological Society. “People’s War – Psychological Warfare.” BPS, 16 Feb. 2023,

www.bps.org.uk/psychologist/peoples-war-psychological-warfare. Accessed 6 Mar. 2026.

³ Ellis, John. *The World War II Databook*. White Lion Publishing, 1993.

⁴ Harrison, Mark. *The Economics of World War II : Six Great Powers in International Comparison*. Cambridge ; New York, Cambridge University Press, 1998.

⁵ Mason, Betsy. “Bomb-Damage Maps Reveal London’s World War II Devastation.” *National Geographic*, 18 May 2016, www.nationalgeographic.com/science/article/bomb-damage-maps-reveal-londons-world-war-ii-devastation. Accessed 8 Mar. 2026.

and consumer goods⁶. Overall, the British people had sacrificed their livelihoods in order to win the war, with most spending going towards the military, giving rise to expectations and demands for conditions to rise past pre-war levels for the everyday citizen after the war.

The once great and powerful British Empire had also been weakened by the war. The war had introduced economic strain and political pressure that guaranteed and accelerated Britain's path to decolonisation, weakening one of Britain's greatest assets. Additionally, after the war, Britain's military had become logistically and militarily exhausted, and still had to cover ground all across the globe with its colonies. These large military operations, along with their massive size, resulted in Great Britain being reliant on the United States for lend-lease military aid due to how expensive they were, potentially creating issues regarding the future funding of the military⁷. These damages to the economy were felt by almost all during the war, except for the United States, leaving it, along with the Soviet Union, which gained massive concessions in Eastern Europe⁸, as the two major global superpowers.

⁶ Sundin, Sarah. "Food Rationing in Britain in World War II." Sarah Sundin | Drama, Daring, Romance, 8 Jan. 2025, www.sarahsundin.com/rationing-in-britain-in-world-war-ii/. Accessed 6 Mar. 2026.

⁷ Seidl, Mark. "The Lend-Lease Program, 1941-1945 - FDR Presidential Library & Museum." Fdrlibrary.org, 2016, www.fdrlibrary.org/lend-lease. Accessed 6 Mar. 2026.

⁸ Kulik, Rebecca. "Eastern Bloc | Definition, Countries, & Map | Britannica." Wwww.britannica.com, 6 Sept. 2022, www.britannica.com/topic/Eastern-bloc. Accessed 6 Mar. 2026.

Current State of Affairs

It is July 1945, World War 2 has depleted Great Britain in many aspects, damaging the civilian and military sectors, weakening colonial and global influence, and leaving the country in economic disarray. Currently, the government's debt sits at 270% of Britain's GDP, roughly £21 billion⁹, an all time record high, while the country also owes massive debts to the United States due to lend-lease, with roughly £7.8 billion worth of aid being provided, however it is important to note that lend-lease had a loose repayment policy and little to no interest¹⁰. Despite these soft terms of the lend-lease, its sudden halt following the end of the war caused massive shocks throughout markets, as many essential consumer goods, such as food, were dependent on lend-lease¹¹. With these economic stressors, the newly elected government must address two key issues that require economic attention.

The first of the two was the implementation of a welfare state. In 1941, William Beveridge, a prominent liberal politician, published the Social Insurance and Allied Services, or more commonly known as the Beveridge Report, which outlined five key issues and the implementation of a welfare state after the war, to repay the people's sacrifices. The report called for universal healthcare, education, and more, and was highly popular among many people, mostly the poor¹². Unfortunately, the war has further complicated the solution, with the aforementioned strain making domestic policy difficult to implement, and other factors, such as rationing and austerity, making comfortable post-war lifestyles

⁹ Office for Budget Responsibility. "Post-World War II Debt Reduction." Obr.uk, July 2013, obr.uk/box/post-world-war-ii-debt-reduction/. Accessed 6 Mar. 2026.

¹⁰ Seidl, Mark. "The Lend-Lease Program, 1941-1945 - FDR Presidential Library & Museum." Fdrlibrary.org, 2016, www.fdrlibrary.org/lend-lease. Accessed 6 Mar. 2026.

¹¹ Holocaust Encyclopedia. "Lend-Lease." Encyclopedia.ushmm.org, encyclopedia.ushmm.org/content/en/article/lend-lease. Accessed 6 Mar. 2026.

¹² BBC. "Effectiveness of the Labour Social Welfare Reforms, 1945-51 - Revision 3 - Higher History - BBC Bitesize." BBC Bitesize, 2019, www.bbc.co.uk/bitesize/guides/zwhsf8/revision/3. Accessed 6 Mar. 2026.

difficult to guarantee.

The second issue regards Britain's great power status. Aforementioned economic reliance on the United States puts Britain's true freedom in question, while the rapidly accelerating collapse of the colonial empire diminishes Britain's ability to project power across the globe. Additionally, the introduction of nuclear weaponry further increased Britain's reliance, with the United States' nuclear bombs serving as a deterrent to Soviet aggression. Overall, it seems as if Britain should adapt to being a secondary power, while considering the potential threats associated with the Soviet Union and the United States. In the end, no solution comes without a cost, and delegates must now debate, compromise, and argue on the issues of welfare and power, and what must be prioritised for the nation, while managing the country's dire situation.

Topic A - *The People's War*

War comes at the cost of the people. As previously stated, a large focus on the war, along with its effects have caused many to suffer and call for a welfare state to reward the common citizen for suffering through wartime conditions. These calls amplified calls for a welfare state that provided for the people, which culminated in the mass popularity of the Beveridge Report. The text focused on five key issues limiting people's ability to climb the social ladder, which were inadequate healthcare, poverty, poor housing, a lack of education, and unemployment¹³.

Before the war and the Beveridge Report, calls for expanded health insurance and healthcare were extremely popular, due to the current inadequacy of the United Kingdom's healthcare systems, which were often criticised publicly. Voluntary hospitals and services were heavily relied upon, despite the sometimes unhygienic conditions, and the health insurance that was introduced in 1911 was not sufficient. Only workers who had paid a weekly fee had access to healthcare, excluding workers who could not afford it. Women and children were also excluded from this service. Currently, approximately 60% of citizens do not have access to a general practitioner or some form of adequate medical service¹⁴, resulting in calls for a free healthcare system, as outlined in the Beveridge Report¹⁵.

In 1929, the stock market crashed, resulting in what is now known as the Great Depression, in which economic pain and struggles first hit American markets, eventually affecting European ones. This had a significant impact on Britain, as the country was largely an export-oriented economy. As a

¹³ BBC. "Effectiveness of the Labour Social Welfare Reforms, 1945–51 - Revision 3 - Higher History - BBC Bitesize." BBC Bitesize, 2019, www.bbc.co.uk/bitesize/guides/zwhsf8/revision/3. Accessed 6 Mar. 2026.

¹⁴ Future Learn. "What Was Health Care like before the NHS?" FutureLearn, 2022, www.futurelearn.com/info/courses/the-nhs-explained/0/steps/47852. Accessed 6 Mar. 2026.

¹⁵ The Policy Navigator. "Beveridge Report." Policy Navigator, navigator.health.org.uk/theme/beveridge-report. Accessed 6 Mar. 2026.

result, exports fell by half, leading to widespread layoffs and leaving many workers uninsured¹⁶. Despite initial recovery, the country still struggled, with roughly 11,000,000 people, or 27% of the population, earning less than £125 a year in 1937 (roughly 19,000 Canadian dollars in today's money)¹⁷. While the war had reduced unemployment and increased wages, poverty remained relatively widespread, with many supporting the Beveridge Report's suggestion of some form of national minimum income, state pension, and unemployment benefits to support the poor¹⁸. The aforementioned unemployment is now further destabilised by the sudden end of the war. With roughly 5 million men and women in the armed forces¹⁹, the government must now handle their transition back to civilian life. And while their right to their old jobs was supposedly guaranteed, it is not likely that this will actually play out for some people's jobs, and if it were to carry through, those who had filled their jobs during the war would now become unemployed²⁰. In general, the government must now figure out a way to meet the Beveridge Report's calls to solve unemployment while managing the demobilisation of the British Armed Forces.

Throughout the war, German bombers rained fire and hell upon cities all across England, resulting in mass damage. Roughly a million homes were damaged by bombing raids, and one in five schools were damaged by bombing, with another 2,000 schools being requisitioned for war use, and evacuations disrupting education. Luckily, in 1944, the Education Act was passed, allowing for free secondary school for all after the war; however, many facilities and logistical issues remain unsolved²¹.

¹⁶ Brain, Jessica. "The Great Depression in Britain." Historic UK, 2019, www.historic-uk.com/HistoryUK/HistoryofBritain/Great-Depression/. Accessed 6 Mar. 2026.

¹⁷ UK Parliament. "Condition of the People - Hansard - UK Parliament." Parliament.uk, 2026, hansard.parliament.uk/commons/1937-11-24/debates/7171769f-46d7-4b4f-8db4-f631cec78ad0/ConditionOfThePeople. Accessed 6 Mar. 2026.

¹⁸ Carter, Chris. "1 December 1942: The Beveridge Report Proposes a Welfare State for Britain." MoneyWeek, 29 Nov. 2024, moneyweek.com/417179/1-december-1942-the-beveridge-report-puts-forward-the-welfare-state. Accessed 6 Mar. 2026.

¹⁹ Ellis, John. *The World War II Databook*. White Lion Publishing, 1993.

²⁰ Grant, Neil. *British Tank Crewman 1939-45*. Bloomsbury Publishing, 30 Nov. 2017.

²¹ Imperial War Museums. "Growing up in the Second World War." Imperial War Museums, 2025, www.iwm.org.uk/history/growing-up-in-the-second-world-war. Accessed 6 Mar. 2026.

As for the housing issue, it is estimated that 750,000 new homes must be constructed to accommodate rising birth rates and destroyed homes. Fortunately, these housing shortages were predicted by Churchill's government, which proposed the idea of cheap and minimalistic prefabricated homes, or prefabs for short, that included all necessary features, but would only last roughly 10 to 15 years²². The government must now decide how to balance spending on housing and consider various solutions, such as mixed housing and the aforementioned prefabs.

Lastly, outside of the five issues outlined in the Beveridge Report, consumer products and British living conditions have also been placed in jeopardy. As previously mentioned, Britain had almost exhausted all of its reserves on war spending, resulting in reliance on American lend-lease aid for food and war material aid²³. However, now that the war is over, lend-lease aid has been halted, with Britain now needing to pay for all of its imports. Unfortunately, Britain is currently unable to pay for the consumer demand for imports, resulting in war rationing continuing, with all sorts of food products, fuel, and clothes being rationed²⁴. With pressure mounting from the conservative opposition and deprived civilians, and costs adding up, the new government must balance prices while pleasing the people.

²² National Science and Media Museum. "Post-War Homelessness: Makeshift Homes between 1945 and the Early 1950s." National Science and Media Museum, 18 Nov. 2021, www.scienceandmediamuseum.org/objects-and-stories/post-war-homelessness. Accessed 6 Mar. 2026.

²³ Holocaust Encyclopedia. "Lend-Lease." encyclopedia.ushmm.org/content/en/article/lend-lease. Accessed 6 Mar. 2026.

²⁴ Sundin, Sarah. "Food Rationing in Britain in World War II." Sarah Sundin | Drama, Daring, Romance, 8 Jan. 2025, www.sarahsundin.com/rationing-in-britain-in-world-war-ii/. Accessed 6 Mar. 2026.

Guiding Questions

1. How much should welfare be prioritised?
2. What will be the extent of our social services, and how much will we spend?
3. Which issues and problems should be focused on?

Topic B - *A Farce on the Stage*

With rising nationalist movements across the Empire, weakened colonial influence due to the war, the colonies' war contributions, and political pressure from events such as the Atlantic Charter, which called for self-governance and determination, instability in the colonies is accelerating. With Indian independence, along with the rest of the British Raj, already promised by Prime Minister Clement Attlee²⁵, and Malayan²⁶, Palestinian²⁷, Jordanian²⁸, Jamaican²⁹, and West African independence movements already underway³⁰, the majority of Britain's empire remains at risk.

However, the British sphere of influence is not completely beyond saving. In the Middle East, Aden and its protectorate—modern-day Yemen —and the Trucial States—modern-day UAE, Kuwait, Bahrain, Qatar, Muscat, and Oman — were all relatively reliant on British protection³¹. Each of these states was a protectorate, except for Aden³², meaning that important foreign affairs, along with military

²⁵ Petersen, Nis. "India Gains Independence from the United Kingdom | EBSCO." EBSCO Information Services, Inc. | www.ebsco.com, 2023, www.ebsco.com/research-starters/history/india-gains-independence-united-kingdom. Accessed 6 Mar. 2026.

²⁶ Lockard, Craig A. "Malaysia - Political Transformation | Britannica." Encyclopædia Britannica, 4 Mar. 2026, www.britannica.com/place/Malaysia/Political-transformation. Accessed 6 Mar. 2026.

²⁷ Dolan, Tommy. "75 Years: The British Mandate of Palestine Is Officially Terminated as the State of Israel Comes into Being | British Online Archives." British Online Archives, 14 May 2023, britishonlinearchives.com/posts/category/notable-days/616/75-years-the-british-mandate-of-palestine-is-officially-terminated-as-the-state-of-israel-comes-into-being. Accessed 6 Mar. 2026.

²⁸ The Editors of Encyclopædia Britannica. "Jordan Summary | Britannica." www.britannica.com, 5 Mar. 2026, www.britannica.com/summary/Jordan. Accessed 6 Mar. 2026.

²⁹ CPRC Events admin. "From Emancipation to Caribbean Independence – CRPC." Caribbeanresearchandpolicycenter.org, 2022, caribbeanresearchandpolicycenter.org/2022/08/27/from-emancipation-to-caribbean-independence/. Accessed 6 Mar. 2026.

³⁰ The Editors of Encyclopædia Britannica. "Ghana - Contact with Europe and Its Effects." Encyclopædia Britannica, 26 Sept. 2026, www.britannica.com/place/Ghana/Contact-with-Europe-and-its-effects#ref76829. Accessed 8 Mar. 2026.

³¹ Onley, James. "Britain and the Gulf Shaikhdoms, 1820-1971: The Politics of Protection." SSRN Electronic Journal, vol. 4, 2009, <https://doi.org/10.2139/ssrn.2825942>.

³² The Editors of Encyclopædia Britannica. "Aden | Yemen | Britannica." [Www.britannica.com](http://www.britannica.com), 19 Feb. 2026, www.britannica.com/place/Aden. Accessed 6 Mar. 2026.

action, would be handled by Britain, with local rulers being able to exercise complete self-governance in almost all domestic affairs³³. Not only do these protectorates still allow Britain to exercise military force across the globe, but they also provide access to important oil resources through concessions in Kuwait³⁴, Qatar³⁵, the Trucial States³⁶, and Oman³⁷. Additionally, other British strategic outposts, such as Bermuda, Gibraltar, Malta, Singapore, and Hong Kong, remain on the table due to their relative self-governance and/or reliance on Britain for protection³⁸. It is important to note that Singapore is an exception to these in terms of loyalty, as they are more in favour of independence following Britain's failure to defend the city³⁹. Lastly, while practically independent, Britain's dominions, Canada, Australia, New Zealand, and South Africa, can still and have provided access to trade for valuable resources, manpower, and naval power projection⁴⁰. In general, major African, Asian, Middle Eastern, and Caribbean colonies are on their road to independence, and will not stop any time soon. The decolonisation of these colonies will occur in the background of the committee, and will not be a central topic of debate or discussion. On the other hand, the aforementioned remnants could still be used to salvage British power, but may still prove costly due to the overwhelming influence of the broader decolonisation and independence movements.

³³ The Editors of Encyclopædia Britannica. "Protectorate | International Relations." Encyclopædia Britannica, 6 June 2008, www.britannica.com/topic/protectorate-international-relations. Accessed 6 Mar. 2026.

³⁴ Tennent, Hugh. *The First Kuwait Oil Concession Agreement*. Psychology Press, 1975.

³⁵ Bureau of Near Eastern Affairs. "Qatar." U.S. Department of State, 26 Aug. 2014, 2009-2017.state.gov/r/pa/ei/bgn/5437.htm. Accessed 6 Mar. 2026.

³⁶ Al-Hammadi, Muna M. *Britain and the Administration of the Trucial States*. Emirates Center for Strategic Studies and Research, 25 Sept. 2013.

³⁷ Heward, Alan P, et al. "The Search for Petroleum in the Sultanate of Oman – the First 120 Years." Special Publication - Geological Society of London/Geological Society, London, Special Publications, vol. 550, no. 1, 2 May 2024, <https://doi.org/10.1144/sp550-2023-220>.

³⁸ The Editors of Encyclopædia Britannica. "British Empire | Origins, Countries, History, & Facts." Encyclopædia Britannica, 20 Sept. 2018, www.britannica.com/place/British-Empire. Accessed 8 Mar. 2026.

³⁹ Lepoer, Barbara. "Singapore: A Country Study." *Countrystudies.us*, 1989, countrystudies.us/singapore/. Accessed 6 Mar. 2026.

⁴⁰ Thorne, Stephen J. "By the Numbers: Who Contributed, and Sacrificed, the Most in WW II? - Legion Magazine." *Legion Magazine*, 21 May 2025, legionmagazine.com/by-the-numbers-who-contributed-and-sacrificed-the-most-in-ww-ii/. Accessed 8 Mar. 2026.

Looking beyond the empire, left mostly untouched and able to bounce back from the great depression, the United States emerged from the war as a superpower, becoming a worldwide creditor due to the aforementioned lend-lease program, cementing its currency as the global standard⁴¹. Not only did this weaken Britain's financial power overall, but it also created a demand for dollar reserves that could not be filled. With the combination of Britain's mass war expenditures, resulting in a lack of dollar reserves, and the new global standard being established as the US dollar, those who had previously used the sterling now wish to exchange it for dollars, something Britain does not have⁴². The government must now negotiate with the United States for some sort of help or aid, putting Britain in the hands of the United States. This economic dependence must be taken into account when handling new foreign affairs.

As the Soviet Union rose to establish hegemony in Eastern Europe, the spread of communism rapidly expanded across the globe, finding itself in all parts of the world, including Malaya⁴³, Greece⁴⁴, and even in Britain itself⁴⁵. In opposition, the United States and most of the allies, including Britain, have been rising to compete with the Soviet Union in global dominance in a new Cold War⁴⁶. And while our goals with the United States may lie relatively aligned, it is necessary to keep in mind our economic reliance and dependence on the United States and the need to appease the Americans, if we ever might want to go on our own path. This especially complicates Britain's nuclear program. The

⁴¹ Friedman, Milton, and Allan Meltzer. "Money | the Bretton Woods System." Britannica.com, 9 Nov. 2010, www.britannica.com/money/money/The-decline-of-gold#ref1089594. Accessed 14 Mar. 2026.

⁴² BBC News. "BBC NEWS | UK | Magazine | What's a Little Debt between Friends?" Bbc.co.uk, 2015, news.bbc.co.uk/2/hi/uk_news/magazine/4757181.stm. Accessed 6 Mar. 2026.

⁴³ Lockard, Craig A. "Malaysia - Political Transformation | Britannica." Encyclopædia Britannica, 4 Mar. 2026, www.britannica.com/place/Malaysia/Political-transformation. Accessed 6 Mar. 2026.

⁴⁴ The Editors of Encyclopædia Britannica. "Greek Civil War." Encyclopædia Britannica, 26 Nov. 2018, www.britannica.com/event/Greek-Civil-War. Accessed 8 Mar. 2026.

⁴⁵ Klugmann, James, and Noreen Branson. History of the Communist Party of Great Britain. Monte Verita, 1997.

⁴⁶ Burton, Kristen. "Cold Conflict." The National WWII Museum | New Orleans, The National WWII Museum, 5 Mar. 2026, www.nationalww2museum.org/war/articles/cold-conflict. Accessed 6 Mar. 2026.

United States has declined requests to share research from the Manhattan Project⁴⁷, displaying its distrust and complicating nuclear pursuits. This makes pursuing past British advances in nuclear bomb technology a potential risk to American relations, not to mention the immense cost of nuclear development, especially without American help, with the Manhattan Project costing roughly \$2.2 billion in 1945 currency⁴⁸. On the other hand, nuclear weaponry could be feasible due to the number of British scientists who had worked on the Manhattan Project⁴⁹, and could provide protection and global status. Overall, rapidly deteriorating relations with the Soviet Union and economic conditions find Britain aligning itself with the United States, whether we like it or not, and the government must decide on a foreign policy that will suit Britain best.

In conclusion, Britain's post-war situation is dire, with colonial power and foreign independence diminishing, putting Britain's great power status in question. Delegates must take into account the various foreign pressures at play, and how power can be salvaged or rebuilt, or even if it should be sought and prioritised.

⁴⁷ Paul, Septimus H. *Nuclear Rivals : Anglo-American Atomic Relations, 1941-1952*. Columbus (Ohio), Ohio State University Press, 2000.

⁴⁸ Burton, Kristen. "'Destroyer of Worlds': The Making of an Atomic Bomb." The National WWII Museum | New Orleans, 16 July 2020, www.nationalww2museum.org/war/articles/making-the-atomic-bomb-trinity-test. Accessed 6 Mar. 2026.

⁴⁹ Fakley, Dennis. "British Mission." www.atomicarchive.com, 1983, www.atomicarchive.com/history/british-mission/index.html. Accessed 6 Mar. 2026.

Guiding Questions

1. What should be done with the remnants of the empire?
2. How much should Britain align itself with the United States? Is Britain truly acting independently?
3. What other foreign partners may provide opportunities?

Specialized Mechanics

Introduction

At war's end, Britain faced three structural pressures:

1. Extremely high national debt
2. Severe dollar shortages
3. Rising nationalist movements across the empire

In Committee terms, these become the central tension loop. The committee controls Britain's fiscal policy, imperial administration, and investment priorities from 1945 onwards. Each action forces trade-offs between:

- Domestic welfare and imperial defense
- Extraction and stability
- Borrowing and inflation
- Preservation and transformation

The empire is not a flat revenue generator. It is a cost structure with diminishing returns.

The Economy of the British Empire is governed by five interacting Variables:

1. Treasury (£)

Represents liquid fiscal capacity. It rises through taxation and colonial net revenue; it falls through welfare, defense, and debt servicing. If exhausted, borrowing becomes mandatory. Chronic

deficits accelerate debt accumulation. If your treasury falls below the spending limit you may risk a mass fiscal flight.

2. Dollar Reserves (\$)

This is the most critical constraint. Britain cannot freely print dollars; imports, especially food, machinery, and fuel require them. If reserves reach zero, industrial output contracts and inflation rises. Delegates may request financial assistance from the United States or other financial powerhouses, but this increases debt and reduces imperial autonomy.

3. National Debt (% of GDP)

High debt increases annual interest payments. As debt crosses certain thresholds, it contributes to inflationary pressure and triggers financial crisis events. Delegates cannot ignore debt; it compounds.

4. Inflation

Inflation is not merely cosmetic. It erodes real revenue, increases domestic unrest, and accelerates colonial nationalism. It rises from deficit spending, dollar shortages, and excessive security costs.

Inflation links domestic mismanagement directly to imperial instability.

Treasurty (£)

In this system, the Treasury (£) is not merely a money counter. It is the operational bloodstream of the postwar British state. It determines whether policy is executed smoothly, whether debt compounds uncontrollably, whether the empire remains governable, and whether inflation spirals.

At the end of WWII, the United Kingdom has immense obligations but limited liquid flexibility. The Treasury is designed around cash flow stress, not abstract GDP strength.

The key principle:

Britain's problem is not total wealth — its liquidity under constraint.

The Treasury represents:

- Immediate fiscal liquidity
- Tax receipts available for allocation
- Net imperial remittances
- Funds available before borrowing
- Short-term solvency credibility

It does not represent total national wealth. It represents usable annual state capacity

Treasury Income Breakdown

1. Domestic Taxation

At the beginning of Committee Base GDP is stable early, growing slowly. Imperial Tax Rate can be adjusted:

- Low
- Medium
- High

Keep into account though that by printing money or withdrawing funds from essential sectors results in the Efficiency of your industry to decline and as a result Inflation will rise

Tax Rate Effects

- Low Taxation
 - +Domestic Stability
 - –Revenue
 - Slightly higher GDP growth
- Medium Taxation
 - Balanced default
- High Taxation
 - +Revenue
 - –Domestic Stability
 - –Long-term GDP growth
- Excessive taxation above sustainable levels:
 - Increases unrest
 - Reduces productivity across the empire

Dollar Reserves (\$)

In 1945, the United Kingdom faced what economists called the “dollar gap”: it needed U.S. dollars to purchase food, machinery, fuel, and raw materials, but it did not earn enough dollars through exports to cover these imports. Unlike pounds sterling, dollars could not simply be created domestically.

Dollar Reserves represent:

- Foreign exchange holdings denominated in U.S. currency
- Capacity to import essential goods
- Access to the American financial system

- Short-term external solvency

This meter is independent of the Treasury. The Committee may have pounds available and still be economically paralyzed if dollar reserves are exhausted. However if the Committee manages to allow the Pound's value to supersede that of the Dollar in terms of international usage and financial credibility, the Dollar Reserve will be thrown into the hands of the Empire and thus be known and **Pound Reserves (£)** of which the Committee will have complete control over, it should be the top mechanical priority to return the financial powers of the global economy to the Pound and London's grasp, even if ties with the USA are to resume.

Due to the decline in the Pound's buying power and the rise of American impact in the global economy, especially on the Empire, Britain must pay for imports in dollars by default (Unless Pounds are negotiated for the trade). These include:

- Food imports
- Industrial machinery
- Oil (if not secured through imperial channels)
- Strategic materials
- Debt payments denominated externally

If Dollar Reserves are insufficient:

- Industrial output declines
- Inflation rises
- Trade revenue contracts
- Domestic unrest increases

- Dollar shortage, therefore, directly connects external finance to internal stability

When Dollar Reserves fall:

- Imports become constrained
- Supply shortages develop (Unless domestically circumvented)
- Prices rise (Unless the Pound overtakes the Dollar)
- Inflation increases
- Real tax revenue falls
- Treasury deficit widens
- More borrowing required
- Confidence declines

This creates a macroeconomic spiral if unmanaged.

Dollar scarcity, therefore, amplifies fiscal instability.

Conclusion

Fiscal discipline, determines whether Britain's postwar system stabilizes or fractures under its own weight. Under the pressures of debt, every pound becomes a strategic statement about the empire's future, thus Colonial governance in this framework is inseparable from economic credibility, as instability thrives where order lacks. Keeping the imperial structure intact demands careful calibration between expenditure, restraint, and management, which may restore strength, but only if pursued deliberately rather than reactively.

Overextension, by contrast, converts prestige into liability and revenue into repression costs requiring a mastery of these mechanics in order to understand context that, that creates this interconnected system.

Ultimately, the outcome rests on the committee and their balance in a world no longer structured for empires.

Nevertheless, I thank each delegate for engaging rigorously with this guide and wish you a happy MUN vibe!

- *Jacob Kemp*

Your Friendly Neighbourhood Crisis Director

Elements of Crisis

In general, each of you has one thing in common: you all would like to save your glorious nation. However, some may not be able to see the true path forward and may be misguided or have ulterior motives. It is your duty, as a saviour of the United Kingdom, to use your powers as a politician, military officer, or influential figure to save your country and purify the nation of its traitors.

As this is a crisis committee, delegates are encouraged to attempt to achieve their goals within reasonable and equitable methods. However, obviously, with different roles come different powers. The politicians may scheme within the shadows of the parliament, being able to have a large influence over their fellow politicians and political bodies, while being generally well-known public figures. The military men command respect and order, owing loyalty to the government, but also to each other. They can more strongly sway the minds of the military and have a small but strongly loyal following. The businessmen make the world go round, being able to influence and exploit the everlasting greed in one's heart. In general, they will have larger amounts of personal funds at their disposal, that know little to no limits. Lastly, we have the passionate orators, the news people, and the firebrands, swaying the hearts of the people and capitalising on their emotions. They can have a strong influence over people's desires and opinions, especially with highly controversial issues. Individual specifics on the powers of each character will be explained in the character guide, and remember, with great power comes great responsibility.

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