# ASPECTS OF THE NEW LIBERALISM 1895-1914

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## Explanatory Note

Extracts from letters have been transcribed as they were written. Abbreviations, uncertainties of spelling, punctuation and syntax have been allowed to stand.

#### INTRODUCTION

There is a compulsive dissonance in the response of historians to the Liberal triumph of 1906 and the social legislation which followed. To some, the victory appears adventitious, a testimony to Unionist divisions and Balfour's ineptitude rather than to Liberal vigour; paradoxically, the victory was evidence of the party's enmeshment in old issues rather than an assertion of its freshness. Thereafter the governments of Campbell Bannerman and Asquith responded as nineteenth century administrations had done. The legislative achievement was not the fruit of a coherent programme but the product of departmental thinking, of response to organised pressure groups which had brought a reform like Old Age Pensions to the point of general acceptance, and, after 1908. of electoral exigencies and the thrust of energetic, ambitious ministers like Lloyd George and Churchill. Against this stands another view, which sees 1906 as the focus of new aspirations generated in part and made effective by the extension of the franchise in 1867 and 1884. The Liberal party established a rapport with such aspirations because it had itself engaged in the re-definition of Liberal principle to provide an intellectual base for new initiatives in policy. Consequently the younger Liberals developed an increasingly collectivist and interventionist position reflecting 'the process of internal conversion by which the party came to

favour an advanced social policy.' (1) In that process the New Liberals had a crucial role as men whose 'moral commitment and political leverage was expressed in their published work.' (2) In a profound sense, the re-appraisal of Liberal principle, the election of 1906 and subsequent legislation represented 'the introduction of a new ethic of social and moral responsibility into politics.' (3)

The dichotomy of view about the influence of the New Liberalism reflects a continuing difference of emphasis among historians of the nineteenth century, which derives from sharply contrasting views of the political process. Governments are seen by some as responding to 'what was demanded by fact, not to what was recommended by theory.! (4) Problems came to be seen as needing solution and once intervention began it acquired its own momentum through the enlarged perceptions and increasing weight of the burgeoning bureaucracy. Moreover, the world of high politics is represented as substantially a closed world, dominated by the exigencies of maintaining Cabinet unity, of keeping the party at Westminster in good heart, of resolving the tensions between ambitious men; a world in which the immediate is everything and purpose is at a discount. To others, ideas and conscious

(1)	H.V. Emy, Liberals, Radicals and Social Politics 1892-1914
	(Cambridge, 1973), vii.
(2)	Peter Clarke, Liberals and Social Democrats (Cambridge,
	1978), 1.
(3)	Emy, op.cit., xi.
(4)	G. Kitson Clark, An Expanding Society (Cambridge, 1967), 182.

purpose are essential components of the political process. Their generation and dissemination alter expectations; by indicating a view of the good society they define the problems to solve and the terms in which solutions may be found. To ignore ideas is to ignore men's understanding of their position and behaviour. Thus ideas give identity and coherence to political parties, and fashion expectations and political action by idealising and sublimating sectional interests in terms of the general good.

The first position may well be adequate in explaining the behaviour of parliamentarians and Cabinet ministers in the context of high politics but one may question its completeness as an explanation of the political process once the extension of the franchise had freed a significant number of constituencies from the constraints of deference and influence. Then it could be postulated that there are necessary links between parliamentary leadership and its wider constituency. The former must evoke a response in the latter, through an epposite rhetoric and through policies which meet its aspirations. That most acute observer of contemporary politics, Ostrogorski, recognised the mutual relationship; if political leadership influences opinion, and to a degree manipulates it, it is in turn the subject of influence, at once responding and controlling. 'Its mouthpieces and its guides, in order to lead it, are under the necessity of following it; they give it the

impulse while receiving it.' The skill of politicians lies in 'their perhaps intuitive penetration, that suddenly rouses a question that was slumbering in the political conscience of the nation.' (5) The Acts of 1867 and 1884 gave another dimension to the relationship; by creating novel organisational demands they imposed on the parliamentary leaderships the need for popular organisations. The local activists were brought into a new relationship with the chieftains, nurtured in part by the party's ability to define its purpose in terms relevant to their aspirations, interests and enthusiasms.

These constraints applied to both parties but the peculiar nature of the Liberal party gave them special urgency. It saw itself as 'the party of movement' and arguably 'progress' implies a creed to define the direction of that progress. Consequently 'ideas played a particularly important part in the history of Liberalism.' (6) Asquith, writing his Introduction to Herbert Samuel's <u>Liberalism, Its Principles</u> and Proposals in 1902, argued that the response to change was the touchstone between Liberals and Tories, one marked by 'an attitude of hopefulness, of faith, of confidence,' the other by 'an attitude of suspicion, of reluctance, of

 M. Ostrogorski, Democracy and the Organisation of Political Parties (1902. Anchor Books, New York, 1964), 241, 242.
 Clarke, op.cit., 3.

compulsory resignation.' (7) Arguably, the hopefulness, faith, confidence wilted in the 1880s and 1890s when the direction of progress became less apparent since, with the removal of restrictions upon economic activity, the overthrow of privilege, the opening of positions of power to men of talent, progress could no longer be identified with the liberation of the individual, the minimising of control by the State over society and the economy. Indeed, progress might now be equated with the exercise of State power, but the definition of the objectives which this might serve required a refurbishing of the Liberal creed.

The very structure of the party emphasised the need. It had emerged in the 1860s by bringing into the parliamentary Process organised groups and interests which had sought to Operate upon it externally rather than from within. A contrived coalition in some senses, its very diversity gave it strength and a broad electoral base. 'The best part of Society joined hands with the grimmest puritanism; masters and men, landlords and labourers, Matthew Arnold and the Manchester School, Samuel Morley and clubland, all made up English Liberalism.' (8) The party served to give political expression to classes hitherto outside the political nation who sought emancipation from traditional bondages, who rejected various

<sup>(7)</sup> Herbert Samuel, Liberalism, Its Principles and Proposals (1902), viii.

 <sup>(8)</sup> John Vincent, <u>The Formation of the Liberal Party</u> (1966. Pelican Edition, 1972), 84.

forms of patronage. Liberal politics afforded to many deep, emotional satisfaction as a vicarious assertion that they were as good as the holders of authority and wealth. The transfer of political power, any symbolic reform which gave the Radical voter a sense of power over his betters served to sustain the excitement of partisanship in a demonstrably superior cause. Gladstone's penchant for the grand, symbolic, representative issue was uniquely suited to sustain this coalition by concentrating on issues remote from the lives of ordinary people and excluding any tampering with social and economic questions. 'The Gladstonian style of politics made a transcendant appeal to conscience, but one seldom directed toward evils at home.' Gladstonian populism rested on his ability 'to run a democratic party by keeping class issues out of politics.' (9) For all its magic, the Gladstonian style was vulnerable to changing aspirations among significant groups within the nation, particularly changes which brought social and economic questions into the forefront of public concern. When that happened, the Liberal party would need to give enduring principles new content if the identity of interest and sentiment which sustained the contrived coalition were to be maintained. The New Liberals perceived that the time had come and sought through a reformulation of Liberal ideas to reinvigorate their party.

(9) Clarke, op.cit., 7.

The relationship between the two levels of political activity remains obscure. Historians who view the conduct of parliamentary leaderships through the evidence of private papers detect only the immediacies, the pressures of the forthcoming session, of the parliamentary situation, of problems to be solved as best may be. Professor Vincent, writing of the Gladstonian party's inception, regards the leadership as operating in detachment from the popular forces which ensured its electoral ascendancy, concerned with good government and sound administration more than with the enthusiasms of the rank and file. 'For the party, the Cabinet were the necessary and irreplaceable men; for the Cabinet, party was a lever to gain support for policies essentially administrative in inspiration.' (10) Political leaders were more susceptible to the good opinion of their colleagues than that of their supporters. The leadership of the Edwardian party emerges from memoirs, official biographies and the great collections of political correspondence as little different. Engrossed in the world of Westminster, it was curiously insensitive to the movement of opinion in the party at large. Even Herbert Samuel, himself a contributor to the re-fashioning of the Liberal creed, could write a powerful defence of democracy as a potent instrument for raising 'the character and status of the citizens' yet confine the electorate to offering

(10) Vincent, <u>op.cit</u>., 51.

a popular imprimatur to policies defined by the political elite. It was for political leaders and administrators 'to frame and present the policies between which the people choose' and they are 'asked only to judge between the policies that are offered them.' (11) The regard for executive independence was compounded by the reluctance of British government, then as now, at both the political and administrative level, to project objectives in the longer term. Its structures seem better adapted to fashion acceptable solutions to immediate problems. Whatever the explanation, late Victorian and Edwardian England suggests a society in which social groups defined new aspirations, in which progressive opinion questioned received values and assumptions. Liberal publicists responded by re-appraising Liberal principles, yet the parliamentary leadership remained somewhat insensitive.

The problem of the New Liberalism, indeed of the whole health of the Edwardian Liberal Party, has been given immediacy by the perennial dialogue between the historian's inquiry into the evidence of the past and his perception of his own present. Edwardian Liberals have an engaging freshness because of their percipient observation of the problems of an increasingly urbanised society. There is an attraction in men wedded to a more egalitarian society, deeply humane.

(11) Samuel, <u>op.cit</u>., 229, 230.

who were yet flexible as to means; men prepared to re-assess the meaning of enduring principles, yet not narrowly doctrinaire nor organisationally linked to powerful sectional interests. Their view of society was one of harmony, never one of class conflict. To examine the relationship in the Liberal Party between the movement of ideas, the endeavour of publicists to translate that movement into policies, the response of parliamentary leadership may illuminate the apparent failure of the contemporary political process to indicate to the electorate the real choices available and the necessary limitations of political action. The relationships examined seem an enduring condition of democratic societies. Men seek rational explanations of society's organisation and behaviour. The analysis of what exists often indicates what should be, and so shifts expectations of the political process. Those displacements alter the context within which governments operate, and politicians and administrators may not be wholly insensitive to that same movement of ideas. These relationships remain nebulous and elusive, not readily amenable to precise definition by evidence, yet their clarification, however tentative, may well be essential to the understanding of the political process in democratic societies.

The first part of this thesis examines the New Liberal position and the dissemination of New Liberal ideas through the Liberal press against the background of changing perceptions

of social problems in Late Victorian and Edwardian England and novel assertions of working-class aspirations. It is argued, in Chapter I, that these constituted a political imperative for the Liberal party as the party of movement and progress. The New Liberals recognised this imperative. The study of their published writing in Chapter II will seek to demonstrate that they not only engaged in profound social and economic analysis, but consciously sought to revise Liberal doctrine in ways which would harmonise its traditional emphasis on the individual with a more active role for the State in pursuit of an equitable society. They drew out the programmatic implications and emphasised these as the essential means for the party's renaissance. Chapter III will be concerned with the Liberal press, which provides evidence for the penetration of these issues into the debate among informed It argues that social radicalism was perceived as an opinion. appropriate and necessary stance for the Liberal party after the election of 1906 rather than before and that older Liberal concerns, in both domestic and foreign policy, continued to engage editorial attention.

The second part of the thesis moves the discussion towards the centre of the political stage. Chapter IV will concern itself with the bitter personal antagonisms and sharp differences on matters of policy which, between 1895 and 1903, frustrated any re-appraisal of the party's commitment to social reform. The substantial evidence of the private papers

is used to demonstrate that the Liberal leadership was largely unaware of the New Liberals' concerns. The party's dialogue with the electorate, through platform speeches, political literature and election addresses, will be examined in Chapter V. This body of evidence suggests a somewhat sluggish recognition of the need to represent the party as one with a deep social radical commitment. Even after 1906. it will be argued, it was Lloyd George and Churchill, rather than the generality of Liberal politicians, who brought New Liberal concepts into the language of political rhetoric, while the party's literature responded to the initiatives of the Liberal government rather than preceded them. Chapter VI returns to the world of high politics as displayed by the correspondence of Liberal politicians. It will be argued that the party's revival after 1903 owed little to its ability to offer the electorate a considered programme of social reform. Once in office, the initiative in social reform came from individual ministers supported by distinguished civil servants rather than from a collective Cabinet endorsement of a social programme, resting on a political judgment of the party's need to adapt and an understanding of the intellectual ferment within the party. The impression conveyed by one substantial body of evidence is of departmental government and of ministers operating in a narrowly political context.

## PART I CONTEXTS OF THE NEW LIBERALISM

### CHAPTER I A Changing Constituency

From the 1880s to the outbreak of the First World War, at all levels, some Englishmen were conscious that the assumptions of the preceding generation must be re-appraised. Falling prices and profits, contracting opportunities for investment, sharper competition in both foreign and domestic markets, coupled with marked cyclical down-turns in the late-'70s, the mid\_'80s and the early\_'90s, brought into question the sanctity of free trade and the competitive vigour of the British economy, so that 'the depression caused established modes of thought and behaviour to be questioned by all sections of the community.' (1) If the Fair Trade League was one response, the unemployment demonstrations and the socialist revival of the mid 80s was another. For others the perception of the need for adjustment lay with Great Britain's position in the world. Sir John Seeley, contemplating the emergence of powers on a continental scale, saw the consolidation of Empire as the only means whereby Great Britain could remain a power of the first rank. Among the policy-makers the sense that Great Britain's commitments must be related to the actualities of her power brought major strategic reappraisals in the 1890s and Lord Selbourne's Cabinet Memorandum of 17 January 1901 which argued that the

(1) B.C. Roberts, The T.U.C., 1868-1921 (1958), 130.

financial burden of the two-power standard was too great, when set against the naval expansion of the United States, Japan and Germany, a strategic assessment with formidable political implications. Leonard Woolf, going up to Cambridge at the turn of the century, recalled himself and his contemporaries 'living in the springtime of a conscious revolt against the social, political, religious, moral, intellectual, and artistic institutions, beliefs and standards of our fathers and grandfathers.' All this formed 'the climate of scepticism and revolt into which we were born.' (2) This was the world of H.G. Wells's Ann Veronica, moving in London among people 'busied with dreams of world progress, of great and fundamental changes, of a New Age that is to replace all the stresses and disorders of contemporary life.! (3) Wells, in capturing the intellectual ambience of his emancipated new woman, eagerly seeking self-fulfilment, liberated from the constraints of a moral code which had become more a matter of conventional observance than of deep belief, was saying more. The questioning of contemporary society and the hope for more equitable alternatives formed a significant element in late Victorian and Edwardian England.

If some Englishmen, in the areas of their particular concerns, were perceiving the world as a less kindly place and

(2) Leonard Woolf, Sowing, 1880-1904 (1967), 153, 160.
(3) H.G. Wells, <u>Ann Veronica</u> (1909, Penguin Edition 1968), 110.

defining the need for adjustment, others responded to their sense of change with scepticism and doubt. In the opening chapter of The Great Society Graham Wallas regretted the passing of those mid-Victorian certainties that saw in increasing control over nature a fuller existence for the Instead he doubted whether the complex, universal, human race. inter-dependent economy could be either comprehended or controlled; whether it could long sustain its cohesion; whether it would be increasingly beset by class and sectional conflict. He remembered 'afternoons spent in canvassing along the average streets of a modern city, and the words and looks which showed how weak are the feelings which attach the citizen to a society whose power he dimly recognises, but which he often seems to think of merely with distrust and dislike.' (4) Human Nature in Politics displayed the same concern for the fragility of urban, industrial society. 'If our civilisation is to survive, greater social equality must indeed come. Men will not continue to live peacefully together in huge cities under conditions that are intolerable to any sensitive mind, both among those who profit, and those who suffer by them.' (5) His scepticism about the political process ran equally deep and clearly he shared 'the fear, often expressed as new questions force themselves into politics, that

(4) Graham Wallas, <u>The Great Society</u> (1914), 12.
(5) Graham Wallas, <u>Human Nature in Politics</u> (1908), 245.

the existing electoral system will not bear the strain of an intensified social conflict.' (6) Yet, if there was scepticism about the ability of men to control the problems of industrial society, in the end there was hope. 'As we contemplate the society in which we live, it is not a conviction that the world is a worse place than it ever has been, but the feeling that we have lost grip over the course of events, and are stupidly wasting the powers over nature which might make the This was not the savage pessimism world infinitely better.' (7) of Hilaire Belloc's The Servile State where industrialism was represented as 'an unmixed curse' impossible to sustain because of 'the intolerable and increasing instability with which it has poisoned our lives! (8) or Lowes Dickinson's image of a society locked in self-destructive conflict, 'a descending hierarchy of oligarchic groups, each with its own peculiar privileges, for which it fights and in and by which it lives. '(9) Yet there was anxiety and uncertainty because 'the past was disappearing too rapidly and too completely for mental comfort. leaving many men unreconciled to the idea of a twentieth century, urban, industrial England.' (10) H.G. Wells's Bladesover stood as the Kentish epitome of a stable, deferential, hierarchical society, whose foundations were already sapped by forces which would surely carry it into limbo. 'The hand of change rests on it all, unfelt, unseen;

<sup>(6)</sup> Ibid., 28.

<sup>(7)</sup> The Great Society, 344.

<sup>(8)</sup> Hilaire Belloc, The Servile State (1912), 75, 77.
(9) Lowes Dickimson, Justice and Liberty, (1911), 25.
(10) M.J. Weiner, Between Two Worlds (Oxford, 1971), 101.

resting for a while, as it were half reluctantly, before it grips and ends the thing for ever. One frost and the whole face of things will be bare, links snap, patience end, our fine foliage of pretences lie glowing in the mire.' (11) Those images of inexorable change and an enigmatic future were applied by many Edwardians to their society at large.

There are obvious dangers in claiming to establish the tone of a period, particularly one in which exhilaration and anxiety so often went hand in hand. The magnitude of potential sources leads one to offer a collage of impressions, often subjective, chosen to support some pre-formed thesis. Yet so many Englishmen in these years expressed in their own terms the necessity of adaptation, of questioning earlier assumptions, of seeking radical responses to the pervasive problems of the urban society, that one understands Professor Ausubel's bold assertion that 'never since the Puritan Revolution had such an intensive re-examination of the structure and processes of English society taken place.' (12) Arguably, the Liberal party, peculiarly, needed to respond since it represented itself as the party of movement and of progress. Because it chose to articulate its function in these terms and because its vigour rested on its capacity to act as the appropriate political vehicle for groups asserting their interests and status, this response was important at

<sup>(11)</sup> H.G. Wells, <u>Tono Bungay</u> (1909, Penguin Edition 1946), 13.
(12) H. Ausubel, <u>In Hard Times. Reformers among the Late</u> Victorians (1960), 65.

two levels; adaptation in political style and programme to shifts in progressive opinion and to the heightening of working-class aspirations, demonstrated by the extension of trade union organisation and by the thrust towards independent labour politics.

II

One significant displacement in the climate of the eighties was increasing doubt about the benevolence of the self-activating market economy. W.A.S. Hewins, later to be heavily involved in the Tariff Reform League, recalled in his memoirs the temper of that decade.

'My contemporaries could not be content with the old individualist philosophy, and still less with the industrialism which came in with the progress of mechanical invention, and pursue commercial gain as an end in itself. If they were ever disposed to act in that way the industrial unrest and the growth of socialism and the failure of the industrial system to secure its own aims would have been sufficient to bring about fresh movements, more worthy of mankind.... I knew none of my generation in any party who found satisfaction in the economics, social philosophy or politics of the Victorian era. All my friends wanted to break the dominion of the Manchester School over the minds of men, and to get a new idealism into public life.' (13)

From the perspective of 1929, he may have generalised overboldly, but contemporary comment would sustain him. Arnold Toynbee, lecturing in Oxford in 1881-2, denied both the necessary beneficience of competition and the automatic coincidence of individual interests with the general good.

(13) W.A.S. Hewins, Apologia of an Imperialist (2 vols, 1929) I,3.

'Competition we now recognise to be a thing neither good nor bad; we look upon it as resembling a great physical force which cannot be destroyed, but may be controlled and modified by positive laws and institutions.' (14) Agnosticism about the merits of competition led inelectably to a denial of the harmony of interests and so to an acceptance of state interference, since 'as long as the identity of the individual and the general interest was preached as a universal truth, every attempt to regulate competition was decried as an unwise and even an impious interference with the providential scheme for making each man's selfishness subservient to the good of all his neighbours.' (15) Moreover, the so-called laws of political economy were not absolutes, but descriptive generalisations relative to a particular economic and social organisation, and it followed equally that 'the proper limits of Government interference are relative to the nature of each particular state and the stage of its civilisation.' (16) The harmony of interests might have to be contrived through legislation in the general interest. Addressing an audience of workingmen at St. Andrew's Hall, in London, in January 1883. he summed up his essentially pragmatic position. 'Economists, if they admit that the economic harmonies are to a large extent a fiction, are bound to admit the necessity for more administration and control .... The era of free trade and free contract is gone. and the era of administration has come.' (17)

(14)	Arnold Toynbee,	Lectures on	the Industrial	Revolution of
	the 18th Century	in England	(1894), 20.	

(16) Thid. 31

<sup>17)</sup> Ibid. 286.

Toynbee's acceptance of a positive role for the State may not seem surprising in one whose personal concern for the poor led him to half-furnished lodgings in Whitechapel for a number of months in successive years. It is more surprising to find a not dissimilar pragmatism in Henry Sidgwick, who so often offered thoroughgoing assertions of the individualist position. Given the inter-dependence of individuals in a modern industrial society, 'it is the business of the moralist and the preacher, not of the legislator, to aim at producing in the community this harmony of thought and feeling' and 'any limitation on the freedom of action of individuals in the interests of the community at large, that is not required to prevent interference with other individuals' is unwarrantably 'socialistic.' (18) What is significant about Sidgwick is not merely that he recorded a movement of opinion towards collectivism \_ 'the present dift of opinion and practice is in the direction of increasing the range and volume of the interference of government in the affairs of individuals' - but that at the very moment that he re-iterated the individualist position that 'men may be expected in the long run to discover and aim at their own interests better than Government will do this for them' he removed one essential prop, the harmony of interests. He recognised that 'the individual's interest has

(18) Henry Sidgwick, Elements of Politics (1891), 42.

no tendency - or no sufficient tendency - to prompt him to the course of action most conducive to the common interest. (19) Thus he was led to a position where the issue was not one of principle but of the balance of advantage. Indeed, for one whose predilections were markedly conservative, he delineated a considerable range of legitimate state activities including a measure of public enterprise. As one moves forward in time and leftwards in the political spectrum so the rejection of the market economy becomes more positive and the merits of collectivism more assured. Graham Wallas observed in 1914 that 'pure individualism represents a rapidly shrinking body of opinion' and applauded collectivism because it 'substituted a direct aiming at the public good for a very hypothetical calculation that the public good might indirectly result from individual and family accumulation.' (20)

In 1905 Cecil Chesterton argued that 'the misery and waste produced by our present social system are so patent and terrible that a vague feeling that "something must be done" has been spreading rapidly through all classes, and even Liberals have caught the infection.' (21) This uncharitable reference pointed unwittingly to an important relationship. The concept of the market economy, operating through its own

(19)	Ibid., 144, 146.	
(20)	The Great Society, 311, 315.	
(21)	Cecil Chesterton, Gladstonian Ghosts (1905), 184.	

laws, had provided one important rationalisation for that element in English Liberalism which had derived momentum from the liberation of the individual from constraint, whether imposed by law or class privilege, and which had asserted the essential harmony between the productive classes. Intervention by the State on behalf of sectional interests or privileged groups was artificial; free the State from the trammels of class influence and the individual from interference and a harmonious economic and social order would emerge spontaneously. The pursuit of individual advantage, mediated by market forces, would ensure the efficient use of scarce resources and their distribution between alternative uses in accord with consumers' preferences. Here, too, was an acceptable rationalisation of the interests of the business classes, perhaps even moralising them by reinforcing the Protestant ethic of individual striving and personal responsibility. In the competitive society, the individual received what he was worth. When the Political Economy Club held a dinner on 31 May 1876 in honour of the centenary of the Publication of the Wealth of Nations it was not only the economists who saw Adam Smith offering prescriptions for governments to follow. Robert Lowe spoke approvingly of his demonstration that government interference with the free movement of capital was necessarily injurious, while Gladstone, who presided, urged on economists 'the duty of propagating opinions which shall have the effect of confining government

within its proper province and preventing it from all manner of aggressions and intrusions upon the province of the free agency of the individual.' (22) To call in question the certainties of the individualistic, competitive social and economic model was to remove an essential element in the Liberal creed.

Yet sensitive men could hardly assert with confidence that the market economy, fuelled by individual endeavour, would produce such increments of national wealth that the problem of distribution would be solved and any casual ties The observations of Booth safely left to private charity. and Rowntree, the reports of Royal Commissions and Select Committees delineated the magnitude of continuing poverty and deprivation: the very scale cast doubt upon the individualist explanation, while the heightened interest in social investigation itself encouraged a movement of opinion away fromm the concept of a spontaneously functioning society towards that of a self-conscious society of design and plan; the ideal of H.G. Wells's Repington who meant to leave England better ordered than he found it and 'to organise and discipline, to build up a constructive and controlling State out of my world's confusions.' (23) Certainly late Victorian and Edwardian intellectuals seemed much concerned with defining anew the proper relationship between the individual and the State.

<sup>(22)</sup> Report of the Proceedings, quoted in T.W. Hutchinson, <u>A</u> Review of Economic Doctrines 1870-1929 (1953), 5.

<sup>(23)</sup> H.G. Wells, The New Machiavelli (1911, Penguin Edition 1946), 149.

Individual freedom and the opportunity for self-realisation remained important ends, but they were seen as compatible with substantial increases in the functions of government. No longer were State and individual antithetic; rather were they complementary. Freedom, positively defined, rested upon the initiative of governments in creating the conditions of a meaningful freedom for the individual. Herbert Samuel. recalling the tone of the 1890s, wrote of his contemporaries' recognition that liberty could no longer be regarded solely as a political concept. 'There could be no true liberty if a man were confined and oppressed by ignorance, by poverty, by excessive hours of labour, by insecurity of livelihood, by the -compulsion to live in a wretched home and an evil environment. To be truly free he must be liberated from these things also. (24) No longer was the individual abstracted from his environment; rather individuality was recognised as the product of a sophisticated community and it was false to represent him 'as if he had a meaning and significance apart from his surroundings and apart from his relations to the community of which he is a It remained true that 'every man has the divine member.' (25) and equal right to realise himself' but this he could do only through the organised community, whose agent, the State, must ensure those conditions that 'enable its members to develop a worthy human life .... to make them happy and progressive beings

(24) Herbert Samuel, <u>Memoirs</u> (1945), 25.
(25) D.G. Ritchie, <u>Principles of State Interference</u> (1891), 11.

who feel that life is worth living.' (26) Clearly the antithesis between State and individual was false since 'the State has, as its end, the realisation of the best life by the individual,' and 'the main reason for desiring more State action is in order to give the individual a greater chance of developing all his activities in a healthy way.' (27)

Here was a persuasive reconciliation between the need to tackle social problems by sustained government action and attachment to the Liberal tradition's concern for the Its novelty is brought into relief by Charles individual. Bradlaugh's Labour and Law, published, like Professor Ritchie's Principles of State Interference, in 1891. Bradlaugh, free thinker and atheist, champion of continental nationalism and of parliamentary reform, represented an older Radical tradition. He wrote in 1891 to counter what he conceived to be the ominously collectivist drift of resolutions passed at the annual conference of the T.U.C. in 1890. These he examines in detail but prefaces this examination with categorical assertions of the individualist position and of the limited role of the State, which he would confine to 'the preservation of internal peace, the removal of all legal restrictions which hinder equality of opportunity, the protection of each individual against the criminal acts of other individuals, and

 (26) Charles Gore (ed.), <u>Property, Its Rights and Duties</u> (1913), Introduction, <u>x</u>, <u>xii</u>.
 (27) Ritchie, <u>op.cit.</u>, 102,64.

the protection of all citizens against common enemies.' It is for Parliament to 'encourage and, where possible facilitate, individual activity and initiative' and 'do nothing to lessen that spirit of self-reliance which makes society progressive wherever it prevails.' (28) The accident of timing sharpens the contrast between the old liberalism and the new. Certainly Ritchie recognised that such a contrast existed acknowledging that 'the view that the main work of Liberalism is to diminish the amount of Government action is still widely held in this country,' yet also maintaining that Liberals had latterly moved 'from the merely negative work of removing mischievous state action to the more positive task of employing the power of a government.... in behalf of the wellbeing of the community.' (29) He was not alone in emphasising both the continuity of the Liberal tradition and the necessity for revision of its intellectual basis and of its programmes. When government represented the interests of an hereditary ruling class it was appropriate for Liberals to concern themselves with removing mischievous interference with the liberty of individuals, but the democratic state should address itself to promoting actively the well-being of the whole society as the agent of a growing sense of the common responsibility to combat the misery of many people's lives. Herbert Samuel. in

(28) Charles Bradlaugh, Labour and Law (1891), 31. (29) Ritchie, op.cit., 8, 137.

retrospect, represented Liberalism in the 1890s in these terms. 'In those years the Liberalism of the Gladstonian period was being transformed. The theory that State action must be kept to a minimum if liberty was to flourish, was being discredited by the facts that were obvious on every hand.' (30)

Once the essential harmony between individual interest and the general good had been questioned, the way was open for more fundamental examination of accepted assumptions. Property, for example, might no longer be seen as an absolute right, but, like the freedom of the individual, a social construct, properly to be judged by its contribution to the whole society. Admit that property and wealth creation were not 'the work of separate individuals working independently but a co-operative undertaking in which in one way or another the whole community takes part' and it followed that if private property was recognised by society it was not 'in virtue of a right inherent in the individual, but because it is an institution which is thought to be for the good of society as a whole.' (31) In Professor Scott Holland's phrase, it was 'only a social expedient, not an absolute right. (32) To define property and wealth in these terms did not lead to comfortable conclusions about their present distribution; rather that distribution was represented as

- (31) A.D. Lindsay, in Gore, op.cit., 70, 71.
- (32) Ibid., 174.

<sup>(30)</sup> Samuel, <u>op.cit.</u>, 25.

inequitable, not only in economic distributive terms, but in the power conferred on some over the lives of others. The concentration of property and wealth in a few hands denied to many security and the ability to control their own destiny. Even in 1881 Toynbee could maintain that 'a more equitable distribution of wealth is now demanded and required' and that this was the fundamental issue of the time. (33) Others observed that the maldistribution of wealth and property made nonsense of the individualist proposition that economic rewards reflected the value of the individual's contribution and were a measure of his capacity. The inequities were selfperpetuating since hereditary wealth determined opportunity and reward independently of ability or contribution. Lowes Dickinson argued that 'for the ordinary man of average powers, it is opportunity that determines his fate; and opportunity is the monopoly of the well-to-do.' (34) Wealth and income were seen less as a function of ability or endeavour or society's need to elicit effort by incentives, more as a function of inherited advantage. Indeed, the social basis of property, and so its obligations, was sometimes asserted in such forthright terms that one wonders if the implications were fully understood. 'As it is only the State which enables a man to become rich, so, if wealth proves immical to the general development, the possessors of wealth have no legitimate claim to urge against the State taking measures to

(33) Toynbee, op.cit., 25.
(34) Lowes Dickinson, op.cit., 51.

redress the balance.! (35)

Bishop Gore's powerful assertion leads to another facet of late Victorian and Edwardian opinion - the passion, the moral commitment, the sense of guilt and atonement which motivated the drive towards social reform. Gilbert Murray's tribute to Graham Wallas could well epitomise this generation: 'a keen sensitiveness to the wrongs of mankind and conscientiousness about his own action.' (36) Herbert Samuel caught this same conjunction of sensitivity and concern when he recalled his response to the Whitechapel slums, where he canvassed in 1889 in support of his brother, Stuart, a Progressive candidate in the first L.C.C. elections. 'The contrast between what I was seeing day by day, and what I found when I returned home at night to our too opulent household, upset my equanimity altogether. I found myself afterwards in moral revolt against my surroundings, and against the whole system of society of which they formed part.' (37) H.W. Nevinson, who lived for a time off the Commercial Road in London's East End, felt the same sense of shame. 'The attraction of repulsion, as I called it, was very strong and during those years my shared sympathy with working people became an irresistible torment, so that I could hardly endure to live in the ordinary comfort of my surroundings.' (38)

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(35) Gore, op.cit., xii.
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(36) Murray, Preface to Men and Ideas (1940), 7.
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(37) Samuel, op.cit., 7.
(38) H.W. Nevinson, Changes and Chances (1923), 121.
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Poverty, the mean monotony of ignoble streets, 'the crowded rooms, the foul air, the pervading dirt, the perpetual stench of the poor' crushed out all opportunity for active selfdevelopment. The stunting of so many of the urban workingclass represented colossal social waste: it was 'the deepest of personal and national disasters.' (39) The response of Beatrice Webb, entering the East End as a social observer with her cousin by marriage, Charles Booth, and then working as a trouser hand in an East End sweat-shop, demonstrated the same moral rejection of her own affluence when contrasted with the debilitating poverty of others. Leonard Woolf, returning from a tour of duty as a District Officer in Ceylon in 1911, found the poverty-stricken hovels of Hoxton less agreeable than a hut in a Ceylon village. 'One was confronted by some vast, dangerous fault in the social structure, some destructive disease in the social organism, which could not be touched by paternalism or charity or good works.' (40) All shared the moral intensity, the emotional involvement that marked the peroration of Arnold Toynbee's second address to an audience of London working-men at St. Andrew's Hall in January 1883. We have neglected you; instead of justice we have offered you charity, and instead of sympathy we have offered you hard and unreal advice; but I think we are changing. If you would believe it and trust us, I think many of us would spend our lives in

(39) H.W. Nevinson, Essays in Rebellion(1913), 80,82. (40) Leonard Woolf, Beginning Again, 1911-1918 (1968), 100.

your service.' (41)

These responses sprang from deeper wells of motivation than the objective observation that in specific ways the market economy worked none too well and that, on pragmatic grounds, a measure of State action was necessary. In part they reflected a perception that there was a sharp contradiction between the terms in which their society justified its forms and its values and the realities of its practice; that the society which lauded private property and individual endeavour effectively denied both to most of its people, who were bereft of security and resources and so of responsibility for their own condition, the passive victims of forces beyond their control. 'The Society which boasts of its reliance on the freedom of individual self-development nevertheless allows only a limited proportion of its individual members to possess that freedom. It appeals to the moralising influence of ownership; and then denies the possibilities of any real ownership to the main mass of its members.' (42) It was this divergence between the values which society proclaimed and its realities which created 'the dreadful moral anarchy against which all moral effort is now turned.' There was 'conflict in every man's conscience and ill-ease throughout the commonwealth when the realities of society are divorced from the moral base of its institutions.' (43) No individual and no

<sup>(41)</sup> Toynbee, op.cit., 318.
(42) Scott Holland, in Gore, op.cit., 184.

<sup>(43)</sup> Belloc, op.cit., 52,86.

institution could escape the guilt and the taint of a fundamentally unjust society, since 'the guilt of defective social organisation' lay on everyone. (44) Salvation would come not from personal righteousness but through 'the redemption of the whole nation from its vicious, lazy, competitive anarchy.' Shavian passion is perhaps rarer than Shavian paradox, a measure of his concern that contemporary society was inherently unstable because its laws and institutions rested on obsolescent conventions, which could no longer engage men's consciences since 'our liberties destroy all freedom; our property is organised robbery; our morality is an impudent hypocrisy.' (45)

The intensity of response may well have reflected an even deeper moral dilemma arising from that crisis of faith precipitated by science and by scholarship. One escape was to secularise religious faith into an ethic of social service, and to translate guilt about one's ebbing faith into guilt about one's privileges. Energies, liberated by a now uncertain faith, could be directed towards secular altruism; the dynamic drive towards personal salvation diverted towards the service of men in this world. Through active service in their community, men realised their highest potential; active citizenship became the highest morality. Life gained dignity

(44) G.B. Shaw, Preface to Plays Unpleasant (1898, Penguin Edition, 1945), <u>xxiv</u>.
(45) G.B. Shaw, Preface to Major Barbara (1906, Penguin Edition, 1945).

(45) G.B. Snaw, Preface to Major Barbara (1900, Fenguin Edition, 1945), <u>xvi</u>, <u>xxiv</u>.

when the individual self was subordinated to the service of this higher ideal. This was Beatrice Webb's observation of her contemporaries for whom 'the impulse of self-subordinating service was consciously and overtly transferred from God to man' and with it 'a flight of emotion from the service of God to the service of man.' (46) For many middle-class people the energy channelled into social concern could not readily be confined to private philanthropy, but sought an outlet in political action. For some within the Church the same pressures were at work; for them a Church too narrowly concerned with personal piety, too little with Christianity's bearing on social well-being and justice in an industrial society, might well lose its impact. The Church, in a divided society, must reiterate the universal brotherhood of mankind and give substance to that assertion through its stance on contemporary issues.

Within the Anglican communion this view was given distinguished expression by men like Stewart Headlam, Henry Scott Holland, B.F. Westcott, Conrad Noel and Percy Dearmer through the Christian Social Union and the Guild of St. Matthew. Among nonconformists, Percy Alden, John Clifford and Philip Wicksteed represented a similar concern that the Church should emphasise once again those elements of its faith that demonstrated and symbolised the essential equality and brotherhood of men and

(46) Beatrice Webb, My Apprenticeship (1926), 143.

consciously bring its teaching into harmony with secular The fundamental moral law of Christianity progressive thinking. must be clearly stated and its implications for economic behaviour and for the mutual obligations between social classes firmly drawn, for the Church could not shrug off its responsibility for contemporary social evils. Rather should it become 'a great instrument for Social Reform .... a Society for the promotion of Righteousness.' (47) Christianity was concerned not only with the inner spiritual life of the individual, but with the establishment of a righteous condition of things on earth, a purpose which involved the Church inescapably in the political and economic organisation of In terms more or less strong, competitive society was Society. identified as the source of much that was wrong, materially and spiritually. 'All these increasing wrongs are inextricably involved in our vast egoistic industrualism; men and women and children are caught and crushed in the revolving wheels of this competitive machinery' and individualism 'fosters the caste feelings and the caste divisions of society, creates the serfdom of one class and the indolence of another.... begets hatred and ill-will on one hand, and scorn and contempt of man on the other.' (48) The Social Gospel was at one with contemporary concern for social questions, stimulated by the same circumstances and sharing its intellectual roots.

(47) Stewart Headlam, <u>The Socialist's Church</u> (1907), 48.
(48) John Clifford, <u>Socialism and the Teaching of Christ in</u> <u>Socialism and Religion</u> (Fabian Socialist Series No. 1, 1909), 30, 40.

These trends, intellectual, spiritual, emotional, brought one significant displacement of immediate political concern. Whether it was the delineation of the magnitude of the social problem through objective observation, or striving for an intellectual reconciliation between individual liberty and state intervention, or moral indignation at society's inequity to be repaired through political involvement, all pointed away from those attitudes towards the persistent 'condition of England' question which emphasised individual responsibility and towards those which represented that same question in terms of social malfunctioning. Poverty, for example, became less a judgment on personal inadequacy, more a self-perpetuating product of the social and economic environment. 'Bad houses, bad education, lack of opportunity and pressure of need, in other words, poverty, are responsible at least as much as original sin, for the creation of the class of the unemployable.' (49) Wages were no longer locked in the iron bands of the Wages Fund but very properly open to improvement by Trade Union organisation which equalised the imbalance between employer and worker in bargaining strength which hitherto had kept wages low. Indeed, the economy of high wages could be actively argued. 'Employers must be compelled to abandon the false economy of low wages, and the nation need not distrust movements which strengthen the economic position

(49) Lowes Dickinson, op.cit., 113.

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of the workers when bargaining for the price to be paid for their labour.' (50)

Perhaps the most significant change was towards unemployment. The very fact that the word became current around 1895 suggests the new perspective. Cyril Jackson, who had a long acquaintance with the problem in London - he was organiser of the relief committee in Limehouse for the distribution of the Mansion House Fund, Honorary Secretary of the Stepney District Committee in 1905, and appointed by the Royal Commission on the Poor Law to investigate and report on unemployment - indicated this in 1910. 'Whereas a generation ago unemployment was regarded as the result of economic forces beyond the control of the State, today the prevalence of unemployment is attributed to defects in the organisation of industrial life which it is the business of statesmen to rectify.' (51) Seebohm Rowntree echoed this assessment. 'Unemployment is a social disease due to complex causes, which can only be adequately dealt with by a careful study of the causes and the application of a number of different remedies.' (52) Moreover, unemployment involved waste on a colossal scale and potentially portentous social. disruption, which demanded a political response. The vicious

(50) B. Seebohm Rowntree, <u>The Way to Industrial Peace</u> (1914), 20. (51) Cyril Jackson, <u>Unemployment and the Trade Unions</u> (1910), 1. (52) Rowntree, <u>op.cit.</u>, 155.

circle of poverty, deforming environment and unemployment could be broken only by positive state action; otherwise the urban poor would remain enmeshed in 'the fatal drifting from partial incompetence into complete unfitness for remunerative employment' as they became 'helpless, without energy and without self-respect.' (53) Thus Rowntree, in a book occasioned by the industrial unrest of the pre-war years, drew together the elements in progressive opinion, an opinion he had helped to form through his survey of poverty in York: moral indignation and moral commitment, the clear recognition of social malfunctioning, the complementary advocacy of State That view of a responsible nation assuming responaction. sibility for its social casualties rather than condemning them to a degrading poor law moved Lady Betty Balfour, wife of the former Cabinet Minister, Gerald Balfour, to welcome the Minority Report of the Royal Commission. 'The recognition of an intolerable evil - for which the whole community is responsible - the faith that it can and ought to be cured - the aim of cutting at the cause of the evil instead of tinkering at the effects - and the view that it is sounder morally to prevent sin or defects of any kind rather than to punish them appeals There could be, perhaps, no better to me tremendously.' (54) testimony to the wide dissemination in Edwardian England of the ideas and attitudes we have been discussing.

(53) Ibid., 54, 55. (54) Lady Betty Balfour to Beatrice Webb, 24 Apr. 1910, Passfield

MSS, II 4 d 71.

One other thread linked progressive opinion in late Victorian and Edwardian England. On the one hand, stood a sense of incipient strife between classes, on the other a conviction that the harmonious co-operation of classes must be restored. When Arnold Toynbee attacked the iron law of wages and the apparent inability of the classical economists to offer solutions to pressing problems, he argued in these terms about Political Economy. 'Instead of a healer of differences it became a sower of discord. Instead of an instrument of social union it became an instrument of social division.' (55) Lowes Dickinson saw mutual incomprehension as among the many indictments of a class society. 'Our class system cuts us off absolutely from one another. Different education, different standards of life from which proceed different manners, interests, morals, conventions, partition us into exclusive sections by barriers which philanthropy vainly tries to pass.' (56) Seebohm Rowntree recognised in poverty and insecurity and the sense of impotence they brought, a threat to the nation's coherence. The present situation in which 'hundreds of thousands of people have lost all faith in their own value, either to the State or to themselves, simply means, if it continues, class warfare and national decay .... A people without ideals and comradeship is a doomed people, for it is stricken by that poverty of soul of which the grinding

(55) Toynbee, op.cit., 10. (56) Lowes Dickinson, op.cit., 172.

material poverty it tolerates within its bounds is only one of the symptoms.' (57) Yet class conflict was not represented as endemic to their society to be resolved only by violent change. Rather evidence of class conflict was a challenge to be met, for by appropriate action harmony could be restored. The means were already at hand; democracy and the burgeoning strength of organised labour raised the status of the workingclass, and made possible full, ungrudging recognition by employers of their equality and independence. In the circumstances, recognition of common interest would flourish, reinforced by the active intervention of the democratic State Then, through harmonious coto resolve social problems. operation in which every individual was vital to the State, and the State was vital to every individual, the nation would regain its coherence.

It need hardly be said that not all the late Victorian and Edwardian middle-class shared these opinions. The Charity Organisation Society continued to assert the view of social problems as essentially personal and moral in origin as vigorously as it had done since its formation in 1869, and condemned outright every advance of State intervention. It is entirely possible to find in the more conservative organs of the press stem advocacy of a deterrent poor law, doubting whether it was 'really safe or expedient to take all the sting out of pauperism and to seek to erase the distinction between

(57) Rowntree, op.cit., 143.

poverty and pauperism, between dependence and independence.<sup>1</sup> (58) The workhouse test and the principle of less eligibility prevented the waste of the ratepayers' money in indiscriminate charity. 'The world lives by work, and if we make it easy and comfortable and pleasant to avoid the common obligation to work, many people will shuffle out of their obligations, and the rest of the world will suffer in consequence.' (59) The individualist position could be firmly asserted against the Liberal government's social reforms. 'No so-called social reform is worth a single penny of the nation's money unless it contributes to strengthening the individual's sense of duty upon which national progress depends.' The government's projects were little better than doles which tended 'to weaken individual character instead of strengthening it, for they substitute the compulsory contributions of the taxpayer for the voluntary efforts of the citizen. (60) Trade Unions could still be attacked as 'aggressive, narrow, selfish in their aims and partial in their actions.' (61) Set above the law, 'they are suffered to carry on in the form of strikes enforced by savage picketing, gigantic wars against the community.... In fact, they have become a nation within the nation, shut off from and hostile to the rest of the community.' (62) W.H. Mallock

(58)	Sir J.A.R. Marriott, 'The Great Inquest,' Nineteenth Century
	and After, LXV, (Apr. 1909), 629.
(59)	Harold Cox, 'The Value of the Poor Law,' Fortnightly Review,
	LXXXV, (Jan. 1909), 131.
(60)	Harold Cox, 'The Budget,' Nineteenth Century and After, LXV
	(June 1909), 916.

(61) Sir G.L. Molesworth, Blundering Social Reform,' Nineteenth

(62) <u>Century and After, LXXIV, (Sept. 1913), 667.</u>
 (62) <u>W.S. Lilly, 'One Man, One Vote,' Nineteenth Century and After, LXXIV, (Aug. 1913), 329.</u>

moved from Disraelian apologia for a paternalistic aristocracy to equally passionate defence of a capitalist elite whose efficiency and capacity to organise and innovate produced the economic growth on which general well-being and social stability alike depended.

Liberal intellectuals of the old school and the new showed sufficient internal contradiction in their writing to indicate the stresses involved in the transition. Henry Sidgwick in The Elements of Politics expressed marked reserve about public education as an invasion of the undoubted responsibility of parents, whose discretion should be unfettered, continued to canvass the device of the weighted franchise to ensure that power remained with the best qualified and most disinterested and asserted categorically the individualist view of property rights; yet he accepted a large measure of public enterprise and control, social services to protect the poor and progressive taxation to finance these and correct undue inequalities of wealth. It was a legitimate object of policy to mitigate 'the marked inequalities in income which form so striking a feature of modern civilised societies,' yet collectivist measures stood condemned because 'they simply and nakedly take the produce of those who have laboured successfully to supply the needs of those who have laboured unsuccessfully or not at all.' (63) In the same year. 1891, D.G. Ritchie, whose assumptions were very different,

(63) Sidgwick, op.cit., 158, 161.

argued cogently the case for substantial public enterprise, asserted against the individualists that when the cry of the invasion of freedom was raised 'we must consider not only those who are interfered with, but those whose freedom is increased by that interference,' (64) yet accepted that free competition maximised wealth and promoted the greatest convenience in exchange. Even so, the thrust of one important section of progressive opinion was clear enough. In terms of programmes it was hardly compatible with old Liberal causes. There was the danger that the Liberal party would cease to appear to be the appropriate political vehicle if it remained wedded to 'a mere destructive radicalism - that has now become a sort of idealisation of the status quo.' Others might share Beatrice Webb's anger with an official Liberal party which seemed 'to glory in a stilted self-complacency with existing conditions and is wholly blind to the ghastly tragedies of the mental and physical decrease of the mass of our race.' (65) They might well grieve that 'for the last twenty years Liberalism has done nothing but make Liberals unhappy.' (66) By the turn of the century many shared George Cadbury's view. 'I have no interest in the Liberal party except in so far as it promotes the welfare of the millions of my fellow-countrymen who are on or below the povertyline.' (67)

(64) Ritchie, <u>op.cit.</u>, 149.
(65) Beatrice Webb to R.C.K. Ensor, 1 May 1904, Ensor MSS.
(66) G.B. Shaw to Lady Mary Murray, 1 Sept. 1898, in Dan H. Lawrence, <u>Bernard Shaw Collected Letters</u>, 1898-1910 (1972), 61.
(67) A.G. Gardiner, <u>Life of George Cadbury</u> (1923), <u>83.</u>

If the Liberal party can be seen as losing touch with part of its middle-class constituency, then it can also be represented as losing touch with its working-class con-The definition of working-class political attitudes stituency. is even more elusive than the delineation of those of the Stephen Reynolds, whose sketches of workingmiddle-class. class life, attitudes and opinion, drawn from a Devon fishing community, which appeared in various periodicals and dailies in the first decade of the century, gives an insight. Yet one wonders how representative are views drawn from a single, and not wholly typical working-class community, and how far the persuasive conversational form conceals the projection of his individual views. At one level, however, he defines the problem; too often the working-class are observed from the outside by investigators who lack empathy with workingclass mores and who fail to catch the ambience of what they observe. He represents working-class people as shrewd, entirely capable of forming political judgments, especially in the light of their experience, yet whose opinions are largely ignored because they are unschooled in the language of political controversy. 'States of mind, changes and trends of opinion, among large masses of people are notoriously difficult to ascertain .... Additionally so among working Working people whose only form of publicity is talk.' (68) people who acquired a literary education and became politically

<sup>(68)</sup> Stephen Reynolds, <u>Seems Sol A Working-class View of</u> Politics (1911, 1913 edition), 167.

active were by these very tokens atypical. 'The devotion of Labour members to their own idea of working-class welfare, and the divorce of most of them from working-class feeling, is one of the most disheartening spectacles in modern politics.' (69)

Part of the political success of the Liberal party from the early 1860s rested on its ability to appeal to some sections of the organised working-class. Any significant shift in working-class aspirations and organisation represents another force in English society to which the Liberal party, the self-proclaimed party of movement, had to adjust. After 1890 the rapport between Liberalism and Labour might be seen as weakening under the pressure of mounting working-class aspirations and of a novel working-class homogeneity and classconsciousness which, in the judgment of some, led irresistibly to an Independent Labour Party. With the Labour party and Socialism working people could identify. 'The need of something which one may love and for which one may work has created for thousands of working men a personified "Socialism," a winged goddess with stern eyes and drawn sword, to be the hope of the world and the protector of those that suffer.' (70)

Contemporaries, viewing the labour unrest of the immediate pre-war years, felt that they were witnessing some-

(69)	Ibid.	, Introd	luct	:ion,	xvii	1.
(70)	Human	Nature	in	Poli	tics,	-113.

thing more than a succession of disputes provoked by specific grievances. The cheap press had the prompted a rise in material aspiration; cheap books and periodicals fostered political discussion, which was also nourished by political propaganda, often couched in economic terms because Tariff Reform had for a decade been a leading issue. These aspirations came against a fall in real wages to prompt deep, if inchoate, resentment. 'The outbreak has been from below, from the rank and file, the expression of a general exasperation, a movement of the people, born of their own impulses, their own reaching out, however blindly, however crudely, towards higher standards of life than they feel to be possible under existing industrial conditions.' (71) G.D.H. Cole recognised 'an ill-digested mass of aspiration.' (72) Henderson and Cole were men hostile to capitalist society and no doubt, to a degree, ascribed to the working-class at large attitudes which they felt they should display. The same reservation applies to Stephen Reynold's observation that among working people 'class antagonism is a very powerful force, growing rather than diminishing' as their resentment against insecurity, inequality, the absence of leisure mounted and they began 'to question the whole of the present system of wages and earnings and social position.' (73)

<sup>(71)</sup> Fred Henderson, <u>The Labour Unrest</u> (1913), 33.
(72) G.D.H. Cole, <u>The World of Labour</u> (1913), 52.
(73) Reynolds, <u>op.cit.</u>, <u>xx1</u>, 183.

Yet the comment of the press was little different. The Westminster Gazette thought industrial unrest sprang from an entirely proper questioning by working-class people of the inequalities of contemporary society. 'It is right and inevitable that they should ask themselves whether they are getting their share of the great prosperity which has come to this country in recent years, and whether the national energy is being rightly directed when so much of it apparently goes into luxury and frivolity, and so far from enough into providing a decent and godly life for the labouring poor.' (74) The Daily News saw it as expressing 'the indignant recognition of, and revolt against, the social evils of the State .... the appalling inequalities in the distribution of the surplus wealth created by society, the enormous accumulation of riches in a few hands and the 30 per cent of the poor living below the bare subsistence level, the impoverishment of the children, the struggle of the adult against unemployment and under-Contemporaries had little doubt they were payment.' (75) witnessing a significant change in working people's expectations of their society, even if the novel magnitude of the explosion invited them to large explanations. 'The working men, now beginning at last to be conscious of their strength, are not going to tolerate the present state of insecurity in which even the best of them lives from day to day.' (76)

<sup>(74)</sup> Westminster Gazette, 25 Oct. 1910.

<sup>(75)</sup> Daily News, 29 Apr. 1912.

<sup>(76)</sup> Beatrice Webb to Lady Betty Balfour, 30 Nov. 1910, Passfield MSS. II 4 d 88.

Even within the more sober ranks of organised labour there emerged specific demands which ran counter to the assumptions of the market economy. When Trade Unions demanded an 8 hour day or a minimum wage, enforced by legislation, they were by implication, asserting the primacy of labour as a first charge on production. Even if the asperities of the wages fund had by the 1890s been tempered, economists, and much informed opinion, still asserted the primacy of capital in the productive process and argued that the growth of working-class incomes was determined by the increase in the output of goods and services and their marketability - 'the measure of possibility is the profitable conduct of industry. (77) When Trade Unions claimed a voice in the conditions of work, the manning of new processes, the employment of non-unionists, they were invading entrenched managerial prerogatives, a claim which added a bitter dimension to the engineering dispute of 1897-8. Similarly trade unionists began to discuss unemployment in terms of the right to work, the public responsibility to find jobs for the unemployed and to bear the cost. The campaign to support the Right to Work Bill indicated the strength of this demand. The specific proposals were unremarkable and the momentum of the campaign faltered but the Socialist Review was not wildly optimistic when it put the Right to Work slogan among 'those great creative agencies

(77) Bradlaugh, op.cit., 83.

which result not in better administration or in other palliatives, but in fundamental economic changes which are organic and therefore permanent in value.' (78) The Right to Work, like the 8 hour day and the minimum wage, represented Labour's assertion of its claim on the national product. Once again 'an enlightened and emboldened working-class' challenged conventional economic notions about wages, profits, the production and distribution of wealth and made clear that it was no longer prepared to tolerate relationships which left 'Labour as a mere convenience for Capital.' (79)

It is suggested that the advance in working-class aspiration was complemented by a great homogeneity within the working-class. Although the concept of an aristocracy of labour has aroused some controversy among historians, there seems to have been a class of workers, varying in numbers between industries and regions, who enjoyed clear differentials in wages, a measure of security and of status. Above all, this group was differentiated by its capacity to organise. It was this section of the working-class who became closely integrated with the Liberal party, because they shared its assumptions and ideas. Skilled craftsmen, with an established position in the industrial life of the community, they sought acceptance as equal members of the political nation. Gladstonian Liberalism satisfied, in its measures and its

(78) April 1911, quoted in K.D. Brown, <u>Labour and Unemployment</u> (1971), Newton Abbot, 143.
(79) J.R. MacDonald, <u>The Social Unrest</u> (1913), 34.

rhetoric, that assertion of equal status. Moreover, they shared with their employers a belief in the community of interests, an attitude reciprocated by proponents of an enlightened capitalism like Samuel Morley and A.J. Mundella. These attitudes did not preclude political action but they determined its form: the tactics of the parliamentary deputation and the lobby reinforced by MPs who could express the working-class point-of-view from their own experience. Here was a working-class constituency responsive to the Gladstonian style of politics.

Professor Hamer has defined the conditions under which this relationship might disintegrate. 'Consciousness of the existence of a united working-class, a Trade Union movement which could be plausibly regarded as representing that class, and an ideology which represented an alternative to the system of attitudes towards capitalism on which the integration of Labour into Liberal politics was based.' (80) The emergence of the new unionism in 1889, and its survival, a little battered, through the down-turn in economic activity in 1892-3, might seem to presage the first, if only because the sharp division between those who were organised and those who were not became more blurred. At the same time, technical innovation in a number of industries threatened the status of the craftsman and modified, to a degree, the sectionalism of

## (80) D.A. Hamer, Liberal Politics in the Age of Gladstone and Rosebery (Oxford, 1972), 5.

the craft unions. Disputes with employers on manning, demarcation and apprenticeship, the strengthening of employer's federations, the formation of the Employers' Parliamentary Council confirmed Trade Unions in the belief that employer militancy was in the ascendant. To top it all, the decisions handed down by the courts, culminating in Taff Vale, left all Trade Unions equally uncertain whether their right to strike rested on firm statutory ground. This made even the most conservative of Trade Union leaders with the strongest Lib-Lab sympathies consider anew the desirability of a new kind of political initiative. Thus a sequence of events suggested to Trade Unionists their common interests and the need for new political forms for their defence.

This demonstration is, however, far from proving a working-class self-consciousness of a new order, even further from showing that it made inevitable the growth of the Labour party as its repository. Under a variety of pressures Trade Unionists could feel a common interest, but that did not mean that sectionalism ceased. The defence of craft privilege could be asserted against other workers as well as against employers, sometimes through bitter industrial action, and the need for defensive unity did not significantly modify the founding conception of the trade union as an autonomous organisation protecting the interests of its members. Political responses, too, allow some scepticism about the new-found unity of the working-class movement. Sectional interests influenced

the attitudes of particular Trade Unions to independent labour politics, while in the miners' unions attitudes to the crucial question of affiliation to the Labour party reflected the peculiar circumstances of individual coalfields and the balance of forces within the miners' unions in the various districts. Arguably the affiliation of an increasing number of Trade Unions to the Labour Representation Committee after 1902 indicated that the Labour party was, for many, little more than a new device for the defence of a specific labour interest. Not surprisingly an organisation, promoted by socialists yet supported by trade unionists, primarily concerned with defending entirely specific interests, generated internal tensions and found difficulty in establishing a distinctive political identity. On the one hand, the attachment of many Labour members to the Liberal party remained, their suspicions of socialist influence profound. On the other hand. the constraints imposed by a somewhat fortuitous alliance angered committed socialists who saw Labour MPs developing nothing more than 'a real zest for the Parliamentary game' and increasingly seduced by the prospect of 'a career spent in Parliamentary futilities.' (81) Obviously there were significant changes in the working-class movement. The vigorous growth in Trade Unions free from craft exclusiveness helped to extend organisation to all sections of the working-class, while the

(81) Henderson, op.cit., 157.

emergence of the Labour party indicated a determination to defend labour interests in a harsher climate through new political forms. Perhaps, as so many contemporaries thought, working-class expectations were rising. To demonstrate this is not to accept apocalyptic consequences for Liberalism: rather is it to argue that here was another set of forces to which the Liberal party needed to respond.

## IV

Neither the shift in progressive opinion nor the new currents in the Labour movement suggested the eclipse of . Liberalism. Progressive opinion still looked to the Liberal party as the appropriate political vehicle for its aspirations; if sometimes there was a note of disenchantment, this was a measure of disappointed expectation. A party possessed of J.A. Hobson, L.T. Hobhouse, C.F.G. Masterman, Leo Chiozza Money, Herbert Samuel, J.L. Hammond and H.W. Massingham could hardly be regarded as intellectually bankrupt. That they felt Liberalism to be their proper home may be illustrated by J.A. Hobson. Significantly he resigned from the Liberal party in 1916 and the issue which provoked his resignation was the war and his own association with E.D. Morel's Union of Democratic Control. On his own admission he did not feel at home in the Labour party because it was 'governed by trade union members and their finance, and intellectually led by full-bloodied socialists.' (82) Even the inexorable advance

(82) J.A. Hobson, Confessions of an Economic Heretic (1937), 126.

of the Fabians towards intellectual leadership of the Labour party seems a tarnished legend. Their undoubted talent as self-justificatory publicists gave their actions after the event a pleasant patina of consistency. In his Preface to the 1919 edition of Fabian Essays Sidney Webb asserted that the Fabians had always recognized the need for a definitely socialist party, whose only effective basis was the Trade Union organisation and the working-class. Yet it is less than clear that the Fabians played a decisive role at either of the crucial conferences in Bradford in 1893 and at the Memorial Hall, Farringdon Street in 1900, which launched the I.L.P. and the Labour Representative Committee, or that the latter weighed heavily in their thinking. The politics of the Progressive party in London and, the dinner tables of the Co-efficients provided a more appropriate ambience. It was more agreeable to make thinking people socialistic than to organise unthinking people into socialist societies. The secret lay in 'getting the persons with right opinions into high places, and persons in high places in the right frame of mind.' (83)

If progressive opinion still looked to the Liberal party, there is little evidence to suggest that the Labour party had reached a decisive take-off point at any time before 1914. Dr. Douglas and Dr. Gregory have indicated the disappointing

(83) Beatrice Webb Diary, 9 Dec. 1907, Passfield MSS, Diary Transcripts Vol. 26.

performance of Labour candidates in trianular contests in by-elections between 1910 and 1914. (84) Their analyses give substance to the pessimistic assessments of contemporaries. G.D.H. Cole, admittedly at that time no friend of the Labour party, judged in 1913 that 'if a General Election came tomorrow there is not the least doubt that Labour would lose many seats, and those that it retained would belong to it by Liberal favour and sufferance and asserted that 'Labour cannot hope within a measurable space of time, to command a majority. (85) But Philip Snowden was no more optimistic; he, too, saw the Labour party's representation in Parliament as dependent on Liberal sufferance and doubted 'whether we shall have in this country within the next generation an avowed Socialist Party. built up by the elimination or destruction of other political parties, which will be sufficiently strong to take the reins of government.' (86)

Here, then, were thrusts which the Liberal party could satisfy, but not if it remained the party of old Liberal causes. The relationships between the individual, the State and society were being re-appraised and the role of positive State intervention in the market economy to cure its structural defects closely examined. New interests, new perspectives, new aspirations were changing the substance of political

<sup>(84)</sup> R. Douglas, 'Labour in Decline, 1910-1914,' in K.D. Brown (ed.), Essays in Anti-Labour History (1974), 117; R. Gregory, The Miners and British Politics, 1906-1914 (Oxford, 1968), passim.
(85) Cole, op.cit., 395, 401.

<sup>(86)</sup> Articles in the Labour Leader, 16 May 1911 and 26 June 1913, quoted by Douglas, loc.cit., 124, 125.

'New ideas of social justice and worth had unsettled debate. the sensitive thinking minority, and an intensified struggle for life had stirred up the more passive crowds.' Ramsay MacDonald caught the conjunction of a quickened social 'Higher moral demands conscience and working-class assertion. and a quickened appreciation of social idealism have been contemporary with increasing poverty and a loss of confidence in the justice of the social order.' (87) The political process needed to respond by establishing links between values and expectations and programmes and policy commitments. It was peculiarly incumbent on the party of movement to make that response.

(87) MacDonald, op.cit., 49, 56.

## CHAPTER II The New Liberalism Displayed

Ι

The New Liberal creed had to demonstrate that Liberalism's traditional concern with 'Liberation' was compatible with substantial State interventions. These, in turn, would need to be seen as serving to promote harmony between classes, justified by reference, not to some sectional interest, but to the wellbeing of the whole society. Since the market economy was not necessarily benevolent if left free to operate according to the laws of the political economists, its precise malfunctionings must be defined and possible ameliorations through conscious action indicated; otherwise the new Liberalism would have no other course than to accept the position of the Socialists. By 1914 a coherent position on these matters had been stated by Liberal intellectuals who came to be recognised as 'the core of a definite group of publicists.' (1) Significantly they drew no distinction between their role as thinkers and their direct political activities. When, for example, L.T. Hobhouse left Oxford in 1897 for the Manchester Guardian he was taking a step thoroughly in harmony with his life-long conviction of the close relationship which existed between his intellectual development and his political sympathies. 'Knowledge and the life of reason were never conceived by him merely as ends in themselves, but as contributions to the wider purpose of a better human life.' (2) This conviction did not merely make him

P.F. Clarke, Liberals and Social Democrats (Cambridge, 1978), 1.
 J.A. Hobson and M. Ginsberg, <u>L.T. Hobhouse</u> (1931), 26.

a political advocate but one 'whose advocacy was committed to liberalism and to the organised liberal movement. (3) J.A. Hobson regretted that he had not the formal training of an academic economist, but in a narrow sense he was not an 'Economic theories interested him only in direct economist. relation to economic practice. He became an economist because he was already a social reformer, seeking a solution to the problem of poverty.' (4) Both brought to their academic writing a robust and forthright practical quality and to their polemical pieces a considerable erudition. The complementary relationship of active political life with the pursuit of intellectually satisfying positions was more obvious in men like Herbert Samuel, C.F.G. Masterman, Leo Chiozza Money and J.M. Robertson, who moved into parliamentary politics. For them all, to establish the principles of social justice was as important as to secure their implementation in detail through economic and political organisation.

Not surprisingly, this group of Liberals recognised no dichotomy between the re-definition of Liberal purpose and the practicalities of parliamentary politics. Indeed, they were inclined to attribute Liberal failings in the political arena to the party's reluctance to examine fundamentally its creed. C.F.G. Masterman wrote in 1901: 'The party of progress has

(3) Rodney Barker, Political Ideas in Modern Britain (1978), 20.
(4) G.D.H. Cole, Obituary of J.A. Hobson, <u>Economic Journal</u>, L (1940), 352.

fallen upon evil days. The champions fight as those who beat Programmes are adopted at one election and abandoned the air. at the next. Social Reform is extolled in pompous phraseology, but when examined is often found to disappear in a maze of The triumph of 1906 did not always make Liberal verbiage.! (5) intellectuals more sanguine; both the long years in the wilderness and the present uncertainties of a Liberal government were attributed to the party's failure to adumbrate 'a coherent plan of reform which will bind together in action the easily estranged forces of their thin-skinned and irritable idealists;' and this required 'a creed in which its doctrines are embodied with such authority as to command general assent.... and to dictate the order in which different reforms are to be approached.' (6) The real challenge to Liberalism was not tactical but lay in its 'intellectual and moral ability to accept and execute a positive progressive policy which involved a new conception of the State.' (7) Not until the Liberal party had re-defined its fundamental positions would its self-destructive diversity be resolved; the party of progress needed an ideal, not as a pleasant intellectual diversion, but as an essential condition of its effectiveness.

(5) C.F.G. Masterman (ed.), <u>Heart of Empire</u> (1901), <u>vii</u>.
(6) L.T. Hobhouse, <u>Contemporary Review</u>, <u>xciii</u> (Mar. 1908), 356.
(7) J.A. Hobson, <u>Crisis of Liberalism</u> (1909), <u>xi</u>.

'The upholder of things as they are does not require an ideal, because he does not need to be constructive.... An ideal is as necessary to the reformer as the established fact is to the conservative.' (8) Only thus could the ends of political action be distinguished and the reformer discriminate between Without such underthe conflicting tendencies of his time. standings the party of progress was likely to become the prey of opportunism or of faddists.

Adaptation to a changing social and political environment was the common concern of the New Liberals but this did not preclude a vigorous assertion of the essential continuity of the Liberal tradition. There was a clear sense that individualism was no longer enough. Indeed, Dr. Peter Clarke has recently argued that hostility to individualism rather than his under-consumptionist theories gave J.A. Hobson's writing its unity. 'If there is a single unifying concern it is the broad assault upon laissez-faire and the individualist fallacy, of which under-consumption was only one guise.' (9) Not all would have put it in as brutally a direct way as G.M. Trevelyan. 'The spirit of laissez-faire, once the salvation, is now the bane of England.' (10) But there was a common sentiment that the removal of prescriptive privilege within a competitive society and a shifting of political power from a limited oligarchy to the democracy was not enough in a

(8) L.T. Hobhouse, International Journal of Ethics, viii (1898), 138.

- (9)
- Clarke, op.cit., 49. Heart of Empire, 408. 10)

context of a new working-class articulateness and a new kind of middle-class concern about its unacceptable inequities. J.A. Hobson, looking back to his friends on the Progressive Review, saw them adopting the New Liberalism because it 'envisaged more clearly the need for important economic reforms, aiming to give a positive significance to the "equality" which figured in the democratic triad, and recognised the State as a potent instrument for the achievement of social good. (11) The Liberal party was seen as giving too much emphasis hitherto to the negative aspects of its creed - 'the removal of barriers which cramp individual enterprise! (12) - and too little to its positive assertion of the common good against dominant sectional interests. The realisation of individual liberty was perceived as the provision of equal opportunities for self-development and the State as 'an instrument for the active adaptation of the economic and moral environment to the new needs of individual and social life, by securing full opportunities of selfdevelopment and social service for all citizens.' (13) The party which once emphasised the absence of restraint as a condition of liberty must now stress the presence of opportunity.

This was but an extension of the continuing essence of

(11) J.A. Hobson, <u>Confessions of an Economic Heretic</u> (1938), 52.
(12) L.T. Hobhouse, <u>Democracy and Reaction</u> (1904), 10.
(13) <u>Crisis of Liberalism</u>, 3.

Liberalism as 'a reasoned recognition of injustices, errors and maladjustments in the social and political system, and a decision to remedy them as far as may be.' (14) Laissezfaire served well enough when State interference was motivated by class interest but its justification passed away, save as a useful reminder of the limits of State action, once that interference became 'democratically motivated and rationally planned with an eye not to the enrichment of classes but to the well-being of the entire community.' (15) The democratic State could safely be the instrument for enlarging the positive freedom of the individual; the political necessity for so doing was demonstrated as new aspirations pressed against the slow and doubtful achievements of the market economy, the evidence inexorably accumulating that self-reliance for working people confronted formidable obstacles. Consequently the Liberal party must proclaim 'the intention to use the popular power of self-government to extirpate the roots of poverty and of the diseases, physical and moral, associated with it.' (16) In so doing it would remain true to the fundamentals of its tradition in terms relevant to the present social and political and intellectual environment. 'Paradoxical as it may appear to say that a positive policy of constant interference is the same as a negative policy of constant abstention,

(14) J.M. Robertson, <u>The Meaning of Liberalism</u> (1912), 17. (15) <u>Ibid.</u>, 55. (16) <u>Crisis of Liberalism</u>, 134.

it is true that the mental habit at the back of the one is identical with that at the back of the other. Both aim at emancipating the individual from the things which prevent him from developing his natural capacities.' (17)

Quite consciously the New Liberals aimed at a restatement of the Liberal creed. In so doing they reflected the intellectual climate of their time. They responded to the mounting evidence of the obduracy of social problems and of the inequity of their society. They reflected 'the growing sense of poverty with its physical and moral evils as a social disease, and not as an individual fault.' (18) They expressed the unease of the middle-class conscience and asked with Chiozza Money: 'Is it a good thing, is it an honourable thing, to be one of the few whose barque is borne upon the waters of wretchedness, whose fortunes float upon a sea of unfathomable depths of despair?! (19) They sensed the erosion of accepted values - of family, property, the limits of government, the private control of industry, of God and personal immortality and evinced both confidence in human capacity to control this bewildering concatenation of change and uncertainty that their complex urban society might yet prove beyond understanding and control. C.F.G. Masterman wondered 'whether a verdict of bankruptcy has not been passed upon the whole of this

(17)	W. Lyon Blease,	Short	History	of	English	Liberalis	n (1913),
	328.						
(19)	Confessions of Leo Chiozza Mor	ley, Ri	ches and	Pot	verty (19	905), 328.	

complicated and baffled society' and saw his contemporaries 'uncertain whether civilisation is about to blossom into flower or wither in a tangle of dead leaves and faded gold.' (20)

Beyond their relationship with the contemporary climate of opinion stood a vein of social criticism, running back to the emergence of an industrial society in England. At times, they voiced simple indignation that such things should be, a vibrant human sympathy with the unfortunate - 'the maimed, the broken and the old, God's poor seeking inadequate pittance for the endurance of the waiting for the end. Pleading with the pertinacity born of terror for an extra sixpence a week .... bobbing with an outrageous and grotesque humility that stings one as if suddenly struck with a whip, into a kind of primitive shame.' (21) Hobson and Hobhouse, quite explicitly, echoed the criticisms of industrialism voiced by Ruskin and Carlyle. Whatever the economic gains, the social and economic costs had been formidable: the fatigue and monotony of work, the dehumanising pressures of machine production which degraded men to adjuncts of the machine and deprived work of meaning. 'The growth of great sub-divided businesses with mechanical methods of production have tended to weaken for the great mass of the workers engaged in them all adequate realisation of the social utility of the work they do.' (22) Men had been degraded

(20) C.F.G. Masterman, The Condition of England (1909), 220, 304
(21) C.F.G. Masterman, From the Abyss (1902), 94.
(22) J.A. Hobson, The Industrial System (1909), 318.

and their environment desecrated because economic goods had been equated with 'the good.' This perception lay at the heart of their criticism of academic economics and gave impetus to their pursuit of a synoptic social science. In simple terms, human welfare could not be equated with evaluations of the Gross National Product. For too long the industrial society had been rationalised by reference to an abstraction from total social reality, mainly by academic economies. 'It was not a science of society as a whole. Rather it dealt with the industrial and commercial organisation of society as a thing apart, and in order to do so it had to confine itself in the main to one side of human nature, to motives and qualities which play a large part in life, but are not the whole of life, and, if taken for the whole, transform man into a money-The definition of an alternative making machine.' (23) 'organic' standard was imprecise, as both recognised, but without it society would continue to elevate material gain, measurable in market terms, and ignore the human and social costs because these, apparently, could not be quantified. Their language reflected the intellectual climate of their time but the crucial perception about the industrial society reiterated a continuing theme of social criticism.

II

The New Liberals were conscious that their advocacy of

<sup>(23)</sup> L.T. Hobhouse, <u>Roots of Modern Sociology</u> (1907), In Morris Grinsberg (ed.), L.T. Hobhouse; <u>Sociology and Philosophy</u> (1966), 16.

positive action by the State must be harmonised with the Liberal concern for individual freedom. Hobhouse, indeed, could see this relationship as the dominant issue. 'Ever since I have known anything of political controversy in my own country the question of the just limits of the action of the State on the one hand and the liberty of the individual on the other has been a matter of lively controversy.' (24) All rejected the laissez-faire position though not all would have stigmatised it as harshly as Hobson who thought it an intellectual rationalisation for an aggressive, competitive capitalism and a moral justification for avarice and materialism, promoting 'the dominance of a narrow, dogmatic commercial economy.' (25) The comfortable doctrine that the assertion of individual self-interest necessarily promoted the wellbeing of the whole society was no longer acceptable.

'The old astonishing creed that if each man assiduously minds his own business and pursues his own individual advancement and the welfare of his family, somehow by some divinely ordered inter-connections and adjustments the success and progress of the whole body politic will be assured, may at least perhaps be relegated to the limbo of forgotten illusions. We now know only too well that from an aggregation of individual selfishness no healthy, consistent, harmonious social fabric can be woven.'

Rather 'the dry rot of isolated effort after material satisfaction' had been 'tearing individuals and classes apart, and breaking up the organism into an aggregate of isolated

(24) L.T. Hobhouse, Social Evolution and Political Theory (New York, 1911), 167.
(25) J.A. Hobson, <u>The Social Problem</u> (1902), 24.

atoms.' (26) The very concept of the individual, standing apart from organised society, was an unhelpful abstraction which imparted a false dichotomy to the relationship between the individual and society, liberty and the State. Individual and society, freedom and State action were complementary not opposed. A positive conception of the State 'not only involves no conflict with the true principle of personal liberty, but is necessary to its effective realisation.' (27).

This argument rested on the proposition that all liberty required restraint and that many constraints in social life were not imposed by the State; rather. many current social and economic circumstances were forms of coercion against whole classes of individuals which only State intervention could combat. By diminishing such constraints the State was in no way reducing the sum of liberty. Thus the issue was presented as a question of re-arranging constraints rather than one of enlarging or diminishing them. State action, positive or negative, was legitimate if it secured the external and material conditions for the full development of all individuals within society. There was a reciprocal obligation between the State and the individual within a harmonious society; it was for the individual to develop his potential to the full and for the State to assure him the means of so doing. 'Society

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(26) Heart of Empire, 50.
(27) L.T. Hobhouse, Liberalism (1911), 134.
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has been through the history of man the great maker of individual freedom.... it has enabled individuals continually to enlarge the quantity and to raise the quality of their interests, aims and satisfactions. This being so, the notion of a real antithesis or opposition of interests between individual and society becomes as obviously unthinkable as the notion of a conflict of interests between the trunk of a tree and its branches.' (28) The individualists' emphasis on the unimpeded development of individual capacity as the mainspring of human progress was at one with the collectivists' concern for mutual responsibility and the solidarity of society.

Individual freedom, conceived as the presence of opportunity as well as the absence of restraint, required the support of the organised community, while individual rights were not innate but grounded in the community's recognition that their possession furthered the harmonious development of society and individual. The implications for State action were clearly drawn. It was for the State to create the conditions of self-development, to enable everyone 'to obtain such security of employment and livelihood as to give clear confidence and freedom in their outlook on life. No man, whose standard of life lies at the mercy of a personal accident or a trade crisis, has the true freedom which it is the first duty of a civilised state to furnish.' (29) The claim to assured

- (28) The Social Problem, 225.
- (29) Crisis of Liberalism, 107.

employment at a living wage was not charity but social justice since these were conditions of healthy self-development which the individual could not ensure by his unaided effort. 'The opportunities of work and the remuneration for work are determined by a complex mass of social forces which no individual, They can be certainly no individual workman, can shape. controlled, if at all, by the organised action of the community, and therefore, by a just apportionment of responsibility it is for the community to deal with them.' (30)

The State's functions might be enlarged but the individual remained at the centre of the stage, for these were Liberals not the advocates of national efficiency concerned with sustaining an imperial race whose physical capacities would be commensurate with the burdens of Empire. The object remained 'to set free the individual from existing social bonds, and to procure him liberty of growth. (31) Once men were relieved from the crushing burdens imposed by defective economic organisation they would have the opportunity for healthy, all round development, liberated from an obsessive concern with economic survival, but this would be self-development in their own terms. 'Collective control has not so much to make people good and happy, as to establish the conditions of goodness and happiness, leaving it to individual effort and voluntary association to develop freely and spontaneously all the fair

(30) Liberalism, 165.
(31) Lyon Blease, op.cit., 9.

flower and fruit of human intercourse and knowledge and beauty.' (32) Even so, the balance was not easy to strike and J.A. Hobson, at least, produced assessments which have an ominous ring for a generation less confident than his own that certain fundamental individual liberties could never be The observation that 'human welfare will not be at risk. merely the welfare of human beings taken as an aggregate, but of society regarded as an organic unity' (33) has displeasing In his time the concern that the State should implications. create the conditions of a meaningful freedom was properly in the ascendant, and provided a rationalisation for quite specific political action. Morris Ginsberg's assessment could legitimately be applied more widely. 'In his account of social freedom Hobhouse may be said to have supplied the philosophical principles of liberal or radical legislation.' (34)

Nowhere was this more apparent than in the approach of the New Liberals to the question of property. For them property, like other individual rights, was a social creation. Since the individual could appropriate nothing of value save within the structures of organised society, the concept of absolute, inalienable property rights was inadmissable and it was for society to determine the appropriate limits of property

(32) L.T. Hobhouse, <u>The Labour Movement</u> (1892) 2nd Edition 1896), 98.
(33) J.A. Hobson, <u>Work and Wealth</u> (New York, 1914), 17.
(34) Hobson and Ginsberg, 196.

rights. Not only ownership but the whole business of wealth creation were products of society; economic values were social values. On the other hand, property was essential to the free life of the individual, giving him a needed sense of security and permanence as well as stimulating enterprise and initiative - 'the material basis of a permanent, ordered, purposeful and self-directed activity.' (35) Industrial society had destroyed for many the possibility of individual ownership in the means of production, while endowing a relatively narrow class, through such ownership, with substantial power over others. 'The institution of property has, in its modern form, reached its zenith as a means of giving to the few power over the life of the many, and its nadir as a means of securing to the many the basis of regular industry, purposeful occupation, freedom and self-support.' (36) The problem was easier to state than to resolve. Government might exert some control over natural sources of wealth and over industrial activity, though the extent of such intervention and its purposes the New Liberals did not precisely define. They found it easier to accept that society should, through taxation, draw back for social purposes some part of the wealth that it had helped to create, by distinguishing social from individual factors in wealth, by bringing social wealth into the Exchequer and directing it towards the prime needs of its members. In these

(35) Sociology and Philosophy, 103.
(36) Ibid., 99.

ways it would be possible 'to restore the social conception of property to its right place under conditions suitable to modern needs.' (37) To conceive wealth as an individual creation was to begrudge taxation as an unwarranted invasion of individual right: to conceive wealth as a social creation was to accept taxation and public expenditure as a proper exercise of society's lien on its own. The idea of a tax as an interference with private property only justified by public necessity gave way to 'taxation as a process by which society acting through the state takes income which it has earned by social work, and which it needs for social life.' (38) The discussion of the nature of individual rights might seem the preserve of political philosophers, but it yielded a rationale for progressive taxation to provide the sinews of a social service state.

In re-defining the relationship of State and individual the New Liberals consciously sought to establish a distinctive and Liberal position. It was no disinterested delight in intellectual controversy that led them to direct some of their sharpest shafts at Social Darwinism, but their recognition that here, in fashionably modern guise, was a rationale of the competitive society, in its 'pseudo-scientific applications of the theory of the survival of the fittest.' (39) By way of

<sup>(37)</sup> Liberalism, 188.

<sup>(38)</sup> The Industrial System, 214. (39) Lyon Blease, op.cit., 312.

rebuttal the New Liberals argued that social evolution had been concerned with mitigating the raw struggle for existence; in any case poverty was less a measure of unfitness than its sufficient cause. An inadequate environment nurtured the inefficient and thrust its products on society. The elimination of the unfit was more certain through conscious social action than through the capricious working of the competitive struggle. 'Among men the incapable can be removed by preventing or curing the incapacity.' (40)

At the other extreme, they were conscious that their position might be seen as little removed from that of the socialists since it rested on 'increasing the powers and resources of the State for the improvement of the material and moral condition of the people,' (41) and 'once we admit that it is right for the State to interfere with economic freedom, we have advanced one step on the road which leads to nationalisation.' (42) But Socialism was incompatible with the free initiative and enterprise of the individual and did nothing to restore meaning to the individual within an industrial society. 'Collective industry becomes a mechanism in which each man might be reduced to the part of an unthinking cog, grinding his grind with no more freedom than the factory hand had under his capitalist employer.' (43) The New Liberals

	Herbert Samuel, Liberalism: Its Principles and Practice
	(1902), 19.
	Crisis of Liberalism, 133.
	Lyon Blease, <u>op.cit.</u> , 333.
(43)	Sociology and Philosophy, 105.

dwelt on the tyranny of bureaucracy, the deadening effect of socialism on individuality, the prospect that impairing individual incentive would greatly reduce the national wealth. Socialism applied a single panacea instead of analysing rigorously the appropriate balance of public and private enterprise. Obsessed with the problem of distribution, socialists ignored the merits of continuing economic growth; for them 'the fair distribution of wealth among the workers must be regarded as of more primary importance than the quantity which is produced.' (44) The fact remained that the New Liberals had themselves rejected the benevolence of the unregulated market economy. An effective riposte to the socialists required precise definition of where they deemed the market economy functioned badly so that these aberrations could be rectified.

## III

The New Liberals were agreed, though their emphasis varied, that the market economy had created a maldistribution of wealth and income: this distribution bore but a slight relationship to the contribution which individuals made. Leo Chiozza Money's elaborate statistical analysis of the unequal distribution of income and property conveyed an attitude as much as an objective survey. It was not so much that £830 million per annum was taken by 5 million people with incomes over £160 per annum while £880 million per annum was taken by

(44) Lyon Blease, op.cit., 334.

38 millions with incomes under £160 per annum or that 'about one seventieth part of the population owns far more than one half of the entire accumulated wealth, public and private, It was rather blatant inequality of of the United Kingdom.' the society which permitted this situation of 'a great multitude of poor people veneered with a thin layer of the comfortable and the rich.' (45) The monopoly rent of land, royalties, inheritance, profits from great agglomerations maintained a situation in which too much of the national wealth was in 'absolute possession of a tiny class which sits secure upon the summit.' (46) The rewards of land and capital were inflated at the expense of labour and managerial skill. Moreover, the inequities were self-perpetuating since opportunity went with wealth. Economic inequalities, to some degree, debased the whole society since 'modern economic conditions engender inequalities of wealth and foster forms of industrial organisation which constantly threaten to reduce political and civic equality to a meaningless form of words.' (47) Such inequalities made nonsense of the claim that market forces ensured the distribution of resources in accord with consumers' preferences. Rather they dictated the continuing maldistribution of resources: the expenditure of the wealthy created a demand for goods and services, which drew in capital

<sup>(45)</sup> Chiozza Money, <u>op.cit.</u>, 72, 43. (46) <u>The Condition of England</u>, 209.

Social Evolution and Political Theory, 143. (47)

and labour to satisfy a craving for luxury and ostentation while urgent individual and social needs went unsatisfied.

Not all the New Liberals would have shared Chiozza Money's impassioned tone or accepted that luxury expenditure, coupled with the export of capital in search of higher returns, starved British industry of investment funds, left many people without the essentials for a modest comfort and diminished the resources available for the increase of social capital in housing or urban transport. But they would not have dissented from his proposition that 'the great mass of our people are under-served; a small proportion of our people are overserved,' and would have agreed that a legitimate objective of Liberal policy was the ending of 'the misdirection of life and waste of labour which is caused by the error in the distribution of national income. (48) Ways must be found of 'distributing the products of industry with more regard to the welfare of the masses than is paid by the blind, and sometimes blindly adored, forces of competition.' (49) Even if wealth and income were more equitably distributed there was no certainty that some optimum distribution of resources would ermerge, since the pursuit of profit might lead to wasteful competition and the distortion, through advetising, of consumer demand. These considerations brought Chiozza Money and Leonard

(48) Chiozza Money, <u>op.cit.</u>, 143, 137.
(49) <u>The Labour Movement</u>, 4.

Hobhouse close to advocating, on occasions, some direction of the economy, replacing 'competition and the forces of individual self-interest as the arbiters of industry, by a deliberate and systematic arrangement of labour and commerce in the best interests of society as a whole.' Grant that 'the economic well-being of society is the true end of industry' and it might follow that it would be 'reached better by an intelligent organisation of industry, than by the haphazard inter-action of unintelligent forces.' (50) This position was not consistently advanced; most would have sought solutions in enlarged educational opportunity, through safeguards against poverty, insecurity and an inadequate environment, through substantial public expenditure financed through progressive taxation, through rising real wages. None would have dissented from the proposition that 'no deeply thoughtful person can pretend to think that the idle enjoyment of wealth is a satisfactory feature in any social system.' (51)

The market economy was seen to fail because it neither ensured the production of useful commodities nor rewarded all producers equitably. J.A. Hobson offered a systematic analysis of why this was so, without reverting to the prior proposition that capitalism was exploitative as such. He represented the economic process as 'a single organic whole, continuously engaged in converting raw materials into commodities and

- (50) <u>Ibid.</u>, 46, 53.
- (51) Robertson, op.cit., 261.

apportioning them by a continuous series of payments as incomes to the owners of the different factors of production in the different processes.' (52) This distribution of the product of the economy was achieved through a number of detailed money prices paid to workers, landowners, capitalists and entrepreneurs for their productive services and each payment evoked a fresh application of their productive power. Every factor of production was legitimately rewarded and these rewards were necessary costs which ensured the maintenance of the factors and their growth and provided incentives for their continued application. Hobson did not deny the contribution of capital or managerial skill to the productive process and saw rewards to them as a legitimate cost, as necessary to economic health as rewards to labour. Unlike the classical economists, however, he did not accept that the resultant distribution of rewards between factors represented their respective contributions to the productive process. His concept of surplus explained the maldistribution: some factors of production in some situations could exact a return beyond the necessary cost of their maintenance and growth. This surplus arose because of differences in bargaining strength or the possession of a quasi-monopoly position secured by any factor of production, be it the owner of a favoured urban site, the member of a profession to which entry was restricted, or a worker whose skill was scarce relative to demand. 'A close

(52) The Industrial System, v.

investigation of the actual processes of bargaining among buyers and sellers of labour power will disclose, as a residual factor, an economic power which distributes the real gain of each bargain unequally between the two parties, assigning to the stronger bargainer a gain which is no necessary inducement to his industrial activity and which constitutes so much unfairness and social waste.' (53)

Although he accepted that surplus might accrue to some favoured group of workers through the operation of the market or through Trade Union restrictive practices, Hobson clearly understood that the major beneficiaries were the owners of land and capital and of professional and managerial skills. The bargaining power of capital vis-a-vis labour, the scarcity of development land, the restriction on entry to some occupations imposed by an unequal distribution of wealth and so of educational opportunity, all ensured this result. Consequently he identified the surplus as a major cause of economic and social ills, 'the principal source not merely of waste but of economic malady.' (54) It absorbed resources which could otherwise be applied to raising the efficiency of labour through higher wages and to higher social expend-The primary object of all socio-economic reform itures. should be to divert this surplus to more desirable social ends. It afforded a legitimate object of attack for Trade

<sup>(53)</sup> The Social Problem, 68. The Industrial System, 110:
'The economic rent of land, the high interest on protected capital, the high profit for a monopoly, the high fees in a "close" profession, have no sanction of natural necessity behind them; they are not necessary to maintain or to evoke any output of energy of body or mind in those who receive them.' Cf.
(54) Ibid., viii.

Union negotiators - his riposte to the marginalists who argued that wages were tied absolutely to productivity - and for progressive taxation to support a substantial expansion of social services. Further, as working-class incomes rose and educational opportunity grew, the element of surplus in many professional and managerial incomes would diminish. Marx attributed surplus value exclusively to the product of labour, gathered in by the capitalist, and accordingly predicted the collapse of capitalism; Hobson attributed the surplus to frictions and inequalities of bargaining power in various markets and accordingly anticipated its reform.

Hobson's analysis may sometimes be obscure, sometimes perverse, sometimes idiosyncratic. It was never entirely clear how the surplus element in any specific income could be identified, save in a rough and ready way with size and source. He argued, on occasion, that whatever the individual subjectively required as an incentive constituted a proper reward so that 'whatever portion of product is necessary as an incentive to an individual to work is his rightful property.'(55) As with L.T. Hobhouse's ventures into the same field, there were profound theoretical ambiguities, which left obscure how the reward necessary to stimulate the performance of a particular activity should be determined, whether by the play of market forces or by collective decision, involving a judgment

(55) The Social Problem, 173.

of social worth based on moral and practical considerations. Even so, Hobson indicated avenues for radical change within a There was no doubt that he saw property capitalist framework. as necessary to the development of the individual and recognised that material incentives were imperative to evoke creative economic activity. Never did he denigrate property in the means of production as anti-social, even though property rights were not absolute. Quite explicitly he rejected the labour theory of value which he judged to promote class antagonism, to undervalue the need for skilled and expert direction by denying legitimate reward to inventiveness, risktaking, organising skill, and to put at risk the interests of Marxian economics rationalised a class interest: consumers. 'an economics scarcely less defective in theory, and only less detrimental for practice because the larger classes whose interests it serves are economically weaker than those whose interests moulded the classical Political Economy of England. (56) He shared with other Liberals a distaste for the deliberate denigration of those who were active wealth creators; 'the assumption that the skilled employer performs no special service' and 'the vanity of any moral hierarchy of classes which consigns whole millions of human beings to odium or promotes them to honour on the strength of the mere social classification in itself.' (57)

(56) Ibid., 25.

(57) Robertson, op.cit., 238, 151.

Hobson was entirely clear that all contributors to the economic process should be rewarded. The most recalcitrant capitalist could not have spoken more eloquently of the value of entrepreneurial ability. Organisational skill rendered the other factors productive and 'that which accrues from their co-operative working under skilled guidance is the product of organisation and the economic fund out of which profit is paid.' The entrepreneur was more than a mere manager. 'He has an eye for a profitable project, he plans a business, buys the use of land, labour, and capital of various sorts, embodies their productive power in materials which he likewise purchases, and markets the product .... Speculation, enterprise, organisation, bargaining skill, as well as the relatively routine faculty of management, are sources of profit, helping to determine the gains which come to him.' (58) Even the passive provider of capital, the recipient of interest rather than profit in Hobson's terms, deserved reward in so far as his action involved risk-taking and waiting and was not the mere automatic accumulation of the very rich. 'The exercise of self-denial must be paid for like every other disagreeable effort that is useful to industry.' (59) This was a useful function since capital creation depended on saving and the individual who sacrificed present consumption was legitimately rewarded. Financiers, too,

(58) <u>The Industrial System</u>, 123, 58. (59) Ibid., 70.

the villains in <u>Imperialism</u>, performed useful economic functions and, likewise, earned rewards. Hobhouse agreed that 'capital itself cannot justly be considered as contributing nothing to the production of wealth.' (60) Hobson explicitly rejected the superior claim of labour as the unique producer of value; the object was to eliminate the unnecessary surplus by taxation and by equalising opportunity through social spending to ensure a more socially desirable distribution of wealth and income through the market.

A more decisive contribution to the emergence of a coherent social radicalism was Hobson's analysis of the trade cycle and of the causation of unemployment. Hindsight would suggest that this was the crucial area; the insecurity engendered by irregular employment appeared as the most glaring malfunction of the market economy once it became widely accepted that the unemployed were not the victims of their own inadequacy. Until its causation became clear there was no alternative between the acceptance of unemployment as a feature of capitalism and the full socialist solution. Hobson's insights were the more remarkable in that contemporary orthodox economics was dominated by the marginalist school of Jevons and Marshall with its micro-economic amalyses, largely ignoring discussion of the trade cycle. Ironically, his very

(60) International Journal of Ethics, loc.cit., 138.

originality, abetted by scarcely disguised contempt for academic economists and, one must admit, a certain lack of rigour, ensured his eclipse and his under-consumptionist theories remained 'a distant and unharmonious accompaniment to the debates of the more orthodox.' (61) Yet in important ways Hobson anticipated the Keynesian system, even if his presentation was less elegant and less complete. Irregularity of economic activity was, in part, a function of secular trends in the increasingly sophisticated economy; expanding markets and rapid changes in taste and fashion made it more difficult for producers accurately to assess demand, while more highly capitalised forms of production necessarily were undertaken in anticipation of demand. But the prime cause of the irregularity was the trade cycle and this arose from 'the continued existence of a general excess of producing power in the forms of capital and labour beyond what is economically required to supply the current or prospective rate of consumption.' (62)

Hobson postulated a productive flow from raw materials to finished goods and a reciprocal flow of money moving in the reverse direction. The process of production and distribution generated incomes and these, when spent, covered the costs and provided the rewards of the various factors. In a closed and static economy the flow of production and the flow

(61) T.W. Hutchinson, Economic Doctrines, 1870-1929 (1953), 376.
(62) J.A. Hobson, <u>The Problem of the Unemployed</u> (1896), 61.

of money incomes would be in equilibrium since 'the whole of the money income paid as rent, profits, wages etc. to members of the society would be wholly spent in demanding commodities for personal consumption.' (63) All economies. in fact, were dynamic: population increased, standards of consumption rose, improved techniques appeared. Consequently resources must be made available to create increased quantities of the means of production. This could come about only through restraint in consumption. Not all incomes were wholly spent on consumer goods: some part was saved and this saving was transmitted into investment goods. Saving was not hoarding but the mechanism through which the demand for consumer goods was decreased and that for investment goods increased. 'Spending means buying commodities with income; saving means buying productive goods or instruments with income.! (64) Thus both saving and spending set up demand which stimulated productive activity. A progressive community could absorb large savings in capital creation and in major public investment, but there was at any time an equilibrium between consumption, saving and investment, which, if disturbed, created waste in the form of unemployed resources. Saving reduced consumption and this must be made good by investment; depressions arose through 'an attempt to establish as "savings" a larger number of forms of capital than are economically required to

(64) <u>Ibid.</u>, 50.

<sup>(63)</sup> The Industrial System, 47.

assist in maintaining current or prospective consumption.' (65) Over-saving created a surplus of capital goods, which as they came into use produced congestion throughout the system, both in unsold goods and in funds unable to find profitable outlets. The reduction of spending - consumption and investment reduced the demand for labour and capital; production was cut The result was a reduction of real incomes which conback. tinued until the equilibrium was restored, a process assisted by the liquidation of some existing plant. At the cost of much waste and dislocation the imbalance was corrected. 'Any attempt at over-saving will be checked when it has gone a certain way, by means of the under-production and shrinkage it inevitably produces.' (66)

While recognising such frictional elements in unemployment as changes in demand and technical innovation, Hobson gave the central place to the trade cycle. His emphasis on the reciprocal flows of production costs, incomes and expenditure, on the prior importance of effective demand in setting the productive process in motion, on the crucial relationship between consumption, saving and investment anticipated a later orthodoxy. Early in the nineteenth century Ma lthus and the Earl of Lauderdale had observed that saving and capital formation must be matched by increased consumption. Hobson's contemporary, J.M. Robertson, had directed his own

The Problem of the Unemployed, 81. The Industrial System, 304. (65)

<sup>(66)</sup> 

thrusts against the classical economists' fixation on saving and had elevated demand as the motor of the economic process: consumption not parsimony would fuel economic growth. (67) Yet Hobson's insights and exposition were remarkable, even if he under-estimated the importance of monetary factors in the cycle and never contemplated the remedy of deficit spending. His analysis led him to firm policy conclusions. The tendency towards over-saving and under-consumption arose from the unequal distribution of wealth and income, which placed a large part of the power to consume in the hands of those with a high propensity to save. Here lay the essential reason why 'modern industrial nations are able to produce consumables far faster than those who have the power to consume them are willing to exercise it. Hence there is an ever-increasing margin of productive power redundant so far as the production of present consumptive goods is concerned. (68) The remedy lay in the redistribution of incomes, through higher wages, expanded social services and a substantial increase in public consumption. Only thus could the equilibrium of saving, consumption and investment be restored; recognising 'the dependence of capital and labour for employment upon a rising standard of consumption places an absolute limit at any given time upon socially useful saving.' (69) In his analysis of the fundamental causes of unemployment and in the policy

<sup>(67)</sup> J.M. Robertson, <u>The Fallacy of Saving</u> (1892), passim.
(68) J.A. Hobson, <u>Evolution of Modern Capitalism</u> (1902, 1916 Edition), 149.
(69) The Problem of the Unemployed, 75.

conclusions he drew from it, Hobson can rightly be seen as making a challenging synthesis of 'traditional liberal ideals with the need for collective effort to correct the injustices of an insufficiently controlled capitalist economy.' It was not surprising that J.M. Keynes recognised him 'as by far the most perceptive anticipator of his own revolutionary ideas. (70) To examine current palliatives for unemployment - labour exchanges, farm colonies, afforestation and reclamation, modest programmes of public works phased with the down-swing of the trade cycle - is to appreciate the importance of this contribution.

## IV

Hobson, in two vital areas, offered an analysis which provided an intellectual framework for a controlled capitalism. This harmonised with the very real concerns of the New Liberals. They shared, for example, an oppressive fear of increasing class division, a sense of 'a community which seems to be falling to pieces under the influence of centrifugal forces impossible of resistance.' (71) A society marked by 'public penury, private ostentation,' by 'an extravagance of wealth and waste;' a society divided by the mounting aspirations of working people confronting a complacent middleclass who resented what they regarded as 'a truculent

<sup>(70)</sup> A.M. Quinton, 'Social Thought in Britain' in C.B. Cox and A.E. Dyson (eds.), The Twentieth Century Mind (3 vols., 1972), I, 119. (71) <u>Heart of Empire</u>, 46

Proletariat.' (72) Yet the New Liberals clearly understood that the harmony of classes was an essential component of the Liberal position. Nothing good could come of 'the profoundly anti-social doctrine of class war' and 'mere spite and envy will never create an important political party.' (73) All groups in society had legitimate aspirations which could be brought into harmony and social progress rested on energising them all.

'For unless the commercial classes succeed in their operations, the country as a whole will not be prosperous; unless the nation becomes more wealthy, the standard of comfort of the working-classes can rise but little; unless the revenue expands, many of the social reforms that need expenditure cannot be carried into effect. TO encourage trade is one of the surest methods of attacking poverty.... The manufacturer and the merchant are equally members of the State; they are entitled for their own sakes to a share of its favours; and a progressive policy must needs in part be a commercial policy, as well in order to benefit directly this important section of the community as in order to benefit through them the community as a whole.' (74)

A Liberal policy would re-adjust the balance between classes, hitherto over-weighted towards the wealthy, but there was a place for all. So generous a man as L.T. Hobhouse maintained that 'the trade union organisation .... is essentially sectional in its structure and has all the blindness and collective selfishness characteristic of sectionalism.! (75) He viewed any suggestion of the inevitably of class conflict with despair. 'The moment you convince me of this I shall shut up shop as a

(75) Hobson and Ginsberg, op.cit., 265.

<sup>(72)</sup> Condition of England, 25, 22, 71.

<sup>(73)</sup> The Meaning of Liberat (74) Samuel, op.cit., 152. The Meaning of Liberalism, 141.

radical or socialist or anything reforming, because I shall be convinced that human nature is hopeless, and that the attempt to improve society had better be left alone.' (76) Hobson, for all his radicalism, was no different. He recognised that co-operation was an inescapable reality of the sophisticated industrial economy; the contemporary challenge lay in encouraging men's perceptions of the industrial situation in terms of co-operating, not competing, interests. 'This growing harmony of fact must tend to evoke a corresponding harmony of feeling.' (77) The positive State, enlarging opportunity and channelling the Surplus to socially desirable ends, would begin to restore that harmony.

This representation of industrial society as one of harmony was strongly emphasised by the New Liberals. With it went a certain scepticism about the axiomatic merits of public enterprise. 'The Liberal shares with the Socialist a deep indignation at the economic evils that exist. He is willing to join with him in securing vigorous action by the State for their cure. He agrees that State trading may prove a powerful means of remedy. But he is very sceptical whether a complete substitution of State industry for private industry would not make matters far worse than they are.' (78) Common property, public industry directed to the general good might be pleasing

(78) Samuel, op.cit., 152.

<sup>(76)</sup> Hobhouse to Miss M.L. Davies, Feb. 1914, quoted in <u>ibid.</u>, 65.
(77) Work and Wealth, 281.

phrases but the hard reality could well be industry directed by 'the fiat of the statesman and of experts, sheepishly accepted by the crowd because they see no way of escaping it.' (79) Liberals distrusted bureaucratic management as stifling, insensitive to innovation, inappropriate for industries involving risk-taking and the assessment of market potential; and consequently prejudicial to economic growth. 'The system which makes private gain at once the incentive to efficiency and its only possible test may be much superior to that which leaves the determination of industrial policy to a sort of lay hierarchy.' (80)

Hobson recognised that the re-structuring of ownership and control did not, of itself, resolve all problems. Guild socialism and syndicalism could well result in powerful groups of workers dictating their rewards and conditions, indifferent to the interests of consumers, while a bureaucratic socialism could ignore the interests of both consumers and workers if officials squandered resources on their pet projects or sank into torpid routine. When in <u>The Crisis of Liberalism</u> he drew some analogies between management and control in private enterprise and municipal enterprise, his conclusions were by no means favourable to the latter. Ratepayers and councillors were, he judged, less likely to ensure effective control over

(79) Sociology and Philosophy, 105.
(80) Lyon Bleaze, op.cit., 335.

their officials than were shareholders and boards of directors over their salaried executives. He was, however, acutely aware of the tendency towards monopoly implicit in the exploitation of economies of scale and its potential dangers, which must be averted by some form of public control. 'Under modern industrial development the interest of the industrial society as a whole, and of the consuming public in each piece of socalled private enterprise, is greater than ever before, and requires some guarantee that this interest shall not be ignored.' (81) Where the size and structure of the optimum business unit made it unlikely that competition would safeguard the interests of the consumer, there was a strong case for public control; large routine businesses with large capital inputs might fall progressively under public control, but this would always be a pragmatic decision. Alongside them there would remain an 'even larger domain of industrial activity, which, not conforming to this economy' would best be organised through competition and private enterprise. (82) The growing range of consumption, improving in quality as well as quantity, could best be met through the market. Equally, innovation in marketing and technology, flourished more readily under private enterprise. 'Budding and experimental industries, involving large application of inventive and constructive energy, appealing to new and uncertain tastes, carrying heavy risks of capital and

(81) Evolution of Modern Capitalism, 409.

(82) Ibid., 413.

reputation, are better left to individual enterprise.' (83) There was, then, no presumption in favour of public enterprise. Wealth might be socially generated and resources properly directed towards some broad concept of the social good but this precluded neither differential rewards nor profit-making enterprise. Through the mediation of the State both could be agents of society's well-being.

The New Liberals found the precise delineation of the proper limits of public enterprise contentious. Their political and intellectual concerns focussed more readily on what may be broadly called social reform. They rejected, with occasional reservations, the individualist view which emphasised personal responsibility and personal endeavour: rather the individual was the prisoner of his environment, the victim of society's malfunctioning. Since poverty arose from causes beyond the individual's control, it was the clear responsibility of society to tackle those causes. 'No one who seriously believes that it is the duty of society to secure freedom of growth to every one of its members can doubt that it is its duty to mitigate, so far as it is able, those consequences of poverty which no degree of thrift, enterprise or fortitude can avert.' (84) It was evading society's responsibility to maintain glibly that the unemployed, for example, were unemployable through their

(83) Work and Wealth, 292.

(84) Lyon Bleaze, op.cit., 330.

personal inadequacies when 'we know that economic causes are at work which cannot fail to throw men idle, and which are wholly beyond their personal control.' (85) Poverty and the urban environment perpetuated the problem since the moral energy, the ambition, the consciousness of higher wants, which motivated individual effort, were inevitably stunted in these conditions. Only their elimination by deliberate public action could begin to create the circumstances in which selfimprovement was a realistic expectation and individual effort the mainspring of economic betterment. When the social and economic environment offered a genuine equality of opportunity, and only then, would it be proper to regard the competitive society as offering tests of personal fitness. The poor were what they were 'because of circumstances over which their control was nominal. The reader, or myself, if transplanted to Lambeth at a few months old, and nurtured as they were nurtured, would at this moment be what they are - ! (86) an observation which epitomised much that energised the New Liberalism. Conscientious men should accept that 'the burden is a national one, affecting Society as a whole.... we are all of us, at one time or another a burden, economically upon society; therefore, we ourselves, as society, had better meet the burden.' (87)

Positive action to ameliorate poverty or to improve the urban environment provided a potent demonstration of the essential

(85) Samuel, <u>op.cit.</u>, 125. (86) Chiozza Money, <u>op.cit</u>., 181.

<sup>(87)</sup> The Labour Movement, 31.

The poor, the unemployed, the harmony between classes. frustrated, were examples of social waste on a massive scale; to liberate their potential energies and capacities was to benefit the whole society. When J.A. Hobson contemplated the 116,478 able-bodied paupers in work-houses on 1 January 1895, rendered near-unemployable by the poor law system, he expressed more a sense of social waste than moral indignation. 'This physical, moral, industrial incapacity is inseparable from the disorder of a society which has failed to furnish opportunities of educating and utilising in the social service the labour power which in some kind and degree attaches to every human being.' (88) Hobson's attitude to pauperisation found echoes among the New Liberals as they looked at unemployment, housing, education, hours of work and leisure. In all these matters, the nation was wantonly wasting its scarcest resource. By this criterion social expenditure was an investment properly spent, and sure to yield ample return in 'the intelligence, the skill, the health and the industry of those who ultimately produce that wealth.' (89) The whole community suffered from the failure to meet its social problems. 'The nation as a whole suffers by the death and deterioration of the workers who are its chief wealth, and by the cost of combating the disease, pauperism and crime which are bred in the festering. slums.' (90) Only a coherent programme of social reconstruction

<sup>(88) &</sup>lt;u>The Problem of the Unemployed</u>, 31.
(89) <u>Samuel</u>, <u>op.cit</u>., 181.
(90) <u>Ibid</u>., 49.

could evoke individual efficiency, a programme designed not to abolish the competitive system but to create conditions in which all people might effectively exercise their powers to the advantage of themselves and of the community. To tackle poverty, to ameliorate the debilitating urban environment, to create greater equality of opportunity would mean 'not only a better distribution of existing wealth, but a prodigious increase of national efficiency' by giving every individual the stimulus 'to evoke the best thought and liberate the spark of talent which lies hid in every soul.' (91) But the consummation demanded social action. 'The ability of one person to escape class, environmental constraints by supreme effort does not imply that all individuals can so escape.... To impute this power to a class involves a total misunderstanding of the nature of individual and class competition in industrial society.' (92)

Social reform drew in the various threads of the New Liberalism: moral concern at the sheer magnitude of social deprivation, the perception of the State as the agent of individual freedom positively conceived, the urgent desire to restore a threatened harmony of classes, the acceptance that wealth and property owed obligations to the society that helped create them. It provided a basis for defining a programme.

(91) Crisis of Liberalism, 174. (92) The Social Problem, 84.

There must be action directed at the insecurity which bedevilled the urban proletariat - old age pensions, insurance schemes, measures to moderate the pressures of unemployment. In these areas, but particularly in unemployment caused by the trade cycle or changes in technology or demand, people were 'the helpless victims of an industrial system faulty in its working' and should not be left to degrading private charity or the Poor Law 'elaborately framed for the punishment of the idle and vicious.' (93) There could properly be an extension of state control over conditions of employment, particularly over child labour, but also to extend leisure in order that the social costs of monotonous machine-minding should be offset by opportunities for self-development. Educational opportunity should be extended to ensure equal access to knowledge and culture since 'without this every other opportunity is barren for the purposes of personal or social progress.' (94)

Of peculiar urgency was the deterioration of the urban environment with all its consequences, physical and moral: 'the conversion of large tracts of the town into a Peabodyand-asphalte city' inevitably created 'the anaemia of town life so strikingly prevalent in our city children.' (95) Local authorities must be able to clear slum housing without the burden of excessive compensation; procedures for compulsory

<sup>(93)</sup> Samuel, op.cit., 126.

<sup>(94)</sup> Crisis of Liberalism, 109.

<sup>(95)</sup> Heart of Empire, 23.

purchase should be extended and simplified; rating and taxation should ensure that unearned increments created by urban growth should pass to public authorities. In his contribution to Heart of Empire F.W. Lawrence went further, urging control of development over the whole urban area and its immediate environs so that urban growth would be planned and coherent in the longer term. Public ownership of transport would support planning, encouraging the dispersal of population and industry by offering cheap rates, frequent services and the development of uneconomic routes. Herbert Samuel and Chiozza Money urged that municipal authorities should themselves build, supported by long-term loans at low rates from central government, a position looking forward to housing as a social service. 'We must see to it that the demand for houses, the primary demand of a civilised man, is answered not by the speculative builder, but by the nation itself.' (96) In detail, there may have been disagreement, but none would have dissented from the general proposition that 'the investment of money in human beings and the health of cities is perhaps the most profitable investment that can be made.! (97) Housing and the urban environment offered the additional attraction than an acknowledged urban problem could in part be explained by reference to a non-urban source, the pernicious presence of the ground landlord. The older animus against the landed class

<sup>(96)</sup> Chiozza Money, op.cit., 215. (97) Heart of Empire, 85.

survived, not only in the approach to this urban problem, but in the more general concern with land reform, heightened as it was by genuine alarm at the continued drift of rural population into the urban agglomerations, which increased the pressure on homes and jobs and exposed more and more people to 'the multitudinous desolation of a great city in its interminable acreage of crowded humanity.' (98) The principle was plain: 'the soil of the country shall be used for the best advantage of the people of the country.' (99) Detailed prescriptions ranged from the reform of landlord and tenant law and of the law of entail to active intervention by county councils to establish small-holdings.

All this would involve substantial public expenditure and consequent increased taxation, which should not fall on rich and poor alike. 'Taxation of poverty cripples life. Taxation of wealth does not. The new Liberalism, seeking to extend life, must draw upon abundance and superfluity.' (100) Progressive taxation of high incomes and of the element of economic rent in land would not impair incentive, but would direct some part of socially created wealth to socially desirable ends, for taxation properly was 'a process by which society acting through the state takes income which it has earned through social work, and which it needs for social life.' (101) With the delineation of positive state action

- (99) <u>Samuel</u>, op.cit., 101.
- (100) Lyon Blease, op.cit., 343.
- (101) The Industrial System, 222.

<sup>(98) &</sup>lt;u>Ibid</u>., 16.

supported by differential taxation went a sympathetic response to the claims of labour and the role of Trade Unions in equalising the bargaining strength of employers and workers, to the general benefit of the community. Trade Union organisation 'puts the manual labourer on an equality with his employer in arranging terms, and accordingly it raises wages and diminishes hours of work. It effects general economy by eliminating incapable employers, and by raising the standard of comfort among workmen it is not only of direct benefit to them, but, by making them more efficient agents in production promotes the general health of national industry.' (102) The claim to a minimum standard, legally established through a minimum wage or emerging from 'the moral sense of the community,' (103) to reasonable leisure and to the right to work were judged equitable. It was proper that 'Labour shall no longer be sold as a dead commodity subject to the fluctuations of Demand and Supply in the market, but that its remuneration shall be regulated on the basis of the human needs of a family living in a civilised country.' (104) The economic gains of machine production must begin, through increased leisure and rising living standards, to offset the social costs of deadening work.

V

For all their concern, the New Liberals remained, in an

- (103) Ibid., 28.
- (104) Work and Wealth, 190.

<sup>(102)</sup> The Labour Movement, 27.

important sense, remote. Never did they lack commitment; the tone of their writing as much as its content makes this clear. Nor did they lack perception; indeed, they are refreshing in their insights, often startling in their modernity, as if they spoke from the 1970s. When Professor Galbraith observed in The Affluent Society that in modern capitalist economies supply, through the manipulation of the consumer, often calls forth its own demand, he was hailed as the originator of a remarkable insight. Yet Hobson, discussing wasteful competition, made this very point; choice in a consumer-orientated society became divorced from real needs as commercial interests promoted new goods and encouraged new conventional tastes. This aberration occurred 'where the supply precedes and evokes the demand, the more usual case under developed commercialism' and 'where specious fabrication and strong skilled suggestion co-operate to plant new ingredients in a standard of consumption.' (105)

Yet the remoteness remains. These men, for all their concern, were, in relation to working-class Englishmen, outsiders, in the last resort reluctant to accept them as they were, often shocked by their observations of working-class behaviour and values. Often the sympathetic concern and the unsympathetic rejection stood in dramatic conjunction. Charles

(105) Ibid., 133, 134.

Masterman, whose passionate concern cannot be disputed, recalled Mafeking night with revulsion, the occasion 'when our streets have suddenly become congested with a weird and uncanny people. They have poured in as dense masses from the eastern railways; they have streamed across the bridges from the marshes and desolate places beyond the river.' (106) Through his years in Camberwell, Masterman was peculiarly sensitive to the cultural gulf.

'We are gradually learning that the "people of England" are as different from, and as unknown to, the classes that investigate, observe, and record, as the people of China or Peru. Living among us and around us, never becoming articulate, finding even in their directly elected representatives types remote from their own, these people grow and flourish and die, with their own codes of honour, their special beliefs and moralities, their judgment and often condemnation of the classes to whom has been given leisure and material advantage.'(107)

To observe the cultural gulf did not, however, lead readily to acceptance of working-class values as having their own vitality and meaning. No doubt working-class opinion was swayed by meretricious appeals in the popular press, but that hardly warranted the sweeping denigration of working-class gullibility. 'An ignorant, dull, capricious people, more interested in drink, sport, and gambling than in anything else, easily diverted from pressing their "rights" by some artful appeal to military or commercial Jingoism... is incapable of

				Abyss				
(	(107)	The	Condi	ltion	of	England	•	112.

a sustained, energetic, and well-directed effort to realise Democracy' - a harsh dismissal even in its context of a plea for open educational opportunity to correct these attitudes.(108) Leonard Hobhouse could be equally dismissive. 'To this new public opinion of the streets and the tram-cars it is useless to appeal in terms of reason' for it would always remain 'the faithful reflex of the popular sheet and the shouting newsboy.' (109) It may well be that there was shameless exploitation of popular prejudices, 'a saturation of the public mind with commonplace sensationalism, sloppy sentimentalism and bizarre frivolity' and that 'the patronage of the finer and coarser arts of recreation is expressly directed to foster a combative patriotism, and its attendant forms of animalism, a snobbish reverence for rank, fashion, and the valuations of the master-class, and a contempt for earnestness, sobriety and reflection.' (110) But the emphasis on the gullibility of ordinary folk consorted ill with their conviction that the great motor of social progress was not some deterministic historical process but the growing awareness of the collective mind of the social organism, 'the evolution of a higher and more comprehensive social mind.' (111)

At times, they displayed an almost draconian contempt for the susceptibilities of ordinary folk. Allowing for contemporary concern with the nation's physical deterioration and

<sup>(108)</sup> Crisis of Liberalism, 112.

<sup>(109)</sup> Democracy and Reaction, 71.

<sup>(110)</sup> Crisis of Liberalism, 187, 188.

<sup>(111)</sup> Social Evolution and Political Theory, 161.

fascination with eugenics, it remains startling that a man as liberal as Hobson could maintain that 'to abandon the production of children to unrestricted private enterprise is the most dangerous abnegation of its functions that any Government can practice.' (112) Political frustration, particularly before 1906, partly explains the vituperative tone, but more fundamentally there remained the sense that progress should come in their terms. Curiously, and quite unconsciously, they carried forward another component of the Liberal tradition, the Whig attachment to good government in terms that Whigs defined; only the disinterested aristocracy was now one of intellect not of land and inheritance. A11 classes and all individuals were not equally wise or wellinformed and so not equally capable of contributing to good government. All people were affected by government and so had the right to information, consultation and protest, but it was for 'the expert governing' and 'a trained body of specialists devoted to the public service! to 'determine the organic policy.' (113)

These attitudes were not peculiar to the New Liberals. The ambivalence towards popular aspirations and popular government ran back through the nineteenth century. The emerging industrial society could be seen as both liberating and threatening to established order and values. Working-

(112) The Social Problem, 214. (113) Crisis of Liberalism, 85.

class frustrations could be sympathetically considered, yet their issuing in the threat of social violence condemned. Among contemporaries G.D.H. Cole dismissed Trade Union leadership as composed 'largely of the type that make good head clerks but is incapable of the onerous tasks of management and initiation' and referred with dismissive contempt to 'the narrowness, egoism, and intellectual indolence that characterise the British public.... a mere mass of consumers, with consciences always in their pockets and brains nowhere.' (114) Seebohm Rowntree, whose humanitarian concern needs no attestation, thought that for 'incorrigible loafers.... no policy seems adequate but one of compulsory detention, humane but effective.' (115) Cyril Jackson seemed remarkably insensitive to the likely working-class reaction to his proposal that for the tidy administration of Labour Exchanges every workman should be required to carry identification papers itemising his whole employment record. (116) In a cuite different context, but also indicating the divided minds of Edwardian liberal intellectuals, there is E.M. Forster's Howard's End: his delicate irony plays over Leonard Bast's pursuit of high culture in his basement flat, Ruskin in hand, but however admirable the pursuit he seems to question whether its goal can be attained since culture belongs to the leisured

- (115) Rowntree, op.cit., 62.
- (116) Jackson, op.cit., 27.

<sup>(114)</sup> Cole, <u>op.cit.</u>, 206, 34.

and its inwardness must always escape the uninitiated. The New Liberals shared this dichotomy and it limited their political appeal.

Perhaps here lies the explanation of Dr. Pelling's provocative observation that social reform had little meaning for the working-class, because it seemed an intrusion, an imposition of values other than their own. (117) No doubt there were many like John Smith, builder's labourer earning 24/6 a week, living in a four-roomed cottage in Camberwell. 'He despises agitators, sanitary inspectors, school-board visitors and all who at various times solicit his suffrage; so long as work is good and pay regular, he meddles not with matters that are too high for him and does not uplift his voice in complaint.' (118) Probably Charles Masterman was right: 'they don't want to be cleaned, enlightened, inspected, drained.... They don't want compulsory thrift, elevation to remote standards of virtue and comfort, irritation into intellectual or moral progress.' (119) Certainly the theme ran strongly through Stephen Reynolds' sketches of workingclass life. 'What we ask for is not that kind of social reform which is forced on people from without by means of punitive laws, but the economic opportunity for working people to

(117) Henry Pelling, Popular Politics and Society in Late Victorian Britain (1968), 2.

(119) Condition of England, 116.

<sup>(118)</sup> From the Abyss, 52.

develop in their own way, on their own lines.' His plea was for working people to be respected on their own terms, for the removal of economic inequalities so that they could pursue betterment as they saw it. Unfortunately 'social reform on the part of the legislating classes is, in effect, an attempt to modify lives hardly known, with results that cannot be foreseen.' (120) Conclusions in this matter are necessarily elusive. The New Liberals appeared reluctant to accept working-class people as they were. One might tentatively suggest that their attitudes erected some barriers to the emotional identification of some working-class people with the Liberal Party. Perhaps it was not 'our party' in quite the sense that the Labour Party became for many. The undogmatic Labourism which Dr. Pelling sees as emerging during this period offered a more agreeable home, the sense that the Labour Party was the party for workingmen to belong to.! (121)

This absence of an instinctive sympathy with the attitudes of other social groups stands against the New Liberals' emphasis on the importance of shared values to their ideal of an organic, harmonious society. They were reluctant to face the possibility of conflict within society; the ideal of a common good, a shared moral order, would remove the conflict of interests. The extension of man's social nature, the

(120) Reynolds, <u>op.cit.</u>, <u>xxv</u>, 332. (121) Pelling, <u>op.cit.</u>, 118.

growth of his sense of social responsibility, an increase in altruistic sentiment, a deepening realisation of the meaning of the common good, were the instruments of social progress, enabling men to recognise their own fulfilment through the common good. Such a view gave meaning to their efforts to restate Liberal principles in a form which modern circumstances required, widening the old tradition to embrace a fuller measure of social justice, a more real equality, an economic as well as a political liberty. For them, the formation of opinion was central. A coherent intellectual basis would yield a moral imperative, since men would in the end respond to intelligible, inspiring ideals. This confidence allowed too little to the reality of conflicting interests within an industrial society and stood against their own reluctance to accept that working people, for whose deprivations they felt such genuine concern, might have legitimate aspirations at variance with their own.

With these reservations, the New Liberalism emerges as a coherent creed, which offered a clear intellectual position for an active social radicalism. 'Liberal political theory seemed to acquire a new lease of life in the decades before 1914, and its exponents rendered new justifications available for the distinctive policy of social reform of the ruling Liberal party.' (122) It indicated a role for an active State,

<sup>(122)</sup> Stefan Collini, Liberalism and Sociology. L.T. Hobhouse and Political Argument in England, 1880-1914 (1979), 4.

in terms which would enhance the freedom of the individual; it identified specific social problems, which were related to acknowledged malfunction in the market economy, and so legitimately elicited a response from society through govern-Through expanded public expenditures and progressive ment. taxation it pointed towards a more egalitarian society offering a meaningful equality of opportunity to its people, while acknowledging the importance of incentive. It was prepared to examine public ownership and control, while reiterating the value of private enterprise and the market in promoting economic growth and meeting consumer demand. Above all, it reiterated the Liberal belief in co-operation between classes and between interests, a harmony and balance which might be threatened by contemporary trends, but could confidently be re-asserted through appropriate political action. In the writing of J.A. Hobson lay insights into the economic process which might issue in economic management to eliminate the unevenness of the trade cycle. To dismiss the Liberal party, which included such men, as incapable of resolving the problems of an industrial society and irrelevant once workingclass self-consciousness had emerged clear and confident, seems unduly glib, unless it is accepted as axiomatic that class conflict is the over-riding reality and the command economy the only appropriate way of relating resources to society's needs. Marxian analysis may indicate one dimension of

industrial societies, but Hobson's observation that by their nature they require the co-operation of classes and interests surely indicates another. Their dependence upon substantial capital inputs, upon an ever-increasing diversity of managerial and technical abilities and upon workers with many skills suggests that co-operation is as necessary an outgrowth of the economic base as conflict. The New Liberals sought to realise this inter-dependence through social institutions, economic organisation and political action. It mattered, too, that these intellectuals consistently articulated their belief in the need for enlarged State action in terms of the individual's self-development. 'Liberals must ever insist that each enlargement of the authority and functions of the State must justify itself as an enlargement of personal liberty, interfering with individuals only in order to set free new and larger opportunities.' (123)

The New Liberals feared that the Liberal party faced impotence if it did not clothe the old Liberal principle of liberty in new forms of economic opportunity and equality. They accepted that these objectives required taxation of a novel kind and some intrusion into private enterprise. To convince the party's activists in the constituencies and its back-benchers in the House of Commons was another matter.

(123) Crisis of Liberalism, 94.

Self-interest and attachment to older Liberal causes mutually sustained their reluctance to embrace higher taxation and a more active State. The New Liberals had to convince others of their belief that 'remediable economic injustice followed from unrestricted freedom of economic activity. It is legitimate to see intellectual debate 'corresponding on the level of theory to an evident tension within the Liberal party as an active political movement.' (124) The New Liberals never doubted that 'a more constructive and more evolutionary idea of liberty is needed to give the requisite "élan de vie" to the movement. (125) In a political world which contained Socialists and Protectionists, each generating their own energies and offering their own panaceas for ackknowledged problems, they may well have been right, but to be effective the New Liberal creed had first to be disseminated and resistance overcome.

(124) Quinton, <u>op.cit</u>., 121. (125) Crisis of Liberalism, 93.

## CHAPTER III The Liberal Press

Ι

J.B. Priestley's egregious gossip columnist, Lionel Chesby, described the function of himself and his colleagues on the Daily Echo with disarming frankness. 'We work like hell to bring out a good comic paper, brighter and funnier every year, getting up to all kinds of monkey tricks, and yet imagine we're still an organ of public opinion, the Fourth Estate, and directly descended from Milton.' (1) The proprietors and editors of the Liberal journals of our period would have recognised themselves only in the second part of this description of the press's role. For them the press, periodical or daily, was a serious organ for influencing They would have been delighted by Lord Salter's opinion. recollection of the serious-minded young men with whom he shared rooms when he first came to London, who found 'the Westminster Gazette our bible and J.A. Spender our prophet. (2) They never doubted that 'a paper should be regarded as a public organ serving the community as directly as a department of the Civil Service and under a sense of responsibility equally strong.' (3) In writing this of C.P. Scott's view of his role, J.L. Hammond could equally well be recalling his own attitudes when editor of the Speaker. He, indeed, saw real conflict

J.B. Priestley, Festival at Farbridge (1951), 48.
 Lord Salter, Memoirs of a Public Servant (1961), 44.
 J.L. Hammond, <u>C.P. Scott</u> (1934), 97.

between his personal commitment and the efforts of proprietors to achieve commercial success. When, early in 1907, he learnt that J.P. Thomasson was seeking American money to strengthen the Tribune and was intending to replace L.T. Hobhouse by a former editor of the Daily Mail and the Daily Express, Pryor, as controller of the paper's leaders, he reacted strongly, 'I am a leader writer whose business it is to influence Therefore I am in the position of an Englishman opinion. who takes American help in order to fight his political battles. This is a false position which I cannot accept without the collapse of my self-respect.' (4) For Thomasson's concern with commercial success he was sharply dismissive - 'a Liberal who has put the Liberalism of the paper into the custody of the ex-editor of the Daily Mail.' (5)

J.L. Hammond illustrates well enough the problems of the Liberal press, at a time when both journalism and readerships were changing. When he was considering the offer of the post of Secretary to the Civil Service Commission in the summer of 1907, his father-in-law, H.C. Bradley, urged acceptance because there was 'v. limited demand for liberal journalists with a conscience.' (6) L.T. Hobhouse reinforced the argument in a letter to Barbara Hammond. 'Journalism is a profession which

- (4) J.L. Hammond to Gilbert Murray, 28 Jan. 1907, Murray MSS, GMf.23a.
- (5) J.L. Hammond to Gilbert Murray, 30 Jan. 1907, Murray MSS, GMf.23a.
- (6) H.C. Bradley to J.L. Hammond, 29 Aug. 1907, Hammond MSS, 16f.11.

may be carried on (a) by people with independent means (b) by people without convictions. Otherwise it has become impossible.' (7) J.L. Hammond's crisis of decision epitomised the larger dilemma of a press which sought to continue a serious role as a channel of communication, as an influence upon its readers and upon governments and politicians, yet found chronic difficulty in enlarging circulations and attracting the advertising revenue which was vital to commercial success. A.G. Gardiner, writing in 1923, recalled the pressures so evident during his years as editor of the Daily News. 'The appeal of journalism was passing from the middle-class to the democracy, and it was becoming increasingly difficult for the penny paper with its smaller circulation to command the advertising upon which the production of a successful newspaper is based.' (8) Lord Riddell, the successful proponent of a very different kind of journalism, writing in his diary on 16 December 1908 of the financial troubles of the Westminster Gazette, dignified its editor, J.A. Spender, as 'a journalistic star whose leading articles are religiously read by thinking people of all parties.' Unfortunately, Spender's brilliance was irrelevant to the paper's financial difficulties because 'the said thinking people don't appeal to

(7) L.T. Hobhouse to Barbara Hammond, 4 Sept. 1907, Hammond MSS, 16f.17.
(8) A.G. Gardiner, Life of George Cadbury (1923), 222.

the advertiser, so that the revenue from advertisements is inadequate.' (9) It was as well that the Liberal Party still had wealthy men who would support these organs, as George Cadbury did the <u>Daily News</u>, Sir George Newnes the <u>Westminster</u> <u>Gazette</u> and the Joseph Rowntree Social Service Trust the <u>Speaker</u> and its successor, the <u>Nation</u>. Given these subventions the Liberal press could continue to fulfil its high role, so aptly defined by George Cadbury when J.L. Hammond left the Daily News in <sup>S</sup>eptember 1907.

'We are sorry to lose your help in pleading the cause of righteousness. You seem throughly to have entered into my ideas that our main thought should be not whether this party or the other triumphs, but how best we could promote the cause of the suffering millions of this and other lands; that our ideal should be a high one, not to appeal to the selfishness of trade unionists, or the selfishness of the aristocracy, but that the ideal should be to raise up the millions of degraded men and women in our so-called christian land, who are too much sunk in vice and too depressed to help themselves.' (10)

Yet financial support was not incompatible with editorial freedom. In his letters to C.P. Scott at the time of his proposed purchase of the <u>Daily News</u>, George Cadbury recognised that 'the position of the Daily News is so exceedingly difficult and precarious that it seems almost hopeless to bring it round' and hoped that 'the paper may be made instrumental in helping forward the cause of righteousness.' (11) But he

<sup>(9)</sup> Lord Riddell, More Pages from My Diary (1934), 14.

<sup>(10)</sup> Cadbury to Hammond, 30 Sept. 1907, Hammond MSS, 16f.17.

<sup>(11)</sup> Cadbury to Scott, 3 Jan., 13 Jan. 1902, Scott MSS 124f.55, 124f.58.

disclaimed any intention of interfering editorially. J.A. Spender, in his notes for his speech at the twenty-first anniversary dinner of the Westminster Gazette, strongly asserted that he had always enjoyed editorial independence, even in an age when commercial success was beginning to determine the nature of the press. 'I have never been asked to lower the flag of the WG for any commercial reason, to abate any political conviction for any monetary advantage.' (12) Rather was the Liberal press conscious of being embattled in a struggle for standards against a newer, febrile, less conscientious journalism. In the view of the Westminster Gazette, commenting on the dinner to honour Sir Edward Cook at the Hotel Cecil on 26 July 1912, the new journalism's obsessive concern with circulation led its exponents to give their readers what they thought the public wanted on a low estimate of those readers' capacity. By contrast 'the old journalism conceived of itself as informing and instructing a circle of educated readers and giving them what it thought they ought to have.' When C.A. Pearson, chairman of the Tariff Reform League, bought the Standard, the Daily News voiced similar fears. What was objectionable was not so much that a solid, conservative newspaper had become the voice of protection but that the quality of the press would be debased by 'the capture of one of the last strongholds of that sober,

(12) Memo. 31 Jan. 1914, Spender MSS, Add MSS 46, 392 f.123.

responsible journalism which we used to proudly point to as characteristic of this country in contrast with the lightheaded vulgarity, shallowness and sensationalism of the American press.' Sincere, sober, responsible journalism was being swept aside by newspapers which were 'soulless, irresponsible, sensational' whose proprietors were concerned only with circulation and profit. If the anguish of the <u>Daily</u> <u>News</u> reflected a sense of vulnerability, its leader-writer was doubtless sincere in his judgment that 'it is the change of spirit which constitutes a menace to the country.' (13)

II

Whatever challenges confronted the Liberal press, its determined high seriousness gives it some weight in assessing the currency of New Liberal concepts and ideas within the contemporary political debate. It reflected, to a degree, the thinking and temper of those who themselves had influence and consequently it could see itself as one instrument whereby Parliament and governments became sensitive to an informed and enlightened public opinion. Then, as now, newspapers were a source of information to politicians about what the public were thinking and in so far as politicians accepted that the press influenced attitudes and expectations it operated as a source of pressure on them. The press, by influencing public attitudes, could induce governments to believe that a significant body of

(13) 5 Nov. 1904.

opinion existed on some issue which could not be ignored. It may remain obscure how far people derive their political opinions from the press, how far through the press there is an informed dialogue between politicians and public, how far the press influences governments, but a Liberal press highly sensitive to its serious role must offer evidence of great value. Two examples will support this claim to the Liberal press's credence. Under Gardiner's editorship the <u>Daily News</u> included among its editorial staff H.W. Massingham, G.K. Chesterton, J.L. Hammond, R.C.K. Ensor, C.F.G. Masterman, H.N. Brailsford, H.W. Nevinson. Among the periodicals, the <u>Independent Review</u> numbered among its editorial council Lowes Dickinson, F.W. Hirst, G.M. Trevelyan and Masterman.

A press commanding such talent properly carried weight for contemporaries and deserves critical attention by historians, a proposition not significantly impaired by the dramatic shifts of tone which accompanied changes of control. Thus the <u>Speaker</u> completely changed its allegiance among the warring Liberal factions when Wemyss Reid ceased to be its editor on 1 October 1899. A weekly, so much the apologist of Rosebery and the Liberal Imperialists, became overnight the stern voice of the pro-Boers and the keeper of the Gladstonian tradition, maintaining that Liberal principles could not be squared with 'the application of military pressure to the Transvaal, much less with the waging of such a war for gold

and territory' and that those Liberals who supported the war 'have never become acquainted with Liberal principles or mastered the Liberal tradition.' (14) Equally dramatic was the shift in the Daily News when acquired by George Cadbury and Francis Thomasson. A paper which had supported the reconquest of the Sudan and firmly attributed the mounting tension between the British Government and the Transvaal to 'the open sore in South Africa caused by the continuance of the repressive regime in the Transvaal' (15) came to condemn the war and to maintain that 'it is no exaggeration to say that, had the Liberal Party been united in its opposition to Milnerism and to Mr. Chamberlain, its High Priest, this war waged on specious pretences against the autonomy of two small Republics would have been avoided.' (16) Equally dramatic was the transformation in the editorial line of the Daily Chronicle after Massingham's resignation in November 1899, though in the opposite direction. A paper which had condemned the Boer War as unrighteous, justified by no consideration of right, prudence or traditional policy, came to see it as the necessary response to Boer aggression and thirst for aggrandisement springing from 'the evolution of the Transvaal as a military state with a wholly unprogressive military caste. (17) Such shifts convey the passionate depth of Liberal divisions and the value attached to access to the press.

(14) 3 Feb. 1900.
(15) 24 Apr. 1899.
(16) 21 Feb. 1901.
(17) 25 Dec. 1899.

The relationship between editors and politicians was delicate and wary. Both sides sought access to the other; both assumed a mutual influence. C.P. Scott Blearly believed that the Manchester Guardian would carry weight in the contentions within the Liberal leadership and that its editorial support be given to those likely to support his favoured line. 'My view is that primarily we hold by Bannerman as long as we can and try to keep him and the party straight but that Morley be kept well to the front as the possible leader in case of absolute necessity and above all as the reserve man against Rosebery.' (18) His somewhat patronising view of Campbell-Bannerman led him to believe it necessary to exert pressure to keep him on the right lines. 'He is not a leader in the No inspiration or initiative will come from true sense.... him, but he will respond to any effective movement of opinion in the party.' (19) Again, on Campbell-Bannerman's retirement Scott was prepared to weight the scales against Asquith but was dissuaded from too open an opposition by Hobhouse, whom he had invited to write leaders on this theme. Hobhouse replied: 'I am clear now that we cannot directly oppose Asquith for the present. But I think we ought at the outset to indicate reserves to press in the direction George suggests.' (20) In 1910, when the Cabinet seemed divided

(18) Scott to Hobhouse, 20 June 1899, Scott MSS 132f.63.
(19) Scott to Hobhouse, 25 June 1899, Scott MSS 132f.68.
(20) Hobhouse to Scott, 3 Mar. 1908, Scott MSS 132f.147.

between veto and reform as a solution of the House of Lords imbroglio, Scott sought to stiffen the waverers. He wrote to Grey that 'such a change of policy wd mean disaster. The party is totally unprepared for it; it believes the Govt. to be absolutely committed to the policy of limitation of the veto.' (21) Such a change of course would give 'a damaging impression of instability of purpose.' (22) To Churchill he reitered that the party would be beset by 'confusion and despair' if the veto were abandoned. (23) The Spender papers are less revealing but in his Memoirs he portrays an active relationship with Rosebery, Morley and with Spencer, writes of his close association with McKenna in the development of the campaign against tariff reform and suggests an intimate relationship with ministers after 1906, involving a degree of confidence which limited reporting while giving depth to editorial comment. 'Old and intimate friends, contemporaries and juniors, were being caught up into high places where I could not follow them, and where new obligations and loyalties might check free intercourse with the journalist.' (24) Even so, Spender's assumption was that the editor was a positive participant in the political process.

Perhaps more obviously the lines of influence flowed the

		8 Feb. 1910, Scott MSS 128f.140. 13 Feb. 1910, Scott MSS 128f.142.	
(23)	Scott to Church	hill, 24 Feb. 1910, Scott MSS 128f.147.	
(24)	J.A. Spender, 1. 134.	Life, Journalism and Politics (2 vols., 192	7),
	1. 194.		

other way as politicians sought to sway the press. One wonders if Margot Asquith was right to attribute to her husband a bland indifference to editorial attacks. 'My husband doesn't even see the M. Guardian and tho' he cares what his colleagues and supporters think of him he doesn't care what the papers say of him at all.' She certainly did not share his indifference for she was writing to Churchill urging him to persuade C.P. Scott to moderate criticism of the Prime Minister in the Manchester Guardian.

'I don't think the Manchester Guardian will make or mar ministry but it makes my blood boil that it shd choose this time when the Prime Minister has worked magnificently against fearful odds and has not quite succeeded to yap at him like a cur.... I set no store by the press but when some of its organs are supposed to represent a large section of our men like the M. Guardian and it is pointed out to me as a sign of disloyalty, discontent and decadence in our ranks this naturally makes me unhappy.' (25)

Margot Asquith's indignant tone suggests her disclaimers were somewhat disingenuous. Others were more frank. Both the Scott and Spender Papers indicate the desire of politicians to influence editorial judgment. After Rosebery's Chesterfield speech Campbell-Bannerman, not an assiduous cultivator of the press, was at pains to inform Scott and Spender that the obstacle to Liberal reunion was not his obduracy. He wrote to <sup>S</sup>pender from the Lord Warden Hotel, Dover, describing his meeting with Rosebery. No doubt he hoped Spender would share

(25) Mrs. Asquith to Churchill, 11 Dec. 1908, in Randolph Churchill, Winston S. Churchill. The Young Statesman 1901-1914 (1969), Companion Volume, Part II, 850. his disenchantment with the enduring Rosebery mystique, and his comments seemed designed to pre-empt the <u>Westminster</u> <u>Gazette</u>'s editorial stance. In a letter to Scott he was equally at pains to dispel the notion that Rosebery was willing to resume co-operation. 'You are all on the wrong tack. There has been no offer of help to the party - it was to the country. He will not join in; even on the war.' (26)

Lloyd George appears as a more assiduous cultivator of the press, responding sharply to editorial comment of which he disapproved, using it as a weapon in Cabinet battles, endeavouring to ensure a favourable response to his policy initiatives. When the Westminster Gazette tentatively suggested that the heat might be drawn from the mounting controversy over the People's Budget, perhaps by modifying the land taxes, Lloyd George emphasised to Spender the disastrous effects on party morale, so recently revived by those very taxes. 'The Government would provoke a guarrel with a large section of their supporters in the House and the vast majority of their supporters outside it.' (27) When in February 1911 Lloyd George stood embattled on the Navy Estimates he enlisted Scott's entirely willing support against McKenna. On the eve of the land campaign Lloyd George sought Scott's advice about its timing and, in somewhat blatant terms, made his bid for the Manchester Guardian's support. 'It is of

<sup>(26)</sup> Campbell-Bannerman to Scott, 26 Dec. 1901, Scott MSS 124f.49.

<sup>(27)</sup> Lloyd George to Spender, 16 July 1909, Spender MSS 46, 388 f.201.

first-class importance that when we come to strike we should have the support of a paper like the "Manchester Guardian" which appeals so much to the intellectuals of our Party. It is not enough to carry "the crowd" with you in a great campaign like this; you must convince the thoughtful men in our party. No paper carries such weight with this class as yours.' (28)

No doubt the occasion dictated the flattering estimate of the Manchester Guardian's influence but Scott's correspondence and his diaries indicate the esteem in which Scott and his paper were held by politicians and their desire to mobilise their support. Similarly, Spender's papers reveal an active mediating role in December 1905 in the delicate negotiations preceding the formation of Campbell-Bannerman's government, while Lord Riddell's published diary displays his regular contacts, not only with Lloyd George, but with Churchill, Masterman, Seeley, Rufus Isaacs, McKenna, Pease and Illingworth. Here then was a press worth cultivating and a press still confident of its serious purpose, even when facing increasing financial pressures. Scott, writing to L.T. Hobhouse, emphasised the problems of the quality press but revealed his absolute conviction of the supreme importance of its survival. 'Can a paper do all that you and I would wish and yet live and prosper? That is an unsettled

(28) Lloyd George to Scott, 4 Sept. 1913, Scott MSS 333f.36.

question. If we can settle it in the right way it will count for something in the future of English journalism.' (29) In many ways, it provided an ideal platform for men eager to explore new policies for the Liberal party, predicated upon profound re-assessment of the principles of Liberalism.

Through the periodical and daily press the exponents of the New Liberalism addressed a wider audience. Both Hobhouse and Masterman were leader writers, on the Manchester Guardian and Daily News respectively. The anonymity of the leader writer makes direct attribution difficult, but both must have contributed to the tone of those newspapers. It would not be unreasonable to see the hand of L.T. Hobhouse in the Manchester Guardian's leader on 10 January, 1899, provoked by the new edition of W.J. Lecky's Democracy and Liberty, whose preface struck the writer as party polemic in the guise of a philosophical treatise. The leader saw the necessity of 'thinking out and following the natural development of democracy from the political to the social and economic The complex economic arrangements of modern societies sphere.' required rigorous analysis which might well show that free competition might 'result in great unfairness which only legislation can remedy.' Progressive taxation, far from being confiscatory, was a legitimate resumption by government of socially created wealth. 'It is precisely the absorption of

(29) Scott to Hobhouse, 23 Apr. 1907, Scott MSS 127f.87.

this increment by private owners which appears as a confiscation of wealth produced by and justly due to the community as a whole.' Once the concept of absolute property right was abandoned enlarged government activity financed by progressive taxation of unearned increment was legitimised. 'If property is an institution maintained by society for its own purposes, and therefore within limits and upon conditions which society from time to time prescribes, then the same measure may equally well appear as a partial attempt to remedy an economic inequality.' Again, on 5 September, 1900, attacking Social Darwinism as an intellectual prop for Imperialism and for a sternly competitive society, the Manchester Guardian's leader voiced another of Hobhouse's essential themes; the organic growth of society moved steadily towards co-operation and inter-dependence and it was this evolution which under-pinned the contemporary demand for specific social reforms.

In a paper as rich in editorial talent as the <u>Daily News</u> it is more difficult to be specific about Masterman's contribution and the openness of that newspaper to New Liberal thinking can be better discussed in another place.<sup>X</sup> In any case, Masterman, until he accepted office in April 1908, was an active journalist contributing signed articles to a number of periodicals, offering to a wider audience the concerns and the solutions of his books. There was the same agonised

x Infra, IV passim.

sympathy for the urban poor, sometimes conveyed in graphic reporting as in the series of articles on London which ran in the Speaker through the winter of 1900-1901; more often enlivened by his peculiar sense of the urgency of the desperate social costs of leaving untreated the debilitating urban environment. In an article in the Albany Review in February 1908 he wrote of West Ham, the subject of a recent survey: 'it stands for judgment and condemnation of that blind folly which has allowed cities to grow up without direction, organisation, purpose or plan.' The vicious circle of jerrybuilding, low wages, casual employment, endemic unemployment bred an insidious apathy and insecurity. (30) The same tone he conveyed in a contribution to the Contemporary Review in January 1902; London stood condemned as 'a homogeneous matrix of the proletariat containing imbedded cities of poverty, dingy, stagnant and lifeless.... a kind of colossal ant-heap of stunted life, pent up in crowded ways.' (31) Most crucially, it was the paupers and the mass of the unskilled and the casual who constituted the real menace to the future progress of Great Britain, groups ever growing despite economic expansion and the abundant outward evidence of mounting national wealth.

'It is a class which has been bred in over-crowded homes, amid depressing surroundings upon poor food, in the new urban surroundings.... It is stunted and weakened in

(30) <u>Albany Review</u>, Feb. 1908, Vol. II, 533.
 (31) <u>Contemporary Review</u>, Jan. 1902, No. 81, 23.

body and mind.... It wanders through the block dwellings and tiny cottages in the poorer districts of London in a vague unrest.! (32)

Rather more than in his books, Masterman the journalist offered solutions. Above all, it had become axiomatic for him 'that poverty is not a condition to be acquiesced in, but a disease to be fought against.' (33) Unemployment was identified as the greatest scourge, morally as well as physically. 'The workman seeking work, and seeking it in vain, is one of the permanent and tragic figures of the twentieth century city.' Its victims faced at once 'the fierce and fawning competition for mean positions and 'the cruelties of a gusty benevolence' which together bred 'laceration and moral destruction.' (34) But the impassioned tone served to point the dispassionate discussion of practical solutions, developed in this article and others. The trade cycle was identified as a major cause and so a challenge 'towards the efforts of private and public enterprise, in the removal of such aimless, blind destruction, effected, not by the deliberate, but by the unconscious ravages of some illadjusted machine, destroying confusedly in the dark the bodies and the souls.' There was some perception of a fundamental cause and so an amelioration since 'the wider distribution of wealth may greatly increase consuming power and prevent

(32)	Contemporary Review	, Jan.	1906, No	. 89, 106.
(33)	Albany Review, Feb.	1908,	Vol. II,	531.
(34)	Independent Review,	May 19	904, Vol.	II, 509.

that automatic and useless saving which is the privilege of the rich.' (35) More immediately, governments should relate public works to the trade cycle and develop programmes of afforestation and reclamation; for the near-unemployables there was the somewhat draconian resort of the farm colony. Masterman, indeed, developed a far-reaching programme of social betterment: halting the drift to the towns by restoring the stimulus of ownership through the renaissance of the yeoman farmer; vigorous assault on the debilitating urban environment through municipal housing and planned development of public transport, assisted by the taxation of site values to create resources and force land on to the market; the expansion of education to stifle the springs of the casual reservoir at source; legislation against sweating.

Most interestingly, Masterman related all this to a deep-seated shift in opinion, a swelling tide of expectation, which assessed politics against human hopes and ideals and asked how far legislation could mitigate the impact of impersonal social and economic forces. 'Under an appearance of tranquillity, men discern elements of waste and disorder, pregnant with profound disquietude.' In all classes there were those who were 'passionate against preventable suffering, the clumsiness of the destruction of human possibilities, the use of so many lives as a means and never as an end. They

(35) Independent Review, Jan. 1905, Vol. IV, 559.

question the justice of a social order which condemns common humanity to a region of random endeavour.' (36) To such people the stuff of politics had become the pursuit of a wider, more equitable distribution of the constituents of human well-being, the endeavour to transform society into something visibly more just, more intelligible, more humane. It was imperative, in Masterman's judgment, that to these expectations of the political process the Liberal Party should respond, not only in conscience but for reasons of expediency. Yet for all his expectation as he tasted 'the new wine of a reforming Parliament' and his feeling that he and his fellow MPs were 'witnessing or aiding one of the remarkable changes of the world,' (37) his political realism told him the parliamentary party was a heterogeneous body whose members were by no means all Social Radicals, but ranged from men akin to the Tory Free Traders to convinced collectivists. Collectivism cut 'clean across the great Liberal majority, dividing half its members and more than half of its new energies and inspirations in unity with Labour, in a determination to advance along the paths of social reform. (38)

Leo Chiozza Money was another who found ready access to

(36)	Independent	Review,	May	1904,	Vol.	II,	497,	499.
(37)	Independent	Review,	May	1906,	Vol.	IX,	144.	
(38)	Independent	Review,	Jan	1907	, Vol.	XII,	, 35.	

the Liberal press. On the whole his contributions reflected his capacity for hard and detailed statistical analysis more than the polemical fervour which characterised Riches and Poverty. For the most part he provided the data from which others might construct the political argument. During February 1905 he offered, in the Daily News, a close analysis of the growth of defence spending under Conservative governments since 1895 and related this to the over-all fiscal burden, a detailed exposition of a then favourite Liberal charge against Tory extravagance. Through May and June 1906 he wrote a series of articles for the same paper arguing the case for progressive taxation from close analysis of present income distribution, a series which largely anticipated Riches and Poverty. Similar data provided the basis for another series in December 1907, directed at the concern among New Liberals that an active state, financing increased public spending through mounting direct taxation, would produce a middle-class reaction with all its attendant dangers for the Liberal cause. Here the statistical demonstration sought to display the great agglomerations of unearned income and passive wealth, whose effective taxation would relieve the incomes of active wealth creators. This theme occupied him again in February 1914, this time in the Westminster Gazette. Analysis of National Income distribution, the incidence of taxation and income served to allay current fears by giving

the lie, through careful documentation of a buoyant economy in terms of income growth, employment and foreign trade, to the argument that taxation stifled investment, incentive and so economic expansion. Rather, taxation had hardly touched the fringes of luxury and extravagance in a country overly given to wanton private ostentation. No doubt his series in the Westminster Gazette, beginning on 23 April 1911, served a somewhat similar purpose. A detailed survey of German social provision, its finance and administration, had an underlying theme; so far from state insurance undermining the morale and thrift of the working population, it had served to strengthen both. 'It is a man with an assurance to the future rather than a man who knows not what a day may bring forth in respect of social and industrial vicissitudes, who has the heart to save and the resolution to front physical or moral adversity' (39) - a sentiment close to the New Liberal insistence that social provision was entirely compatible with individual responsibility, indeed a condition of it.

Occasionally his strong collectivist sentiment showed through, revealing how far New Liberal critiques of the market economy could go. On 24 October, 1906 he wrote in the <u>Daily</u> <u>News</u> of the tightening grip on the British economy of largescale enterprise, the creation of economies of scale and low-

(39) Westminster Gazette, 23 Apr. 1911.

cost production, with its attendant dangers of monopoly, advantaging the few through inflated prices and enhanced profits. Only through public control could the benefits of efficient production flow to the public. His conclusion, directed at the Master of Elibank's recent assault upon socialism, reflected his own certainty about the appropriate direction for the Liberal party. 'The Master of Elibank has told us that the Liberal party must crusade against collectivism. He might as well advise the Liberal party to rebuke the ocean.' Chiozza Money was entirely clear that for the Liberal party to follow its Scottish Whip was to commit an act of self-immolation by setting itself against a powerful current of opinion. 'Liberalism can only continue to be a power by leading the nation on the path of a same collectivism.'(40)

Of all the exponents of the New Liberalism it was appropriately J.A. Hobson who found in the Liberal press a continuing vehicle for the communication of ideas and their relevance to Liberal politics. Hobhouse was torn during his period on the <u>Manchester Guardian</u> by the rival claims of journalism and the academic life to which he returned. Masterman, Chiozza Money and Herbert Samuel were involved in active politics, the latter in launching the Home Counties Liberal Association in the 1890s before his election for Cleveland in 1902. Indeed, his

(40) Independent Review, Oct. 1906, Vol. XI, p.16.

contributions are hard to find except in the short-lived <u>Progressive Review</u> which, as a member of the Rainbow Circle, he had helped to found in 1896. Hobson faced no such conflicting claims, but more than this he was the most systematic thinker of the group, under-pinning programmatic proposals with a coherent analysis of the market economy's malfunctions. He was the best fitted to meet the requirements set out in the prospectus of the Rainbow Circle - 'to provide a rational and comprehensive view of political and social progress, leading up to a consistent body of doctrine which could ultimately be formulated into a programme of action.' (41) The Liberal periodical press enabled him to disseminate this 'consistent body of doctrine' more widely, so that it might become part of the intellectual currency of contemporary debate.

There is, indeed, no better summary of Hobson's fundamental economic insights than in his article, 'The Economic Causes of Unemployment,' in the <u>Contemporary Review</u> of May 1895. Here he displayed that crucial perception of the disequilibrium between saving and investment as the primary cause of unemployment and saw that disequilibrium arising because saving and investment and consumption were undertaken at different times by different people for different motives. Necessarily saving meant diminished consumption and the downswing of the trade-cycle arose from the attempt to establish

(41) Copy in Samuel MSS AlOf.1.

as "savings" a greater investment than that required to sustain current or prospective consumption.

> 'It should be plainly recognised that the dependence of capital and labour for employment upon a rising standard of consumption places an absolute limit upon socially useful saving.... the proportion of a community's income which it can save and usefully store up in plant, machinery and other forms of capital is strictly limited by the rate of current or prospective consumption.'

New capital could only be worked if a sufficient number of people, acting from different motives from those which motivated the 'saving class,' spent on commodities a higher proportion of their incomes. If this did not happen, the operation of the new factories would not create increased employment. It would serve only to glut the market, force down prices and drive weaker firms into bankruptcy. This crucial imbalance imparted a chronic irregularity to the level of economic activity and to employment. Hobson's analysis, however, was more than an explanation of the mechanism of the trade cycle; it had explicit egalitarian corollaries. In the maldistribution of wealth lay the malevolent propensity to save of the few and the gross under-consumption of the many. Rather glibly, he assumed an equivalence between unearned and large incomes. 'The reason why attempts are made by individuals to establish more forms of capital than are socially required, is that they possess certain elements of income which are not earned by effort, and which are therefore not required to satisfy any present legitimate wants. There were curious moral overtones in the assertion that socially undesirable saving arose from 'the merely automatic accumulation of an idle surplus of income after all genuine and wholesome needs are fully satisfied.' (42)

The policy implications were clear: trade union pressure for higher wages was a clear economic good, as was public expenditure financed by progressive taxation, since in increased consumption, private and public, lay the resolution of the problem of unemployment. The pursuit of social justice became neatly the interest of all. Extensive quotation from a single article rests upon its representative quality of Hobson's thinking. In the columns of the Nation he was able to disseminate more regularly both his analysis and its implications, the need for redistribution, the recognition by society that unemployment was a social malfunction involving a clear obligation on the state, and, in due time, the value of the government's insurance scheme as a way to maintain consumption in the slump, in terms anticipating Keynes's concept of the multiplier. 'Instead of the failure of demand propagating itself from point to point, each man who is thrown out of work ceasing to consume as he ceases to produce, the insurance funds would come into operation and the stream of demand would continue to flow, while the return to work would find the worker less enfeebled and more ready to resume his normal place in industry.' (43)

(42) Contemporary Review, May 1895, Vol. LXVII, 751-757. (43) Nation, 29 May 1909, Vol. V, 301.

Hobson's emphasis on redistributive taxation and enlarged public spending required some new concept of taxation which would liberate it from the imputation of being an unwarranted burden upon the property of the individual. In his occasional writing, as in his books, Hobson urged the concept of the surplus in harness with more widely held ideas of the social element in property to justify enhanced taxation. Again, one article may be taken as representative of many In the Independent Review of April 1906 he developed more. his concept of the surplus and of unearned increment whose taxation can be defended by 'the positive assertion that it is earned and created by the public activity of a progressive community.... Once admit that social activity co-operates with every productive activity of individuals, the emergence of any sort of surplus income or non-competitive gain in any field of private enterprise must be regarded as socially created income, to which the State, as the representative of the social interest, is entitled to lay claim.' But, crucially, Hobson maintained that this was not socialism; to tax the surplus, arising from a favourable bargaining position in a restricted market, would in no way weaken incentives nor impair legitimate differential earnings. 'The owner or operator of every factor of production must have secured to him whatever share of the income of his business or profession is necessary to make the most economical application of that

factor.' (44) In the columns of the Nation these arguments were regularly rehearsed and the State emerged as the trustee for the social income. 'If there exists today a large and growing income due not to individual action but to social and economic conditions, which is required for purposes of profitable public expenditure, and which can be taken without impairing any sort of individual effort, the taking and the spending of this income surely form the true object of public finance.' (45) But, with equal insistence, and often in the context of differentiating his proposals from socialism, Hobson stressed the value of incentives, the unique contribution of professional and entrepreneurial skills, even when he argued that differential rewards sometimes exceeded their social utility and that the equalisation of opportunity would reduce the element of economic rent accruing to ability. Needless to say, when discussing social problems, Hobson had scant sympathy with the individualist position, alert as he was to the inescapable interaction of the individual and society. Economic and social constraints limited the possibilities of advancement for most, not only in material terms but because the whole environment for most working-class Englishmen frustrated the genesis of higher wants and so atrophied the driving force in individual endeavour. Again, the conclusion

(44) Independent Review, Apr. 1906, Vol. IX, 22-26. (45) Nation, 19 Oct. 1907, Vol.II, 83.

was clear; the active state must repair the ravages wrought by the unregulated market economy. Nor was any of this a mere intellectual exercise. The penetrating analysis provided the basis for political action, which would, in the dark days, revivify the Liberal party and in the moment of its triumph guides its endeavours in office.

In the Liberal press, the exponents of the New Liberalism. could communicate their ideas more widely, ideas which on balance were consonant with their more extended writings. Of course, even this audience was limited and selective. The Speaker's circulation never exceeded 4,000 and its successor, the Nation, in Massingham's vigorous hands raised this to little more than 5,000. The Westminster Gazette, so highly regarded, sold some 27,000 copies; the Daily News at its nadir during the Boer War, 30,000, from which depth it expanded steadily to reach 400,000 after it reduced its price to  $\frac{1}{2}d$  and launched a northern edition printed in Manchester. These figures give some point to Richard Stapley's observations to Herbert Samuel when the Progressive Review, of which he had been a director, collapsed in July 1897. 'I do not think you need have any fears about injury to the progressive cause. (46) Personal disputes among the directors no doubt coloured this dismissive assessment, but it reminds us that the audience was limited. Even so, the Liberal press provides some measure of

(46) Stapley to Samuel, 18 July 1897, Samuel MSS AlOf.35.

the extent to which educated, informed, progressive opinion was concerned about social problems and the terms in which those problems were assessed.

## III

The broad impression is of a public opinion considerably exercised by social problems though at no time did their discussion dominate either news or editorial columns. From time to time there was effective, graphic reporting, detailed discussion of the dimensions of specific problems and, to an impressive degree, a willingness to draw in the experience of continental states, particularly though not exclusively Germany, and of the self-governing colonies. At the same impressionistic level, there is evidence of a growing. momentum - comparatively little discussion before the end of the Boer War, a good deal more thereafter as many of these issues became matters for political controversy as well. It would be beyond the limits of this study to survey the whole discussion over 20 years across the range of social problems. Some consideration of the approach of the Liberal press to three areas - unemployment, land reform and taxation, and the complex problems of poverty and the poor law - may serve to give precision to an otherwise general impression.

Perhaps unemployment should have priority; no other problem so centrally demonstrates the insecurity of life for many in industrial societies. Perception of its causation and its appropriate treatment epitomise broader attitudes to the

nature of such societies, to the responsibility of the individual for his own condition, to the role of conscious intervention by governments in the amelioration of complex economic and social problems. The most striking aspect of contemporary discussion was the growing acceptance that unemployment was, indeed, a problem of society, which demanded understanding and government action. 'These periodical depressions must have their causes; and the discovery of the causes is the most important problem, practically and theoretically, that Political Economy has yet to solve.' (47) Insecure employment and an inadequate environment were like 'elaborate machines for the breaking down of the forces of human character' whose destructive force could be halted only by 'the operation of a national interference and concern.' (48) Unemployment must be recognised as 'the great tragedy of modern industrial life' and 'the most difficult problem of domestic statesmanship.' (49) Not surprisingly, the press revealed a growing sophistication in its comprehension of what it increasingly understood as a complex problem. On 20 December, 1902 the Manchester Guardian urged the need for statistical information about its scale and incidence through 'agencies perpetually surveying and dealing with unemployment' so that there might develop 'a scientific and constant consideration

- (48) Daily News, 2 Sept. 1905.
- (49) Manchester Guardian, 14 Dec. 1908.

<sup>(47)</sup> Independent Review, Jan. 1905, Vol. V, 481.

of unemployment.' To a degree, the press answered this plea. At least it successfully identified the many facets of the problem in language pointing towards later concepts of cyclical, frictional and structural unemployment, as well as to the more peculiarly contemporary problem of casual labour, whose presence loomed large - a reservoir of 'the idle, the weak, the maimed, the old, the vicious, the physically tired.' (50)

Deepening understanding prompted a general, if sometimes reluctant, recognition that unemployment went beyond individual responsibility. In the Liberal press re-iteration of the staunchly individualistic position became rare, though the categorical assertion of the Rev. Wilson Carlile in the Fortnightly Review for December 1905 reminds us that elsewhere that view was still tenable. 'The only radical and If we lasting cure is a reformation in the individual man. could cut away idleness, drunkenness, want of social responsibility, from our countrymen, the problem would not be very far from solution.' (51) That confident judgment about the ultimate solution of a chronic and complex problem reflected, perhaps, a long experience in Church Army Labour Homes. In the Liberal press, however, comment increasingly echoed W.H. Beveridge's simple assertion that 'unemployment is

(50) Speaker, 21 Feb. 1903, Vol. VII, 505.
 (51) Fortnightly Review, Dec. 1905, Vol. LXXXVIII, 1073.

not to be explained away as the idleness of the unemployable. (52) or Harold Spender's opinion that 'the fate of the unemployed workman in our modern civilisation is so terrible and seems so undeserved, that none can marvel at the sympathy which his lot provokes.' (53) Nor, given the low earnings of those most vulnerable could individual thrift provide a barrier. 'These men are too badly paid to safeguard themselves by saving; they are too deserving simply to be shown the way to the workhouse.' (54) It was seen to be impossible 'to leave the individual to solve single-handed what has become a social difficulty.' (55) If unemployment were the product of an illorganised economic process - 'a necessary incident of our haphazard system of competitive and individualistic industry' (56) - then properly the state should accept the burden, not the individual.

More sophisticated understanding by contemporaries of the many facets of unemployment prompted the exploration of a variety of solutions. By 1907 insurance was becoming acceptable as the appropriate means for protecting particularly the skilled against cyclical unemployment coupled with the forward planning of programmes of public works and public spending 'to counteract the industrial ebb and flow of demand by inducing a complementary flow and ebb.' (57) The problems of the casual,

(52)	Contemporary Review, Apr. 1908, Vol. XCIII, 386.	
(53)	Contemporary Review, Jan. 1909, Vol. XCV, 25.	
(54)	Manchester Guardian, 10 Jan. 1903.	
(55)	Manchester Guardian, 22 Feb. 1904.	
	Daily News, 7 Sept. 1908.	
(57)	A.L. Bowley in the Westminster Gazette, 27 Mar. 1907	7.

the unskilled, the so-called residuum, were recognisably more difficult; here education and training, a determined effort to improve the urban environment, were identified as long-In the shorter term, projected solutions term solutions. seemed more draconian: the resort to farm colonies or labour colonies. Here an older concept of individual responsibility died hard; it was as if men must abandon casual labour whether they liked it or not, surrendering 'the freedom to work one day and lie in bed the next, the freedom to be disorderly and inefficient without seriously affecting their gambler's choice of work.' (58) The dilemma was nicely put by the Manchester Guardian on 5 August, 1905. 'How far is it possible for the community to provide work in times of distress, which the unemployed may claim as a right, without injuring the selfrespect of a good workman or creating a class of loafers whose profession will be "unemployment?"! The leader writer did not attempt an answer but the dilemma remained and in its way represented deeper tensions in the New Liberal position.

In all this discussion one senses a search for expedients because there was no fundamental understanding. The <u>Manchester</u> <u>Guardian</u> made the point in the context of a debate in the House of Commons in 1908. 'No subject in politics could have produced so many arguments from so many different points of the compass and so few that stood in any visible relation to each

(58) W.H. Beveridge in the <u>Contemporary Review</u>, Apr. 1908, Vol. XCIII, 386.

other, such wide interest and so little common ground of theory.! (59) Curiously, three years earlier its leader columns had offered a rare recognition of possible fundamental causes. 'There remains the still small voice of the economist, pointing out that only by a reform in the distribution of wealth, by making the potential demand of the working class an effective demand - in short, by raising the standard of consumption - can we hope to reach the evil at its very source.' (60) On occasion both the Daily News and the Nation offered their readers Hobsonian explanations of the trade cycle with the startlingly modern solution - the regulation of over-all demand to secure full employment. (61) For all Hobson's persistence and skill in exposition the recognition that he provided an intellectual framework for unemployment policies advanced slowly. However, the absence of a generally accepted explanation in theoretical terms leaves untouched the broad recognition of unemployment as a social malfunction inviting legislative and administrative solutions.

The contemporary discussion of unemployment necessarily impinged on the wider issues of poverty and pauperism. The Poor Law, and its underlying assumptions, found few defenders in the Liberal press, which expressed a sympathetic concern with 'the horror felt by the respectable poor of falling into the hands of the Poor Law.' (62) Reform of its administration

- (61) Daily News, 8 Jan. 1908. <u>Nation</u>, 18 Feb. 1911, Vol. VIII, 827.
- (62) F.H. Burrows, 'The Reform of Poor Law Administration,' <u>Contemporary Review</u>, Aug. 1904, Vol. LXXXVI, 205.

<sup>(59) 31</sup> Jan. 1908.

<sup>(60) 8</sup> Feb. 1905.

and objectives was long overdue in response to public perceptions of the problem of poverty and massive changes in Effectively, the Poor Law had broken down 'in its nature. face of the modern problems of child poverty, of the helpless old age of the industrial worker, of the recurrent unemployment due to the caprices of supply and demand.' (63) The way ahead lay in recognising a collective responsibility discharged through 'a series of State functions, operating in the interests of the community and of the individual alike, to avert and arrest the evils incidental to all men but with which poverty cannot cope unaided,' (64) principles which the Manchester Guardian found embodied in the Minority Report of the Poor Law Commission. Nowhere was this concept more forcefully put than in the Nation. 'We have been forced to recognise that it is through no special failure of character, but through the hard, blind operation of grinding economic forces, that some thirty per cent of the people of the richest country in the world live in a condition of poverty.' (65) This poverty was self-sustaining and only the conscious action of the State could liberate people from the self-perpetuating circle, for the whole stunting environment destroyed all prospect of selfimprovement. 'They cannot rise out of the mud. The mud is not of their own creation, nor the creation of their class.

- (64) <u>Manchester Guardian</u>, 18 Feb. 1909 (65) <u>Nation</u>, 4 Jul. 1908, Vol. III, 477.

<sup>(63)</sup> Manchester Guardian, 3 Aug. 1905.

It is the result and refuse of our economic system.' (66) Only heroic endeavour could liberate the individual from this quagmire.

To conceive poverty thus constructed a new frame of reference for specific aspects of the total problem. The aged poor were entitled, as of right, to support from society's resources as 'a recognition at once of the solidarity of society, and of the actual economic situation produced by the play of industrial forces in the modern world.' (67) Low wages invited serious consideration of a minimum wage as a first charge on industry; in due time treating labour as a commodity would seem 'a stupidity equalled only by its cruel injustice.' (68) The physical environment, urban and rural, must be improved by active local authorities, not only vigorously enforcing existing legislation, but endowed with wide powers of compulsory purchase and control, in order to renew an urban environment 'appallingly mean, sordid and degrading.' (69) Here the discussion moved inextricably into another continuing concern, land reform and land taxation, in so many ways the appropriate transition from old Liberal concerns to new.

(66)	Daily News	, 23 Dec.	1902.	
(67)	Nation, 16	Mar. 1907	7, Vol.	1, 104.
(68)	Daily News	, 23 Dec.	1902.	
(69)	Manchester	Guardian.	6 Aug.	1907.

The old popular radical cry of the identity of interest between active wealth creators, entrepreneurs and workmen alike, against passive, parasitic landed wealth merged with new perceptions and new goals; the positive state, enlarging its activities through progressive taxation, the social view of property, the myriad problems represented as social mal-Indeed, land reform and land taxation seemed often function. Small holdings, by halting the drift to the the panacea. towns, would ease both over-crowding and the competitive downward pressure on wages, while taxation of site-values and increment would bring land on to the market, provide a realistic basis for local authority purchase and remove the constraints imposed on local authorities by limited funds. Here was a case of the Hobsonian taxable surplus which most Liberals could recognise; it seemed wholly appropriate 'to tax site values enhanced by the enterprise and by the outlay of great and growing communities, so as to relieve the congestion of the towns by bringing land into the market for the public good, and add to the funds available for social reforms.' (70)

Although much of the discussion was directed towards entirely practical matters, often in a pragmatic way, there was also a degree of self-consciousness about it, a recognition that the content of discussion rested on novel concepts. At this level, recognisably, what the New Liberal publicists

(70) Francis Channing in the <u>Independent Review</u>, Oct. 1906, Vol. XI, 77.

offered began to inform the whole tenor of debate. Philip Snowden put it precisely. 'The whole tendency of mental development during the last decade has been from the individualistic conception of reform. from the idea of individual responsibility for existing evils, and of the sufficiency of individual effort to remove them, to a conception of the social character of the problems, and to a conviction that collective effort on collectivist lines must be the method of dealing with them.' (71) In this matter the spokesman of the I.L.P. was at one with the Dean of Ripon, W.H. Fremantle, who equally saw enlightened opinion moving towards the concept of society as commonwealth, whose political outcome would be to 'turn the whole force of government to the amelioration of the lot of the weaker classes of the community, and undertake in common those parts of our life which we cannot take care of by ourselves,' (72) and with Canon Scott Holland who urged that 'legislation should witness to the corporate brotherhood of man with man.' (73) The organic view of society, the sense of social solidarity as against an atomistic individualism, underpinned the approach to particular issues. 'The public mind has awakened of late years to a sense of responsibility towards the poorest members of society in a manner which has shaken

(71) Independent Review, Aug. 1905, Vol. VI, 132.
(72) Nineteenth Century, Apr. 1897, Vol. LXI, 319.
(73) Progressive Review, Jan. 1897, No. 4, 321.

to their foundations all preconceived ideas of the matter held by those who were supposed to know about it.' (74) State interventions were a necessary acceptance of common responsibilities, whose discharge would enlarge the liberty of individuals and by so doing dignify and consolidate the social fabric.

Through the columns of the Liberal press there developed a creative relationship between a sea-change among informed opinion and the New Liberal publicists, who at once reflected and refined and extended contemporary perceptions of society. For committed Liberal journals the relationship went rather deeper as they came to share the New Liberal contention that the Liberal creed itself must be re-stated. 'The truth is forced upon us that it is precisely the absence of clearly thought out principles.... that has destroyed the nerve and paralysed the efforts of Liberalism in our own day. The hope for the future of the party of progress must depend largely upon the efforts of thinkers - not thinkers of the study, but thinkers in close contact with the necessities of our national life, to restate the fundamental principles of Liberalism in the form which modern circumstances require. (75) The Liberal press came to share their conviction that any body of belief drew its vitality from continued re-definition in response to changing social realities and that this re-

(74) <u>Westminster Gazette</u>, 24 Aug. 1909. (75) <u>Manchester Guardian</u>, 17 Dec. 1904.

(75)

appraisal must crucially alter the relationship between the State and the individual. Liberals should 'no longer look upon the State as a necessary evil, or its interference as a disagreeable necessity.' (76) Welcoming Hobson's Crisis of Liberalism, the Daily News argued that the persistent Liberal concern with individual freedom had moved beyond the breaking down of political privilege to recognise that the whole social and economic structure might well impose a tyranny as constricting as political tyranny. Given this reality of complex modern societies, 'Liberalism must increasingly do its work of redemption by utilising the power of the State.' (77) Such perceptions move the argument crucially forward. It is one thing to see in the Liberal press a growing concern with social problems and a marked tendency to examine these in collectivist terms, drawing in ideas and concepts developed by the exponents of the New Liberalism. It is another matter how far all this was related to political discussion, which explicitly defined these issues as the very stuff of party politics, from which would spring the renaissance of the party's fallen fortunes and which, in due time, would invigorate a Liberal government in office. Judgment on the influence of the New Liberalism, weighed through the press, depends very much on this relationship. It was a relationship

(76) <u>Manchester Guardian</u>, 21 Mar. 1905. (77) <u>Daily News</u>, 16 Dec. 1909.

belatedly explored; hardly at all before the Boer War, not decisively even by January 1906. For some Liberal journals one thinks of the <u>Westminster Gazette</u> and the <u>Daily Chronicle</u> - the discernment of social radicalism as the essence of political Liberalism came in response to events, to the legislation of the Liberal government after 1908, even more to the conflict with the House of Lords. To read the Liberal press is to become aware of the party's almost obsessive concern with its personal feuds and clashes over policy which at once occasioned and nourished those feuds; but it also reminds the reader of the persistent vigour, sometimes virulence, of the older Radical concerns. For all too long, the party emerges from the columns of the Liberal press as inward-looking and locked in the memories of older battles.

IV

The reaction to the defeat of 1895 was partly to see it in tactical or organisational terms, partly in terms of internal divisions which prevented concentration on significant issues, though the definition of these varied with editorial taste as did the apportioning of blame among a divided leadership. The analysis of defeat pre-empted the range of discussion about the party's recovery. The need for some fundaamental re-appraisal is stated so rarely that it commands attention. The <u>Daily Chronicle</u>, then under H.W. Massingham's direction, argued on two occasions in the autumn of 1895, that

the party could not regain its moral fervour without a redefinition of its creed. 'The new Liberal party will have to approach the social problem in the same spirit of intellectual thoroughness and moral devotion as inspired their predecessors in solving the question of the franchise, of religious freedom, and national independence.' (78) The principles of a new Liberalism must be defined and vigorously stated, for it was the absence of a strong intellectual lead and a coherent body of ideas and principle which had enfeebled the party. The conclusion in programmatic terms followed. ' A policy of social justice, clearly conceived and then firmly and consistently stated, is the only possible ground for a renovated Liberalism.' (79) But these were isolated observations, in no sense part of a sustained campaign.

Elsewhere the party's sectionalism and the importunate insistence of its faddists on attention to their favoured causes attracted unfavourable comment and were identified as perennial sources of weakness in government and in opposition. The <u>Speaker</u> roundly condemned 'small sections of the party, without any real weight or authority in its councils, trying by mere noise, and by the use of strong language in their organs of the press, to bend it to their own wills.' (80)

(78) 14 Oct. 1895. (79) 23 Nov. 1895. (80) Speaker, 17 Oct. 1896, Vol. XIV, 404.

That sentiment was widely echoed and the party's impotence and disunity squarely attributed to their pressures whose ultimate result would be to turn the party into 'groups of haggling specialists devoid of any great common principles." No party can survive 'if it is constantly being called upon to stand and deliver any reform in which any considerable group of its supporters is particularly interested.' (81) The distaste for sectionalism produced. in turn, a sharp reaction against programmatic politics since, in retrospect, the Newcastle Programme seemed a congeries of hobbies inflicted upon the party through local caucuses, only the most damaging example of 'our perverse habit of spinning programmes and wrangling about the priority of measures which we have as yet not even the chance of promoting.' (82) The numinous aura of Liberal principle was enough, in good time, to restore the party's fortunes, though Liberal journalists found that principle hard to define precisely and warily eschewed exploring possible relationships between principle and policy. It was comforting to recognise that 'Liberalism is a natural force which would re-assert itself in the country though there were no leaders or a dozen leaders too many, though we had no programme or twenty programmes.' (83) Liberal principles were

(81)	Manchester Guardian,	1 Jul. 1898, 19 Nov. 1	896.
	Westminster Gazette,		
(83)	Westminster Gazette.	26 Feb. 1898.	

sacrosanct; their precise meanings would emerge in response to events and the misdeeds of the Unionist government. 'Our programme in its final form and order will be developed by friction, and the chief seats and nature of the friction cannot yet be forecast.' (84)

The Liberal press contented itself with responding to the legislation of Salisbury's government. These responses confirmed old passions and served, in its own eyes, to display Liberal rectitude in defence of the national interest against the rapacity of those vested interests entrenched in the Unionist party whose government legislated so that 'the landlord and the parson may be allowed to put their hands into the public purse.' (85) The tone of so much editorial comment suggests that it was in old Liberal causes that passions were engaged, not in indignation at social deprivations. Rancour against the landed class and the Established Church inspired comment on the Education Bill of 1896, the Agricultural Rating Act and the Tithe Rent Charge Act, all stigmatised as attempts to subsidise the friends of the government from the public purse. The Daily News' comment on the second of these was representative of many more. 'It takes money from the public for the benefit of a particular class.... Bribes or doles of this sort are bad policy. They rob the taxpayer to enrich a privileged order.' (86) In the end, opposition to measures so

<sup>(84)</sup> Manchester Guardian, 5 Nov. 1895.

<sup>(85)</sup> Daily News, 30 Jan. 1896.

<sup>(86) 22</sup> Apr. 1896.

manifestly self-interested would bring its electoral reward. Toryism had shown its old face - 'a cause identified with the promotion of the interests of classes and sections, a cause always antagonistic to the rights and claims of the mass of the people (87) - and retribution would follow. Programmes were unnecessary as the Liberal party exploited 'the natural opportunities of developing our policy by attacking our opponents.' (88)

The reluctance to engage in programme building, let alone any more fundamental re-appraisal of the Liberal creed, was compounded by the compelling diversion of the struggles within the leadership. Just as these frustrated any search for new directions by the parliamentary party, so they provided ample opportunity for editorial analysis and, if need be, further explanation of the party's impotence. Quite rightly the Manchester Guardian, reflecting on the likely consequences of Rosebery's resignation, saw the danger that the party would 'spend on these internal differences the strength and the energy which ought to be concentrated on national objects' and the consequence of permanent personal feuds and dissension would be 'goodbye for many a long day to the power and usefulness of the Liberal Party.' (89) The plea for conciliation went unheeded, even by the Manchester Guardian

(89) 12 Oct. 1896.

<sup>(87)</sup> Speaker, 26 Mar. 1898, Vol. XVII, 374.

<sup>(88)</sup> Westminster Gazette, 21 July 1898.

itself and the Liberal press faithfully reflected the divisions within the leadership. As it sided with Rosebery or Harcourt or Morley, the press did little to moderate the bitterness The atmosphere conduced to a view of politics engendered. which concentrated on personalities and the external issues which they symbolised. For some, like Wemyss Reid in the Speaker or the Daily News until the change in control, all would be resolved by Rosebery's return, restoring authority within the party and bringing it into harmony with a powerful popular mood. Even the Westminster Gazette which sought to play a moderating role saw merit in this. 'The feeling that a more forcible lead is required in the politics of the moment, which are chiefly foreign politics, recalls Liberals to the fact that they have within their own ranks at the present moment the statesman whose reputation in that sphere stands higher and is less damaged than that of any statesman now living.' (90) To others, notably C.P. Scott in the Manchester Guardian, Rosebery and his Liberal Imperialist acolytes had suborned the party from its Gladstonian inheritance. Until this influence was purged the party would lack the moral fibre to claim or even deserve office.

The Boer War served only to bring into sharper and dramatic relief trends already well-established in the Liberal press. Quite properly it dominated editorial concerns for

(90) Westminster Gazette, 29 July 1898.

three years but. for Liberal newspapers, analysis of the conduct of negotiations in 1899, of the conduct of the war, of the approach to a settlement with the Boers, was inextricably intermingled with the bearing of these issues on the Liberal party's internal wranglings, in tones shrill, intolerant and exclusive. Not only did these matters absorb editorial energy, they also provided in September 1900 an all-inclusive explanation for another electoral defeat. 'The record of the party during the last five years would in any case have been sufficient to make success impossible. At such a moment the country would not have entrusted its fortunes to a party which has so entirely mismanaged its own affairs. (91) Given that 'the inability of the most prominent Liberals to combine in a strong and harmonious council was a lamentable fact' (92) there was no need to look further for explanations of a more fundamental kind. It was this which has destroyed the morale of the rank and file and atrophied the party's local organisations. Once vigorous leadership within a comprehensive party was restored all would be well. Then it would be possible 'to revive and keep alive the knowledge of Liberal principles and history, the zeal for civil and religious liberty, the intelligent desire for reform, the comprehensive spirit which enables men of all ranks and classes to work together for sound political and social ends. (93)

(93) Daily Chronicle, 20 Oct. 1900.

<sup>(91)</sup> J.A. Spender, 'The Patriotic Election - and After,'

Contemporary Review, Sept. 1900, Vol. LXXVII, 755. (92) Daily Chronicle, 17 Oct. 1900.

A press absorbed by the party's internal wrangles gave scant attention to what those ends might be. For many years discussion of social questions was muted. Indeed the most diligent search in the Westminster Gazette and the Speaker would reveal but a handful of references over these years. The cool, almost churlish, response to the letter of a group of progressive clergy led by Charles Gore and Scott Holland addressed to the Liberal Chief Whip, Tom Ellis, in January 1897, proposing a compromise on Education and the abandonment of Disestablishment as an objective, in order to facilitate a joint approach on social questions, suggests that some organs of the Liberal press preferred well-trodden battlefields. The Speaker, on occasions, seemed to reject outright novel approaches to social questions. It welcomed the Six Essays in Liberalism as 'this sturdy protest against the wishy-washy Collectivism which has infected both parties but has done most to damage the Liberals.' (94) After Wemyss Reid's departure, it represented the Boer War as an absolute obstruction to new initiatives in social policy.

Even those journals which occasionally recognised the need for a new stance never pursued their observations vigorously or extensively, nor significantly did such references arouse any response in their correspondence columns. On

(94) Speaker, 10 Apr. 1897, Vol. XV, 409.

20 May 1896 the Daily News urged Liberals to show that they understood the aspirations of ordinary folk - 'it is essential that the Liberal party of the future should cease to exclusively base its policy upon the propaganda of a middleclass political organisation, and seek to secure the sympathy of the working-classes, by the active promotion of those land, labour and social reforms in which they are profoundly interested.' This observation perhaps owed more to the occasion - a statement by the Radical Committee, an ad hoc group of MPs including Labouchere and Dilke, for whom the Daily News had no great love - than to any editorial desire to move the party in new directions. Certainly it was an isolated comment. In January 1899 it published a series of articles, 'Liberalism Old and New,' which included an unrepetant assertion of the old Liberal creed by James Annand, asserting the primacy of political objectives and warning that Fabian collectivism was the resumption of old fetters, 'an increase of corporate supervision upon the lives of individuals' involving 'incompetent and paralysing State supervision.' The riposte by an anonymous contributor advocated a pragmatic collectivism, informed by attention to working-class rejection of the ugliness of squalor and the humiliation of pauperism and by middle-class awareness that these conditions made a mockery of individual freedom. (95) The Manchester Guardian from time to time reflected this kind of concern; on 4 February.

(95) Daily News, 11 Jan., 13 Jan. 1899.

1898 it argued that 'in domestic politics the real question of our time is whether anything can be done by law or government to improve the conditions of the mass of the people' and admitted on 23 March that 'people are hungry for social reform and have largely lost interest in changes of constitutional machinery.' It was more than a year before it struck this note again. On 26 May, 1899 it argued that 'the function of Liberalism at the present day is to work out the natural sequel to the old work of political emancipátion.... to open out fuller and fairer opportunities to all men and women in the land.' Significantly this role was equated with the party's continuance as a great popular party - but again, apart from a leader on 7 July, there was no development of the theme.

From time to time specific social issues were given some prominence. Both the <u>Speaker</u> and the <u>Daily News</u> gave some weight to housing questions, the latter running an extended series of articles over the winter of 1899-1900 and again in April-May 1902. Although the <u>Daily News</u> was clear that no economic or social system was tolerable which could not house its people decently and recognised the blighting effect on individual lives, it was reluctant to enlarge State action beyond regulatory functions. Old Age Pensions also attracted comment, usually on specific occasions like the Report of the Select Committee in July 1898. Responses varied; the <u>Daily</u> <u>News</u> agreed 'the sentimental case for State Pensions is very

strong' but was uneasy at the cost. (96) The Speaker also extended a cautious welcome. It was the Manchester Guardian which most firmly rejected the individualist argument, seeing Old Age Pensions as justice not benevolence, one way of redressing through State action the tendency of market forces to concentrate wealth, a conjunction of argument which is interesting. 'A very great proportion of the increased wealth of the community, all that is known as "economic rent" must pass under present conditions into the hands of a comparatively small class, that this element of wealth is due not so much to the exertions of any assignable individual as to the general growth and energy of the community, and that it is very desirable that the community should lay it under" contribution for common needs.' Old Age Pensions was just such a common need, vital to improving the lot of the manual worker by "assigning to him a small fraction of the enormously increased wealth which he helps to create and which the play of supply and demand in competitive industry will not give him. (97) The third issue to which the Liberal press gave some attention and spoke with unanimity was land taxation and land reform, rehearsing arguments which formed an important element in Liberal discussion over subsequent years.

Such references were scant; significantly when they were discussed editorially they did not form part of a sustained

<sup>(96)</sup> Daily News, 8 July 1898. (97) Manchester Guardian, 23 Feb. 1899.

campaign nor were they related to Liberal programmes. It is to journals which stood outside the main stream that we have to look for emphasis on social radicalism as the appropriate major commitment of the Liberal party. The short-lived Progressive Review, organ of the Rainbow Circle in which Herbert Samuel and J.A. Hobson were active and of which Ramsay MacDonald was secretary, maintained from the outset that only by reflecting contemporary concern with 'the sharp antithesis of riches and poverty, toil and labour, the wide inequality of all economic opportunities' and 'the ever-deepening, everwidening dissatisfaction with many of the most distinctive features of our material and moral civilisation' could the Liberal leadership halt the perva sive disenchantment with Liberalism which would surely bring 'the disintegration and enfeeblement of the great political party whose watchword has been Progress.' Social questions should stand at the forefront of politics and this priority must rest on "a reformation and re-statement of the principles of Progress' in terms which recognised 'that the State, as the organised intelligence and will of the community, is destined to play a large part in ordering the life of the future' and scotched, once for all, 'the pernicious fallacy of that antithesis of State and Individual.' (98) This was a lonely and ephemeral voice, whose plea to give priority to social questions was consistently

(98) Progressive Review, Oct. 1896, No. 1, 1-6.

echoed only by the <u>New Liberal Review</u>, founded in February 1901 with Harmsworth support, to disseminate the view of Liberal Imperialists. From a rather different standpoint it urged that Liberalism by definition was a changing concept, which must now bid actively for workingclass support by positive programmes of social reform; which must recognise the demoralising effects of the present extremes of wealth and poverty and seek to narrow them; which must look 'to cooperation organised by the State rather than to the free play of competition for the improvement of the people' and reflect in its policies that 'free scope for self-development is the ideal of modern reformers.' (99)

The ending of the Boer War, quickly followed by the Education Act, Tariff Reform and the Licensing Act relieved both party and press from introverted obsession with their own factionalism. Yet unity and the beckoning horizons of electoral triumph might prove as deadening as disunity and electoral disaster. To rally round old standards offered the appearance of political vitality while the reality was relaxation in that lotus land where the Liberal purpose remained for ever obscure. Spender's <u>Westminster Gazette</u> and Donald's <u>Daily Chronicle</u> came very close to this position, their whole editorial thrust directed at Protection and the embarrassment of Balfour's administration. Quite deliberately, they eschewed the development of a Liberal programme and

(99) New Liberal Review, Feb. 1901, No. 1, 20.

appeared to find this self-denial a condition of Liberal success, which in any case was little more than 'a question of inducing some half-dozen eminent men to work actively and cordially together, so that the public may be persuaded that they can and will form an efficient Government.' (100) The Opposition must appear as a credible government, capable of halting and reversing Unionist excesses. 'The question before the Liberal Party is not how it will manufacture a programme, but how it will find time, power and ability for dealing with the subjects which are accumulating on its hands.' (101) The over-riding importance of the fiscal issue, the absolute necessity to construct the broadest possible coalition against Protection reinforced the argument for caution, since it was imperative 'to enlist and keep the sympathies of those who are not enamoured of progress and reform, though they fear reaction.' (102) Even journals who advocated more positive responses luxuriated in the old passions, evoked by Unionist measures, and established the party's popular credentials by drawing the contrast with Unionist tenderness towards vested The Education Act was 'designed to fasten sacerinterests. dotalism on the nation for ever at the expense of the rates. (103) The Licensing Act was yet another manifestation of Toryism's predilection for approaching all questions 'in the temper of an

(103) Daily News, 1 Nov. 1902.

<sup>(100)</sup> Westminster Gazette, 18 Feb. 1903.

<sup>(101)</sup> Westminster Gazette, 17 Nov. 1905. (102) Daily Chronicle, 22 Feb. 1904.

advocate briefed by the socially more powerful side' for this was 'a vicious piece of class legislation as well as a dangerous piece of social legislation' dictated by the interests of brewers and publicans. (104) The fiscal question was examined at many levels but it too could be fitted into the Protection would reinforce 'the rule of corrupt same scheme. monopolies in politics' and hand over the people to !a set of rapacious interests.' (105) These issues dominated the Liberal press, which drew from them all the same conclusion. 'Toryism is always the same - the enemy of popular liberties and the friend of every kind of private plunder.' (106) It was fatally easy to display Liberal probity simply by reference to Unionist iniquity in the hope that the preferences or prejudices of the electorate would bestow the parliamentary kingdom upon the righteous.

Editorial reluctance to define positive alternatives makes understandable a letter to the <u>Daily Chronicle</u>, signed 'Reformer,' which ventured 'to ask if it is not necessary that we should have a constructive policy of our own.' (107) Some Liberal commentators shared this concern. <u>The Independent</u> <u>Review</u>, founded in October 1903 at the moment when the Liberal revival was gathering momentum, made this the key-note of its first number. In its eyes the party had all too faithfully followed Rosebery's advice at Chesterfield, though hardly as

(107) 14 Jan. 1903.

<sup>(104)</sup> Manchester Guardian, 16 Oct., 28 Mar. 1903.

<sup>(105)</sup> Daily News, 14 Jan. 1904, 2 Nov. 1903.

<sup>(106)</sup> Daily News, 25 May 1903.

he intended. 'They obeyed the command with scrupulous fidelity, and ever since have religiously refrained from soiling the slate's purity with any further experiments in calligraphy.' Now was the time to abandon this negative approach and define a programme, for 'if the Liberal party persists in marking time while the people clamour for advance, it will alienate all its best supporters.' (108) Others recognised the importance of defining 'a Liberal alternative to Chamberlainism' (109) and protested against 'a foolish prejudice these days against a formal programme.' (110) Given the necessity of burying the Protectionist monstrosity for ever beneath a resounding Liberal majority, the party must make 'a strong and comprehensive appeal to the whole " Progressive forces' and this could best be found in 'a vigorous social programme founded upon the needs of the people.' (111) The Independent Review could maintain with some confidence that 'the idea that Social Reform is the prime business of the Liberal Party in this age of ours is slowly gaining ground. (112) This kind of reflection coupled with sheer indignation at Tory perversity led the Daily News, at least, to some startling assertions of the need for radical social change, which would liberate the country from the stultifying grip of 'that paralysing system of caste and inequality which penetrates our

<sup>(108)</sup> Independent Review, Oct. 1903, No. 1, 5,9.

<sup>(109)</sup> Manchester Guardian, 29 Jan. 1904.

<sup>(110)</sup> Daily News, 13 July 1903.

<sup>(111)</sup> Daily News, 19 Sept. 1903.

<sup>(112)</sup> Independent Review, Nov. 1905, Vol. VII, 246.

national life. (113)

From all this, the lineaments of a programme emerged if in rather general terms: reform of taxation, housing, education, temperance, reconstruction of the poor law, but, above all, land reform, the one continuing theme developed in detail and represented in the Speaker's phrases as 'the heart of serious social policy' and 'an indispensable and capital part of any scheme of urban reconstruction.' (114) Significantly when the Speaker, which even under J.L. Hammond's editorship had been a little coy on these matters, published a major series of articles on social questions, subsequently published under the title Towards a Social Policy, it was the land which enjoyed a preponderant attention - six of nineteen articles published between 22 October 1904 and 11 March 1905. On balance, the Liberal press by the end of 1905 was showing some sympathy with collectivist social reform, but this was true neither of the Westminster Gazette nor the Daily Chronicle and in the Speaker it came comparatively late and remained muted. Moreover, it was older issues which raised the fiercest passions and absorbed editorial attention day by day, partly because these were matters of immediate controversy, but also, one suspects, because these still came closest to the hearts of many Liberals and editors knew their readers. Certainly between the formation of Campbell-

(113) 16 Oct. 1903.

(114) Speaker, 14 May 1904, Vol. X, 153.

Bannerman's government and the last election returns it was these issues which dominated the Liberal press. Seen through the eyes of leader writers it was an election about Free Trade, about Chinese Labour, about sectionalist legislation, about Unionist extravagance and mismanagement. The Liberal alternative was hard to discern.

## IV

Reaction to the election triumph, so massive in its scale, struck rather a different note, immediately and in a longer term. The dramatic turn round in electoral fortunes invited fundamental explanations. H.W. Massingham, in the Contemporary Review for February 1906, argued that 'the swelling of the industrial vote and the manner of using it testify to a new conception of the meaning of democracy. The Liberal government must respond by its overt commitment to social reform, a course which would be urged on it by the Labour party and by social radicals within the parliamentary Liberal party for the election had seen 'the growth within its ranks of a body of students of social problems closely in sympathy with Labour.' (115) Massingham would not have claimed to speak for the Liberal party at large but others echoed the view that from now on success for the party depended crucially upon its success with the working-class. The Speaker also felt that the real significance of the election was that working people, hitherto 'the uncomplaining rank and file of

<sup>(115)</sup> H.W. Massingham, 'Victory and What to do with It.' Contemporary Review, Feb. 1906, Vol. LXXXVIII, 268.

the armies of privilege, intolerance and monopoly,' had at last 'seized the realities of politics in a new spirit.' To this awakening the government must respond through its zeal for social reform and would be encouraged to do so by the presence in the parliamentary party of many MPs 'active in pushing forward examination of England's social diseases.' (116) Editorial comment in the dailies, particularly the <u>Daily News</u>, followed similar lines. For the Liberal press, it was not so much that social radical programmes had won the election of January 1906 but that reflection on the significance of that election taught them that it was in such programmes that the Liberal party's future lay.

Of course, the issues reflecting the older stuff of Liberalism continued to attract comment; they constituted the political ground for 1906-7 and the Liberal press recognised that the government's initial legislative programme had been necessarily determined by its predecessor since 'the election represented a demand that legislation and policy should be reversed in certain important respects.' (117) The Education, Plural Voting and Licensing Bills were seen as important measures but the more time they occupied the greater the frustration in much editorial comment, a concern lest the reforming Parliament with its enthusiastic majority would be

(116) Speaker, 20 Jan., 3 Mar., 1906, Vol. XIII, 382, 514. (117) Westminster Gazette, 2 Apr. 1906.

that 'the energy of the new majority is being wasted and dissipated although 'the harvest of legislation is meagre and pitiful when compared with the importunate needs of the The defence of Free Trade continued to nation.' (118) exercise the Liberal press, particularly the Westminster Gazette and the Daily Chronicle, the papers most cautious in their endorsement of social reform. Even here there was a significant change of tone which suggests that the Liberal press increasingly related issues to Liberalism's new found social radical purpose. The Westminster Gazette argued that 'the eventual success of the Government depends on its justifying Free Trade through its social policy.' (119) When the Daily Chronicle expressed a similar view it a dded the caveat that 'such reform should be on lines which commend themselves as just, reasonable and prudent to the sober sense of the country.' (120) These judgments could be put more forcefully. There was an imperative political need to show that 'Liberalism has some remedy to offer for poverty and social disease.' (121) The Liberals could lose working-class votes, by default, to the Labour party or to the siren voices of the Tariff Reformers with their meretricious promises of full employment and social reform. Consequently it was a matter of urgency to draw to the support of Free Trade 'the . momentum of a great movement for the battering in other respects

<sup>(118)</sup> Daily News, 22 Nov. 1906.

<sup>(119) &</sup>lt;u>20 June, 1907</u>. (120) 21 Jan. 1908.

<sup>(121)</sup> Daily News, 20 Jan. 1908.

of the lot of the less fortunate of the nation.' (122)

Nowhere was the tendency to relate an older political and constitutional issue to the party's social purpose more marked than in comment on the House of Lords, defined as an inescapable question by the autumn of 1906. The tone of the Liberal press seems to give the lie to Professor Hamer's persuasive argument that concentration on the constitutional conflict was but the last manifestation of the Liberal myth of the great obstruction, an ostrich-like focussing on this issue because this absolved the party from awkward and divisive definitions of future directions for the party of progress. Rather the constitutional conflict came to be defined in terms which made its resolution an integral part of the Liberal party's social purpose. Quite properly there was discussion of the constitutional meaning of the House of Lords' destruction of government measures but it was not a self-deluding myth but a sense of political realities which prompted the Manchester Guardian to maintain that 'this is the great and inevitable question now confronting us, and until it has been dealt with no other task of the first importance can be attempted by a Liberal Government, except under difficulties so great as to amount to a virtual disability.' (123) The Daily News was quite explicit about the relationship; the constitutional conflict had been forced on a reluctant government whose true

(122) <u>Manchester Guardian</u>, 8 June 1907. (123) <u>28 Jan. 1907</u>.

purposes lay elsewhere. 'We desired social progress and measures of amelioration too long delayed, far more than the revival of the old quarrel between the Peers and the People.' (124) On 26 August 1907 its leader firmly set the constitutional issue in the context of a changing Liberalism.

'It is now nearly a generation since the Left Wing of Liberalism began to feel that the party had almost exhausted its usefulness in the field of liberation and must turn all its energies to social reform. An instrument had been forged for democracy, and the time had come to use it.'

The election of January 1906 demonstrated beyond doubt that 'the epoch of social and economic as distinct from political reform had arrived.' The House of Lords stood four-square across the path of aspirations represented by 'an awakened working-class, a Liberal Party which had shed the last rags of its creed of laissez-faire, the emergence of a Labour Party as sane as it is earnest.' The leader writer may have antedated the perception of social purpose, but now it stood out clearly enough and provided the framework for the constitutional conflict. It was hardly the language of vain self-delusion, of the myth of the great obstruction; rather the social purpose was sharply defined and the Upper House had to be brought to battle because it stood in the way of the Liberal party's acknowledged line of advance.

The priority of social questions became the common ground in the wake of the 1906 election. The Speaker struck this note

(124) 6 Feb. 1907.

## resoundingly.

'In a country where we still leave a million lives to the ransom and clumsy care of the poor law, where one in three of the old men and women come upon the rates, where 13 million of people live not far from the danger of destitution, where armies of unemployed are thrown upon the demoralising charity of the rich, there are urgent and peremptory questions which Liberalism must answer, and must answer now or never.' (125)

For the Albany Review social reform had become 'the most absorbing subject in politics' and if Liberals failed to respond 'the electors will be right to turn in disgust from a Liberalism which has become barren and sterile, unsuited to the condition of the time.' The Liberal party must show itself responsive to 'the large demand which in the name of human progress is being made by the twentieth century for the social welfare of the people.' (126) This view of the party's role had by 1909 become widely disseminated. Moreover, the particular lines of advance stood clearly revealed. Land reform, as ever, attracted much comment and exposition, so that few readers of the Liberal press could have been left in doubt as to its relevance, indeed centrality, to urban and rural problems. Unemployment was recognized as urgent and Old Age Pensions were accepted as an immediate goal, defended in language which left older individualistic reservations well behind. Moreover, their implementation was seen as an earnest of profound changes in social attitudes, which would require

(125) <u>Speaker</u>, 25 Aug. 1906, Vol. XIV, 489. (126) <u>Albany Review</u>, Apr. 1907, Vol. I, 11, 19.

similar measures directed at other causes of insecurity. They marked 'the beginning of a new conception of the duty of the State towards poverty.' (127) Given this decisive development in the collective conscience of civilised society the State must move on to combat all the haunting and paralysing insecurities of modern existence.

This discussion brought commentators against the necessity to provide the fiscal sinews for the active State, so that well in advance of the People's Budget, progressive, redistributive taxation became part of the definition of Liberalism's social purpose, as well as a tactical weapon in the defence of Free Trade, for 'if Liberalism is not strong enough to obtain funds for social reform by taxing the superfluous incomes of the rich it must be prepared to see Tariff Reformers essay the task by taxing the food of the poor.' (128) In the Nation, at least, the generation of sufficient revenues was seen as requiring new concepts of property and wealth which promoted a 'realisation of the right of the State to participate in property and incomes which public activities have helped to create' and directed the incidence of taxation firmly towards those forms of property and income 'created or enhanced by natural monopoly, legal privilege, or other advantages of opportunity. (129) Indeed, the Nation regularly drew on the

(127)Nation, 9 May 1908, Vol. III, 176. (128)<u>Daily</u> News, 29 Nov. 1907. (129)<u>Nation, 27</u> Apr. 1907, 30 Jan. 1909, Vol. I, 334, Vol. IV, 663.

concepts of the New Liberalism in its exposition of specific measures and in developing its own emphasis on social radicalism as Liberalism's proper priority. It was essential to recognise that 'the negative conception of Liberalism, as a definite mission for the removal of certain political and economic shackles upon personal liberty, is not merely philosophically defective but historically false,' and to purge the Liberal party of 'relics of that positive hostility to public methods of co-operation which crippled the old Radicalism. (130) All Liberals must grasp the implications of 'the constructive Liberalism of the present and the future' and 'convert their social reforms from a piecemeal opportunism into an organic policy consistent with the fundamental concept of Liberalism.'(131) A periodical of which H.W. Massingham was editor and to which J.A. Hobson was a regular contributor can hardly be taken as typical of the Liberal press, but the Nation was making explicit what was implicit in the growing momentum of Liberal press comment which defined social radicalism as the party's essential purpose, its necessary response to new challenges. Even the Westminster Gazette, habitually cautious on these matters, came to recognise as a central question 'how are Governments to save the virtues of the old individualist principle.... and yet to use the power of the State to raise

(130) <u>Nation</u>, 2 May 1908, Vol. III, 144. (131) <u>Nation</u>, 30 Nov. 1907, Vol. II, 303.

the masses of the people from the misery and chaos which every thinking man feels to be a disgrace to a civilised society.' (132)

The disturbed political climate of 1909 to 1914 did not divert the Liberal press from its recently found enthusiasm for social radicalism. Editorial space was given over to the constitutional conflict, then to Ulster, but the former served to confirm the social radical tone of the Liberal press. Discussion centred on the constitutional issues involved and the complex political and parliamentary dimension of their ultimate resolution, but the Liberal press brought together these matters and the government's pursuit of a more equitable society. That most sober of Liberal journals, the Westminster Gazette, made its view of the relationship clear: 'to speak of the constitutional question and the social question as if they were competing causes is the merest cant.' (133) It was the House of Lords' obduracy on constructive approaches to the social question which had forced the constitutional issue and would do so again. The Manchester Guardian had earlier made the same point. 'The constitutional question has overshadowed all others for the moment, but it ought never to be forgotten that that question has been raised by the social policy of Liberalism.' (134) Social advance required revenue and, on the Lords' choosing, 'the issue had first to be joined with the

(132) 13 Mar. 1908. (133) 3 Apr. 1910.

(134) 13 Dec. 1909.

possessing classes and carried into their ramparts in the hereditary House.' (135)

Discussion of the People's Budget revealed how deeply new concepts were running, particularly the general acceptance of a social element in large incomes, and the social justice of redistributive finance. The views of the Nation were predictable; to hear the Westminster Gazette argue the case is to recognise that events exerted a radicalising pressure on all shades of Liberal opinion. On 3 May 1909 it maintained that 'the chief weakness of the individualist doctrine is that the large accumulations of inherited wealth prevent its doctrine being applied to vast numbers of the It is useless to talk of equality of opportunity .... people. when one portion of the community is endowed from birth with such wealth that it need make no effort at all and another portion starts in such poverty that its effort to get even is unavailing.' Consequently it became ever more apparent to people at large that there was justice in 'taking for the community a moderate toll of the large increments which they see accumulating through the efforts of the community for the benefit of private owners.' Throughout 1909 the Westminster Gazette's approach to the Budget was firmly egalitarian, arguing, as did the Daily News and Manchester Guardian, that extremes of wealth, accompanied by extravagance and ostentatious

(135) <u>Nation</u>, 13 May 1911, Vol. IX, 240.

luxury, were offensive and a real threat to the stability of our society. It was not the Budget, but self-interested opponents, who unashamedly brought class antagonisms into the nation's political life, and here again the tone of discussion was sharpened by events. Moreover, in answering the charges that the Budget would cause a flight of capital, create unemployment by reducing spending, inhibit investment and enterprise, the Liberal press showed a degree of economic sophistication, which suggested that Hobson's analysis of the economic structure was being brought into the debate. Both the Daily News and the Manchester Guardian recognised that public spending itself created demand and so employment, while the shifting of the tax burden from those with a high propensity to consume would also raise consumption and employment. Finally, the links between the Budget and social policy were firmly established; it was the instrument to supply the means without which the whole programme of social advance would remain no more than empty phrases. That Gladstone or Harcourt could not have framed such a Budget and won for it whole-hearted Liberal approval measured the advance in Liberal thinking over twenty years. 'The tenets of the Manchester School have been quietly abandoned, and in their place has come a new sympathy with the working-class, and a clearer understanding of the economic questions which underlie every social reform.' (136)

For all its attention to the immediate political issues,

(136) <u>Daily News</u>, 11 Jun. 1909.

the Liberal press retained its awareness of the importance of Its comment, both general and particular, social reform. approached the question not in terms of pragmatic responses to acknowledged problems but as the reflection in legislation of a deepening understanding of the nature of a complex industrial society and of the role of the State within it, of a recognition that society had a responsibility for its individual members, who were inter-dependent. 'The growth of this new conception of the State as an organic whole which has replaced the older individualism is, in our opinion, a healthy change.... We have arrived at a recognition that the bad conditions which affect a particular class directly are not confined to that class, but spread through the whole fabric of society.' (137) The legislative programme of the Liberal Government gave effect to these perceptions, translated them into administrative realities. When, in 1913, the Land Campaign came to engage the attention of the Liberal press, it, too, was represented as part of this coherent strategy for 'redressing the grossest economic inequalities and of removing the reproach of the spectacle of continued destitution and widespread poverty ever verging upon destitution in the midst of superabundant and rapidly growing wealth.' (138) The process was consciously related to a re-statement of the Liberal creed

(137) Westminster Gazette, 27 Dec. 1911. (138) Manchester Guardian, 23 Mar. 1914.

'We claim for Liberalism no longer merely the duty of political emancipation, but the greater, more comprehensive, more difficult task of social reconstruction.' (139) Yet throughout this growing tendency of the Liberal press to relate together a programme of measures and a re-definition of the corpus of Liberal principles, the older emphasis of Liberalism on the ultimate sanctity of the individual remained. Liberals should welcome the positive State because it enlarged individual freedom within an harmonicus society.

'Let them require that each new enlargement of State functions, each fresh interference with private property or enterprise shall justify itself by showing that it creates more liberty than it takes away, equalises and enlarges the aggregate of opportunities for healthy exertion and expression, and strengthens the foundations of society, upon which individuals build their lives.' (140)

It was wholly appropriate that the <u>Nation</u>, the most vigorous exponent of social radicalism, should emphasise that the new direction was wholly consonant with Liberalism's honourable past.

On one matter the Liberal press was constant and unanimous, its attitudes entirely at one with the New Liberals' concern with restoring harmony in a society dangerously fragmented by inequalities and mutual incomprehension. Towards labour questions and working-class aspirations the Liberal press was unfailingly sympathetic, a model of detailed, even-

<sup>(140)</sup> Nation, 30 Nov. 1907, Vol. II, 303.

The second se

handed reporting and comment. Extensive analysis would be out of place here, but in general terms the stance of the Liberal press on these questions confirmed its emerging social radicalism and its emphasis on harmony, not conflict, as the overwhelming social goal. It stressed the need for conciliation, for orderly procedures, for the acceptance of agreements, if necessary by establishing appropriate machinery by statute. Trade Unions were essential to the realisation of that harmony and order and editorial comment was at its sharpest when employers refused to recognise trade unions or seemed set on their destruction. Such attitudes were 'a grotesque survival of feudalism' reflecting a profound distrust; if working people were now in 'a condition of alienation' it was because 'the British working man has been completely mistrusted by his master.' (141) Perhaps more remarkable, particularly in the context of the bitter disputes of 1911-12, was the acceptance of a public responsibility in industrial relations, which indicated a marked scepticism about the relevance of accepted theories of wage determination. On 26 February, 1912 the Westminster Gazette urged government interference when there were industry-wide disputes, and hoped government would 'not be afraid of the necessary expedients because they involve large departures from the accepted creed about Government action

(141) Daily News, 16 Sept. 1907, 8 Aug. 1902.

in the matter of wages' nor, in the leaders which followed during March, was the paper afraid of the substantial implications of its argument. Similarly, the Manchester Guardian, reflecting on the startling assertions by casual workers at this time, urged the case for a statutory minimum wage since 'the fair share of labour in the joint profits of labour and enterprise .... is not a crop which will harvest itself.' (142) Alongside these sympathetic responses to industrial disputes ran perceptions of a new level of workingclass aspiration and assertion which Liberalism, both in justice and expediency, must acknowledge. 'The truth is that the better-class workman of the new generation is filled with a deep discontent of the conditions amid which his lot is Deep down in his soul is blind revolt against life cast.... as he finds it.' (143)

The working-class had begun to question the inequalities of existing society and to this questioning Liberalism must respond. The <u>Nation</u> put the political corollary in categorical terms. 'Organised labour is now the main social force on which progressive politics has to rely' and Liberals 'will recognise that an alliance with Labour on terms which violate no Liberal principle is for their party the alternative, not merely to immediate defeat, but to ultimate sterility.' (144)

(143) Westminster Gazette, 11 Oct. 1910.

<sup>(142) 16</sup> Feb. 1912.

<sup>(144)</sup> Nation, 15 Oct. 1910. Vol. VIII, 113.

Massingham's views, as the constant proponent of a Liberal-Labour alliance, might be discounted but his thesis can be found across the Liberal press, although he was the most sharply aware of the twin appeal of socialistic idealism and class solidarity to working people. 'The serious workers may be increasingly attracted by a propaganda with a religious appeal, the outcome of volunteer enthusiasm, coming from their own class, enunciated in their own language, and breathing These influences may well the hope of social regeneration. tend to draw workmen from the more artificial Liberal organisations, with their machinery of paid workers and their mixed middle-class and working-class origin.' (145) Perception of a fundamental trend in the social process reinforced the claims of social radicalism, not only as the means whereby the Liberal party might survive, but more profoundly that Liberalism might continue to perform its benevolent role of promoting class harmony, for the alternative of doctrinaire socialism and exclusive labour politics would prove deeply divisive. It was because of the Liberal party's vigorous attention to the social problem that 'we are preserved at present from the spectacle of a class fissure between an indignant proletariate and the selfish maintenance of class interests.' (146)

(145) <u>Nation</u>, 25 Jan. 1908, Vol. II, 598. (146) <u>Daily News</u>, 27 Oct. 1909.

One reservation remains to dilute any categorical assertion that the Liberal press came to find in social radicalism the central purpose of the party. Always it offered sharp reminders that for many the soul of Liberalism lay in a distinctive approach towards Great Britain's external role. Certainly the most cursory reading indicates the weight attached at all times to these issues and the impassioned tone in which they were discussed. Often it was these matters, not domestic politics or social questions, which dominated editorial columns, markedly so before 1906. Somewhat paradoxically, it is a good deal easier, at that period, to assess Liberal attitudes to the Chitral expedition than it is to reach conclusions about reactions to social problems. Well before the Boer War brought Liberalism's attitude to external matters into the centre of Liberal concern, it was the Armenian massacres, Crete, the Graeco-Turkish war, the Sudan expedition which marched across the editorial pages, not only because these were news but because the essence of Liberalism was to be found in the appropriate response and that response was the touchstone of the Liberal faith. Manifestly, the Boer War would not have been so divisive if both sides had not felt the imperative need to assert their credentials as custodians of the Gladstonian grail.

Nor was this some aberrant response to a period when such issues rent the Liberal leadership and the party groped for

direction. Foreign policy remained central when the party was securely in office and Liberal journals were defining a clear social purpose. Few foreign secretaries have been so assiduously assailed by their party's organs as was Sir Edward Grey by important Liberal journals; nor was their criticism of detail, concerned with appropriate means for securing They directed their thrust at agreed national interests. fundamentals; in essence they defined an alternative policy resting on Liberal principles in conflict with the conventional criteria of foreign and defence policy. Liberalism pursued moral objectives: hence the agreement with Russia, and even more its outcomes in Persia, were unacceptable. It was improper that 'to aid our diplomatic game we are lending our moral support to the worst tyranny in the world' through a relationship which was 'a treason to liberty' because it stultified 'our duty as a free people to a sister nation struggling to be free.' (147) Harmony was the natural condition between peoples, so the deterioration in Anglo-German relations arose not from conflicting interests but from the inspired campaigns of vested interests and the prejudices of diplomats. Understanding with Germany should be the priority of a Liberal government; instead Germany's putative pursuit of hegemony dominated Foreign Office thinking with the result that 'the diplomatic struggle has turned on no higher principle

(147) Daily News, 24 July, 2 Sept., 17 May, 1907.

than the balance of power.' (148) Naval building stood condemned as a gratuitous offence to Germany's legitimate aspirations resting on false assessments of national interest, which required a margin of naval superiority sufficient to ensure security against invasion and nothing more. Important sections of the Liberal press shared the Bishop of Hereford's view that the government's 'bloated naval expenditure is truly pitiable and humiliating.' (149)

Great Britain's moral leadership required her to eschew any kind of commitment and renounce any continental role in her defence planning: attempts to move the entente with France in this direction reflected 'a hitherto unacknowledged and wholly unauthorised revival of the old and pernicious doctrine of the balance of power in Europe.' (150) These attitudes remained to the end, when these Liberal papers saw Great Britain becoming involved in a European war entirely at the behest of false regard for the balance of power, 'the foul idol of our foreign policy.' (151) Aberration in foreign policy was incompatible with a progressive domestic policy for Liberalism was a seamless web. The pursuit of Liberal ideals in foreign policy remained vital to the party's vigour for such ideals were 'the pillars of the Liberal temple, the distinctive virtue that keeps the Liberal party in being here

<sup>(148)</sup> Daily News, 8 Feb. 1909.

<sup>(149)</sup> Bishop of Hereford to Arthur Ponsonby, 14 Mar. 1911, Ponsonby MSS, MS Eng. Hist. c659f.13. (150) Manchester Guardian, 27 Nov. 1911. (151) Manchester Guardian, 28 July 1914.

where elsewhere it has fallen before the advance of Socialism.' (152) The government had signally failed to develop a coherent application of Liberal principles to foreign policy; yet, in both domestic and foreign policy the only test for Liberals was 'whether it embodied the fundamental principles of justice and humanity which should underlie the whole action and policy of the State.' (153)

If sheer weight of editorial attention and a willingness to sustain a campaign over many years indicate a paper's commitment then for an important section of the Liberal press the heart of Liberalism lay in these external causes. Certainly C.P. Scott's correspondence and diaries are remarkable for their absence of concern with domestic issues. One wonders how many Liberal journalists shared J.L. Hammond's belief that 'the true basis of our national greatness is to be found in the principles Mr. Gladstone laid down in his Midlothian Campaign, a recognition of the equality of nations and a paramount respect for freedom' (154) or H.W. Nevinson's passionate commitment to foreign affairs. At least we may recognise a continuing concern, dangerously divisive at one time, the source of strong criticism of a Liberal government at another. Perhaps to recognise it does not weaken the impression of a Liberal press moving steadily towards social radicalism and giving

<sup>(152)</sup> Nation, 28 Sept. 1912, Vol. XI, 925.

<sup>(153)</sup> Manchester Guardian, 16 Nov. 1912.

<sup>(154)</sup> Hammond to Bradley, chairman of Dover Liberal Association, 7 Nov. 1903, Hammond MSS 15f.201.

wider expression to New Liberal concepts of an organic society resting on mutual responsibilities discharged through an active state. The movement post-dated the triumph of 1906, was a response to it rather than a cause of it, as the Liberal press emphasised Liberalism's need to express 'the quickened conscience of the country and its resolute demand that politics shall correspond more closely to the realities of life' and registered

'the suffusion of the older Liberalism with a far more definite perception of the requirements of social reform. A conception of the functions of government and the relations between the individual and the state, which till 1906 had been a matter for academic discussion, has since that year been translated into practical legislation in more than one direction.' (155)

(155) Westminster Gazette, 17 Sept. 1909; <u>Nation</u>, 21 May 1910, Vol. VII, 266.

## PART II THE LIBERAL PARTY AND THE NEW LIBERALISM

## CHAPTER IV The Response of Politicians?1895-1903

Τ

Political parties, like other institutions, generate their own inertia, but, as Graham Wallas observed, there are peculiar reasons why political parties should value continuity. He recognised the importance of symbols and images in politics; individuals needed a focus of trust and loyalty, something in politics which created an aura of permanence and this they found in the party. The individual's attachment to party emerged from a complex of emotions and associations. Developing slowly, it became once formed the most powerful determinant of political behaviour for most electors. Here Graham Wallas saw an imperative reason for continuity, or at least its appearance, within political parties. 'The indifferent and halfattentive mind which most men turn towards politics is like a very slow photographic plate. He who wishes to be photographed must stand before it in the same attitude for a very long time.' (1) Fundamental adaptation is difficult for any political party; for the Liberals there were obstacles inherent in their party's composition.

Essentially the party forged in the 1860s was a coalition of great interests like nonconformity and labour and of pressure groups committed to some specific cause. The enthusiasm

(1) Graham Wallas, Human Nature in Politics (1908), 115.

generated by these gave the party in the constituencies much of its strength. Diversity was recognised by contemporaries as endemic to the Liberal party. 'It has never been a homogeneous party, and it could not be so considering that it represented the party of movement, of changes which are conceived or displayed in a thousand different ways.' (2) Liberal leaders, even if sometimes they were making a virtue of necessity, accepted this diversity but saw it as a source of vitality. 'No one would desire to impose or think of imposing upon Liberals any rigid discipline of opinion. Any such attempt would be resented, and properly resented, because we are above all others the party of freedom of view, and it has been in our past experience not only a legitimate but a most wholesome thing that those among us who share some strong view upon a particular question should co-operate with each other in the advocacy of those views.' (3) "But diversity, if it generated momentum, also created problems for leadership. Each sectional interest sought priority for its favoured cause and reacted whenever the leadership framed a programme which did not accord it this priority. Moreover, the pet projects of the faddists were not always certain vote-winners, so that the pursuit of broad electoral support conflicted with the mainbnance of the activists' enthusiasm. Similarly, in office, responsibility to the whole electorate might conflict with

<sup>(2)</sup> Ostrogorski, op.cit., 91.

 <sup>(3)</sup> Campbell-Bannerman at Ayr, 29 Oct. 1902, quoted in J.A.
 Spender, Life of Sir Henry Campbell-Bannerman (2 vols., 1923), II, 78.

concern for sectional views. Not surprisingly the Liberal Party could appear as a 'number of discordant sections each intent upon some scheme of its own, and not only indifferent to those of the rest, but in some cases positively hostile to them.! (4)

For a party so constituted, the sustaining of unity was a sufficient task, let alone positive response to changes in its political environment. By the end of the century the difficulty was compounded by growing uncertainty about the The liberation of the individual from legis-Liberal creed. lative restraint or religious disadvantage or the constraints imposed by prescription and privilege was no longer enough, nor was the pursuit of equality if this complex concept were given only a political content or the opening of positions of power to men of talent. Progress had been identified with the removal of obstructions, with the minimising of control by the State over the development of society and the economy; now some Liberals looked to the positive exertion of State power. It was no longer clear where lay the main articles of the Liberal creed nor in what terms it should be re-written. If some recent historians are sceptical of the role of ideas in politics, this does not appear to have been the view of Liberals, 'for almost all Liberals took the view that they must be seen and believed to be right, and that ideology was

<sup>(4)</sup> J. Guiness Rogers, 'Nonconformist Forebodings,' <u>Nineteenth</u> <u>Century</u>, Nov. 1894, xxxvi, 801.

an important factor in the mind of the electorate.! (5) Even in 1882 Arnold Toynbee discerned this ideological uncertainty. 'It is not a wholesome state of things that a great party should be in doubt - as I think I am justified in saying certain sections of the Radical party are - as to the principles by which it is guided. A great party which is uncertain as to its principles ceases to be a party, and becomes an aggregate of factions without vigour and coherence.' (6) Twenty years later Brougham Villiers could argue that 'the reforming party, at any time, is necessarily the party of ideas' and attribute the party's electoral failure to the fact that 'they have as yet no basis for common political or social action.' (7) Reconstruction was inhibited by uncertainty about what Liberalism might become.

Gladstone sought to resolve the dilemma of sectionalism by creating an organic unity in Liberal politics whose focus was some single over-riding cause of such weight that Liberals would voluntarily subordinate their particular concerns to it. His acute and imaginative political sense, harnessed to his rhetorical power, enabled him to identify and articulate great symbolic issues, which drew in the multitudinous interests and concerns, passions and prejudices, of the Liberal sections. It is questionable whether unity through the single great cause would enable the Liberal party to adapt its programmes and style

<sup>(5)</sup> H.C.G. Malthew, The Liberal Imperialists: the Ideas and Politics of a post-Gladstonian Elite (Oxford, 1973), viii.

<sup>(6)</sup> Address to Workers and Employers, Jan-Feb 1882, in Toynbee, op.cit., 204.

<sup>(7)</sup> Brougham Villiers, The Opportunity of Liberalism (1904), 13,17.

to the pressures we have identified. What is certain is that it left the party dangerously dependent on Gladstone not only for its unity but for its very identity. This Campbell-Bannerman recognised when the Fourth Government was formed. 'This is after all not an ordinary case of forming a government. The Government is being formed for the special purpose of enabling Mr. G. to carry out his ideas; it is in an unusual degree his Government.' (8) Those ideas were Home Rule, that last great single cause. The engrossing of Liberal political activity by Home Rule could be increasingly challenged by some. The unifying cause became a source of resentful division.

Until his resignation in 1886, Joseph Chamberlain offered another resolution of the Liberal dilemma. He believed that the enlarged electorate could be approached only through a broad programme whose content would emerge from the democratic processes of the National Liberal Federation. The popular imprimatur would subdue sectionalism. In the <u>Radical Programme</u> he indicated the directions in which the Liberal party should move. Even if Joseph Chamberlain were engaged in tactical manoeuvre, seeking 'the creation of a mood of aggressive depradation' in order to ensure a position of weight in any future government as the interpreter of the will of this 'aggressive democracy,' his choice of issues reflected his own assessment of how the new democracy could best be energised.

<sup>(8)</sup> Campbell-Bannerman to Harcourt, 14 Aug. 1892, quoted in Spender, <u>op. cit.</u>, I, 124.

He not only advanced programmatic politics to consolidate 'a broadly-based, multi-faction party with a wide range of contemporary meanings' but defined the contents of the programme. (9) Much of the Radical Programme lay within the confines of popular Radicalism, the union of the productive classes against the landed parasites, in its attribution of urban ills to the selfish behaviour and privileged position of the landed class. Yet there was a clear emphasis on social reform, on housing and over-crowding, on low wages and unemployment, involving state action and guaranteeing the continuing harmony between classes. The required measures were represented as collectivist; they 'sound the deathknell of the laissez-faire system' and 'the tendency is in favour of the enlargement of the sphere of State action and of its multiplied interference in the relations between those who live under it,' since 'it is apparent that in open competition the fittest obtain more than they deserve, and the less fit come too near perishing.' (10) Nor were the fiscal consequences glossed over. 'Taxes ought to be considered as an investment for the general good' and 'a direct progressive tax on income and property is the lever to which we shall have to look for the social reforms of the future.' (11)

(11) <u>Ibid</u>., 208,220.

<sup>(9)</sup> A.B. Cooke and J.R. Vincent, <u>The Governing Passion</u> (Hassocks, 1974), 12.
(10) The Radical Programme (1884: Harvester Press edition,

Hassocks, 1971), 13,53,91.

The broadly-based programme indicated here might seem the most attractive line of advance for the Liberal party. Ironically, events put it under a cloud; the elections of November 1885 suggested Chamberlain had misconceived the temper of the urban electorate, while the Home Rule split completed the disenchantment of some Liberals with Chamberlain's programmatic It is true that some Liberals welcomed the Home politics. Rule split as if the purge solved the problem of sectionalism, while others found in Home Rule the great obstruction whose removal would unlock the door to progress, however interpreted; a comforting view since while the door remained barred there was no need to consider the furnishings of the room. Others, like Harcourt, were content to wait on the errors of the Conservatives, defining the content of Liberalism by reference solely to the Tory opponent. None of these responses was either edifying or satisfying. Neither consolidation through a single cause nor through a broad programme had solved the fundamental problem. It was some measure of the leadership's pessimism that Rosebery's government seemed to welcome defeat on a contrived division, which could properly have been reversed by a vote of confidence. John Morley attributed Harcourt's reluctance to pursue the premiership on Gladstone's retirement to his scepticism about the party's prospects. 'In the sagacious depths of his mind he felt that anything like party strength and unity was irrecoverable, and why should he enter into vehement competition for the first place in assoc-

iation with the wreckage.' (12)

With Gladstone's retirement and the collapse of Rosebery's administration, the reconstruction of the Liberal party was inhibited by a leadership more often marked by disharmony than co-operation. Their mutual animosities left little room for considering questions of policy; it is, indeed, difficult to credit that these men had once sat together in Cabinet. Nor were the acerbities generated in office softened by the emollient of time. The frictions of his brief administration left Rosebery reluctant to engage in active Liberal politics and adamant that he could not again serve with Harcourt, though his reiteration of these themes was partly selfexculpatory, a convenient cloak for his evident distaste for the more bruising activities of politics. His animus against Harcourt was undisguised and Rosebery continued to lay at his door the disunity which had destroyed his government. 0n 8 November, 1896 Rosebery conveyed this to J.A. Spender. 'The tactics of the Cabinet, in the House of Commons, were carried on without the slightest reference to the Prime Minister, and with very little reference to the Cabinet. ' (13) Roseberv's suspicions were fed by the assiduous Wemyss Reid, who in a regular correspondence reported to him the gossip of Westminster in letters which consistently drew issues into the politics of personalities. Harcourt and Morley were represented as in

<sup>(12)</sup> John Morley, <u>Recollections</u> (2 vols, 1917), II, 14. (13) Rosebery to Spender, 8 Nov. 1896, Spender MSS Add MSS 46, 387f.10.

league with the Radical wing to exploit issues like Crete and the re-conquest of the Sudan in order to frustrate Rosebery's return to the leadership, a consummation ardently desired by the party's solid centre, 'men who do not think that the foreign policy of the party ought to be at the mercy of Dilke, Laborichere, Morley & Co.' (14) In his judgment only Rosebery's return could energise the solid centre of the party; too often the majority view went by default since 'not a single man of the first rank on our side has the courage boldly to confront the agitators and expose their fallacies and falsehoods.' (15)

It was not Rosebery's running-dog alone who saw Harcourt in this light. Wemyss Reid's opinion that Morley had entered into 'a solemn league and covenant with his old enemy' (16) was endorsed by Campbell-Bannerman, reflecting on Harcourt's motives for encouraging Morley to stand at Montrose. 'What our big friend rejoices in is I fear that he will with this reinforcement emphasise the variances on foreign policy: and as I said at Dalmeny I fear this will be used to swallow up the personal differences, and perhaps made to seem the reason and justification for them.' (17) Harcourt, for all his formidable qualities as a parliamentarian, was a difficult colleague, whose blistering, uninhibited verbal assaults on

<sup>(14)</sup> Wemyss Reid to Rosebery, 7 Feb. 1897, Rosebery MSS 10,056f. 82.

<sup>(15)</sup> Wemyss Reid to Rosebery, 14 Mar. 1897, Rosebery MSS 10,056f. 95.

<sup>(16)</sup> Wemyss Reid to Rosebery, 19 Jan. 1896, Rosebery MSS 10,056f. 29.

<sup>(17)</sup> Campbell-Bannerman to Rosebery, 13 Dec. 1895, Rosebery MSS 10,003f.144.

those who disagreed with him alienated others. Asquith's later judgment that 'his lack of any sense of proportion, his incapacity for self-restraint, and his perverse delight in inflaming and embittering every controversy, made co-operation with him always difficult and often impossible,' (18) would have been shared by many contemporaries. Nothing better illustrated his capacity for generating friction than the manner of his resignation from the leadership of the party in the House of Commons in December 1898. The tactic of an exchange of letters with John Morley, which were published, seemed to his colleagues disingenuous. They resented the lack of consultation and the tone of the correspondence, which revived old animosities and emphasised the dimension of intrigue and personal vendetta. Asquith's reaction was conveyed in a memorandum written on 13 December, 1898, the day he learned from Harcourt of his resignation. He stigmatised the whole episode as 'proceedings stamped by cowardice and egotism, and undignified by even the faintest tincture of a sense of public duty.' (19) He recorded a conversation with John Morley, whom he met by chance that day in the Palace of Westminster. 1 I expressed great suspicion and not a little indignation, that a proceeding of this kind shd have been projected and carried to completion without a word of premonition with the colleagues of both.' (20) Spencer confided to Asquith that he 'disliked

(18) Earl of Oxford and Asquith, Fifty Years of Parliament (2 vols, 1926), I, 224.
(19) Memo. by Asquith, 13 Dec. 1898, Asquith MSS 9f.119.
(20) Memo. by Asquith, 13 Dec. 1898, Asquith MSS 9f.114.

extremely not only the course adopted by Harcourt but the tone & insinuations of both his & J. Morley's letters.' (21) To Harcourt's colleagues it was almost beyond belief that an action so harmful to the party and so inopportune could have been undertaken without regard to their views.

The protagonist in this episode, however, felt himself to be more sinned against than sinning. To Harcourt, the decision to resign the leadership in the House of Commons was but the climax to four years of mistrust on Rosebery's part. Defending his decision to Asquith, he complained of 'the network of intrigue which has been long & carefully organised to undermine my authority & to make my position unbearable & impossible.' (22) The sense of vendetta rumbled on. Two years later he told Campbell-Bannerman that any attempt to resurrect Rosebery's leadership would lead him to 'publish the correspondence in 1895 in which he declared that under no circumstances could he act politically with me again.' (23) Pursuing the same theme three weeks later, he maintained that there 'exists on the part of others a desire to aggravate rather than to heal the differences which distract the party.' (24) On this, at least, there was unanimity; the party was torn by disloyalty and intrigue, in which political issues became the shafts aimed in faction fights. Henry Fowler's comment to

<sup>(21)</sup> Spencer to Asquith, 24 Dec. 1898, Asquith MSS 9f.148.

<sup>(22)</sup> Harcourt to Asquith, 15 Dec. 1898, Asquith MSS 9f.130.

<sup>(23)</sup> Harcourt to Campbell-Bannermann, 14 Nov. 1900, Campbell-Bannerman MSS Add MSS 41,219f.148.

<sup>(24)</sup> Harcourt to Campbell-Bannerman, 5 Dec. 1900, Campbell-Bannerman MSS Add MSS 41,219f.158.

Campbell-Bannerman on the activities of Harcourt, Morley and the Radical Committee that 'it is a difference of policy winged by personal antagonism that forms the arrow which has been shot at the late Cabinet & its Chief, ' (25) was an unconscious echo of John Morley's observation to C.P. Scott a few days earlier that 'it is vital that the jingo wing of the party should be made to feel that they are not to have an undisputed supremacy in the party.' (26) Issues and personalities had become fatally enmeshed.

To many the clash of personalities was important because it represented great issues close to the very heart of Liberalism. To C.P. Scott, Harcourt's resignation was ominous because 'his withdrawal means I fear the beginning of a new order with a long uphill fight for some of the things which to many of us alone make Liberalism of any value.' (27) Equally, to Rosebery's supporters, his return to active politics was necessary to save the party from its Little Englanders. Asquith's indignant reaction to Harcourt's resignation \_ 'What a pity it is when big causes and interests get into the hands of grown-up children who will not play in the same nursery'-(28) neatly caught the fatal conjunction. It was indeed a party in some disarray which could prompt a member of its front-bench to judge it inexpedient to proceed to the election of a new

<sup>(25)</sup> Fowler to Campbell-Bannerman, 18 Jan. 1899, Campbell-Bannerman MSS Add MSS 42,214f.227.

<sup>(26)</sup> Morley to Scott, 6 Jan. 1899, Scott MSS 122f.2.

<sup>(27)</sup> Scott to Massingham, 1 Feb. 1899 (Draft), Scott MSS 122f.10.
(28) Asquith to Campbell-Bannerman, 19 Dec. 1899, Campbell-Bannerman MSS Add MSS 41,210f.155.

leader when the present leader resigned, since to do so would create 'immediate recriminations and displays of feeling which would do further injury to party cohesion.' (29) Yet this was Bryce's reaction to Rosebery's resignation. Two years later, Campbell-Bannerman viewed the prospect of his own accession to the leadership with trepidation, asking of Bryce: 'Could an archangel take the place, with two men sitting round the corner ready to pounce at any moment?' (30) Such engrossing divisiveness hardly provided the ambience for searching discussion of the party's stance on domestic issues.

From outside the circle of leadership these inhibiting constraints were discerned as major obstacles to the reinvigoration of Liberalism. Sidney Webb declined Herbert Samuel's plea to support Sam Woods's candidature at Walthamstow, in a bye-election in January 1897, because he felt 'absolutely no assurance which side it is going to take on any question whatsoever. The return of the Liberal Party to office without a definite programme would be a disaster. Consequently 'until it is settled what the Liberal leaders mean - what reforms they have really at heart and in what direction their intellectual connections impel them - I can only wish to see the Party weaker.' (31) For others, perception of a divided leadership worked against discussion of policy in another way. Divided and dispirited leadership provided

<sup>(29)</sup> Bryce to Scott, Oct. 1896, Scott MSS 121f.48.

<sup>(30)</sup> Campbell-Bannerman to Bryce, 16 Dec. 1898, Bryce MSS UB32.

<sup>(31)</sup> Webb to Samuel, 25 Jan. 1897, Samuel MSS A155 Part II,

f.22-23.

sufficient explanation of the party's poor showing. R.W. Perks was in no way untypical when he commented that 'the pulverisation of our party in Parliament is the result solely of bad & mistrusted leadership there: & it is not the condition of Liberalism in the country.' (32) Unite the party under The fact that the divisive Rosebery and all would be well. issues centred on Great Britain's external role further diverted the party's attention from domestic matters. There is, for example, a curious insensitivity to the concerns of a rural electorate in William Allard's complaint, during a bye-election at Petersfield, that 'the electorate is a bad It's a blissfully ignorant body. Greece & one to handle. Armenia were utterly unknown.' (33) The secretary of the Home Counties Liberal Federation seemed blithely to assume that the issues which engaged the leaders and the activists in urgent concern and fraternal strife would be of equal moment to labourers in rural Hampshire.

II

Upon a party so divided, whose new leader, Campbell-Bannerman, had barely had time to dampen down the combustible elements around him, fell the shattering impact of the Boer War. Until its end there was no other concern for the Liberal party. On both sides, attitudes were strongly held. To some Liberals, the war was immoral and unjust, deliberately provoked by Chamberlain and Milner. That the Boers had taken the

<sup>(32)</sup> Perks to Rosebery, 30 Aug. 1897, Rosebery MSS 10,050f.13.
(33) Allard to L.V. Harcourt, 10 June 1897, Harcourt MSS Dep. 421f.100.

offensive made no difference to this judgment since 'they have been goaded and frightened into this hasty and deplorable conduct by a long course of provocation.' (34) Denunciation of the war would inspire the party in a glorious moral crusade true to the essential spirit of Liberalism. In Francis Channing's view 'there are ready to hand the materials for another & more sweeping Midlothian campaign' which would set the party alight since 'the cornerstone of Liberalism is the appeal to the national conscience, the recognition that morality means the same for nations as for individuals.' (35) He was indignant that the entire front bench did not respond to his urgings to unite in denouncing the war and complained bitterly to C.P. Scott that he had received 'not a word from Herbert Gladstone or Asquith to both of whom I sent identical suggestions that the party would be for ever disgraced if its leaders did not make some combined & outspoken effort or representation.' (36) Such views commended themselves to many activists. Arthur G. Symonds, secretary of the National Reform Union, urged a similar course which 'would sweep the Rosebery gang to one side & arouse such a spirit in the ranks of the Liberal party as would make the next general election a certainty of victory.' (37) Not only are the passion and

<sup>(34)</sup> Bryce to Campbell-Bannerman, 5 Oct. 1899, Campbell-Bannerman MSS Add MSS 41,211f.46.
(35) Channing to Campbell-Bannerman, 8 Nov. 1899, Campbell-Bannerman MSS Add MSS 41,213 ff.15,17.
(36) Channing to Scott, 28 Sept. 1899, Scott MSS 122f.130.
(37) Symonds to Scott, 1 Oct. 1899, Scott MSS 122f.135.

animus interesting, but also the certainty that the essence of Liberalism lay in its response to moral causes outside Great Britain.

To other Liberals, the war was at once must and necessary; the responsibility for it lay with Kruger's obdurate determination to assert Boer ascendancy. In their view this was well understood by public opinion which had been moved, in Haldane's judgment, by a sense of vicarious wrong 'done to them in the person of some brother or nephew or son who had been ill-used in Transvaal or whose friends had been.' Such Liberals would have endorsed his conclusion that 'there are dangers in moving too far from pop opinion which may not be an infallible guide to what is right but it is a fallacy to argue that because popular opinion is one way therefore the truth Must lie the other.' (38) It was at once honourable and expedient to support the war. As Grey saw it 'either the war is a necessary war or it is not: if the former it should be justified: if the latter it should be denounced in every speech for some time to come. I intend to justify it.' (39) Perhaps most Liberals would have accepted Grey's stark alternatives; in doing so they came close to tearing their party in pieces. Few were restrained by the modest agnosticism towards the war expressed by Sir Edward Russell, editor of the

<sup>(38)</sup> Haldane to Spender, 23 Sept. 1899, Spender MSS Add.MSS 46, 390 f.145.
(39) Grey to Rosebery, 20 Oct. 1899, Rosebery MSS 10,028f.84.

Liverpool Daily Post. He admitted to Bryce that for him its origins were 'more matters of surmise than of convincing proof.' Consequently 'I am one of those Liberals who, while hating the whole business and feeling that it has considerably degraded public feeling, ceased to offer opposition, or even strong criticism when the Boers were provoked to begin hostilities.' (40) Such restraint in the face of a genuine Liberal dilemma would have made the task of holding the party together a good deal easier. Unfortunately, it was rare and the attitudes struck at the outset hardened as the war progressed.

The prospect of accommodation between the contending factions was further prejudiced by a certain stiff-necked arrogance on both sides, an assured confidence that the party at Westminster and in the country was of their persuasion. When Spencer criticised Asquith's association with the Liberal League he was making a specific point, but his contention that the leaguers were seeking to take over the party could have applied equally to the pro-Boers. 'I dislike extreme groups in the Liberal ranks & this last group is not one to promote one special policy, such even as Imperialism, but to lay down the whole policy of the Liberal party which I for one do not wish to remodel.' (41) Certainly active Liberal Imperialists

(40) Russell to Bryce, 7 Aug. 1901, Bryce MSS UB15. (41) Spencer to Asquith, 3 Mar. 1902, Asquith MSS 10f.75.

like R.W. Perks and Wemyss Reid believed that all would be well if the party, preferably under Rosebery's leadership, committed itself wholeheartedly to their position. This would rally 'all that is best & most worth having in Liberalism.' (42) To endorse the pro-Boer position, by contrast, would 'relegate our party to political oblivion for a generation.' (43) Both were convinced that the party at large was moving in their The happy prospect of a Liberal renaissance could direction. be frustrated only if the leadership appeared to be captured Grey, for example, was quite clear that the by their enemies. Liberal party was 'discredited, dissipated & ruined because, except Asquith, everyone of the leaders let the "hissing factionalists with ardent eyes" run the whole party unreproved in a time of national crisis.' (44) Wemyss Reid was somewhat disingenuous when he claimed that he was 'a centre man' loyal to Campbell-Bannerman, but his protest that if the views of the pro-Boers 'are to be put forward as those of the leader of the party, then the centre has ceased to be fairly represented by him' showed his proclivity for identifying a sectional view with that of the party as a whole.\* (45) To write in these terms to the Chief Whip a week before a critical party meeting illustrated a determination to capture the leadership for a particular position in the confident assurance

 (44) Grey to Spender, 21 Dec. 1901, Spender MSS Add MSS 46,389f.6.
 (45) Wemyss Reid to Herbert Gladstone, 5 July 1901, Gladstone MSS Add MSS 4b,041f.158.

<sup>(42)</sup> Wemyss Reid to Rosebery, 15 Mar. 1900, Rosebery MSS 10,057 f.23.

<sup>(43)</sup> Perks to Rosebery, 9 July 1900, Rosebery MSS 10.050f.70.(44) Grey to Spender, 21 Dec. 1901, Spender MSS Add MSS 46,389f.6.

that this would unite all that was best in the parliamentary party.

The other side was no less confident. The rumbustious Labouchere could assert with absolute confidence that 'we are the orthodox. (46) He dismissed his opponents as a mere handful of MPs with 'a few respectabilities in the constituencies who are not followed by the workingmen who are the backbone of the Party.' (47) The appearance of disunity was largely illusory, created solely by the intrigues of Rosebery's If the leadership committed itself unequivocally to friends. oppose the war and forced a show-down with the Liberal Imperialists then the party would rally round Campbell-Bannerman since 'from all that I can gather there is a general desire among the ordinary run of Liberals that you should put your foot on the necks of Asquith and Co.' (48) No doubt a man who could dismiss the Boer War as 'a punitive expedition to avenge the honour of Chamberlain' (49) was given to an oversimple analysis in accord with his own prejudices, but his There is sentiments were echoed by other opponents of the war. among Scott's papers an interesting exchange of letters between Leif Jones and Herbert Gladstone, relating to the former's candidature for South Manchester. The Chief Whip made clear that Leif Jones's position was not that of the party; he would

(49) Labouchere to Scott, 12 Oct. 1899, Scott MSS 122f.141.

<sup>(46)</sup> Labouchere to Herbert Gladstone, 21 Oct. 1900, Gladstone MSS Add MSS 46,016f.175.

<sup>(47)</sup> Labouchere to Campbell-Bannerman, 23 Dec. 1899, Campbell-Bannerman MSS Add.MSS 41,222f.9.

<sup>(48)</sup> Labouchere to Campbell-Bannerman, 20 Oct. 1901, Campbell-Bannerman MSS Add MSS 41,222f.66.

'fight for a view which is not held by the party generally, though doubtless by a considerable section of it; & the contest will have to be fought in a sense independent of the party.' Leif Jones's angry reaction to what he saw as dictation by the Chief Whip revealed an absolute confidence that our views have had much more support than the views of those whom Mr. Gladstone is pleased to call the majority of the party.' (50) Such confidence would have endeared itself to C.P. Scott, who even before the outbreak of the war, was prepared to contemplate 'the formation of a separate party and a virtual breach with the recognised Liberal leaders & with official Liberalism' if the leadership went wrong on vital issues, among which their response to developments in South Africa stood high. (51) 0n both sides, such confidence in one's moral rectitude and political judgment could lead men into dangerous courses.

Not surprisingly, the political correspondence was filled with discussion of a possible split, not only in the parliamentary party but also in the constituencies. To some the prospect was viewed with trepidation, to others with joyous anticipation of the exclusion of the heterodox from the fold; a party purged would at once be pure and combative. Many shared Spencer's regret, in a letter prompted by the prospect of Herbert Gladstone's sharing a platform at Leeds with Rosebery in May 1902, for 'the odious position of politics with the Lib. party

<sup>(50)</sup> Herbert Gladstone to Leif Jones, 5 Apr. 1900; Leif Jones to Scott, 17 Apr. 1900, Scott MSS 123f.25(c), 123f.25(b).
(51) Scott to Hobhouse, 25 June 1899, Scott MSS 132f.68.

in groups, each group struggling for its own advancement' yet Spencer appeared to hold the Liberal Imperialists responsible for the position he deplored. (52) Similarly Bryce was less than dispassionate when he condemned the emergence of contending organisations 'which will weaken such unity as the Liberal party in the HoC still retains & seriously damage the chances of the party at the general election.' His recipe for unity, by implication, excluded the Liberal Imperialists since he judged it necessary 'to concentrate all the forces of the best & truest Liberalism in demonstrating the needlessness & iniquity of this war, & in trying to unite Liberals in demanding fair terms of peace for the Boers. (53) On other occasions, Bryce was guite explicit in condemning what he saw as 'the conspiracy against yourself and the unity of the Liberal party which has been going on and will probably go further if the so-called Lib Imperialists get a strong representation in the new House.' (54) By January 1902, he appeared to be quite willing to force an open schism since 'in the present state of distraction and confusion, it seems to me to make a good deal of difference whether we excommunicate either R (Rosebery) or the Liberal Imperialists .... or whether they secede from us.' (55) Others regarded

(52) Spencer to Campbell-Bannerman, 19 May 1902, Campbell-Bannerman MSS Add. MSS 41,229f.161.

(53) Bryce to J.L. Hammond, 26 Feb. 1900, Hammond MSS 15f.17.

(54) Bryce to Campbell-Bannerman, 1 Oct. 1900, Campbell-Bannerman MSS Add. MSS 41,211f.119.

(55) Bryce to Campbell-Bannerman, 3 Jan. 1902, Campbell-Bannerman MSS Add. MSS.41,211f.191.

Rosebery and his followers as actively seeking the disruption of the party. To Sir William Harcourt, brooding on events in Venice, it was 'evident that this gang are bent on a split and on having their independent programme.' On his return he encouraged Campbell-Bannerman 'to deliver a counter-blow to the Perks-Asquith wreckers.' (56) In similar vein, Labouchere condemned his opponents as 'nothing but intriguers wanting to get the mastery.' (57) Men who saw their opponents in this light could contemplate open schism with some equanimity.

Intemperate language came readily to Harcourt and Labouchere. Campbell-Bannerman's outbursts against the Liberal Imperialists are less expected. He described Grey's letter, which frankly declared his intention of repudiating Campbell-Bannerman's leadership unless he received assurances on a number of issues in South Africa, as 'egotism and impertinence ' (58) and characterised Haldane's activities as marked by 'a vicious determination to stick at nothing in his or his friends' separation from us' (59) Even when the war was over, he could still express his resentment at the Liberal League's activities in a letter to Sir J.B. Smith, the chairman of the Liberal Association in his Stirling constituency.

(56)	Sir Will	liam Ha	arcourt	to L.V	V. Hai	court,	12 Oct.	1901,
	17 Oct.	1901,	Harcour	t MSS	Dep.	656ff.	50.52.	

(57) Labouchere to Campbell-Bannerman, 7 Jan. 1902, Campbell-Bannerman MSS Add. MSS 41,222f.91.

(58) Campbell-Bannerman to Bryce, 2 Jan. 1902 (Copy), Campbell-Bannerman MSS Add. MSS 41,211f.188.

(59) Campbell-Bannerman to Bryce, 29 Aug. 1901, Bryce MSS UB32.

'The "Leaguers" are full of spite & will do all the harm to us they decently can. Defeated in the open they are intriguing and using their money-bags on the sly.' (60)

That a copy of the letter was sent to J.A. Spender suggests that Campbell-Bannerman felt the need to solicit the support of the Liberal press. The open hostility of their opponents and some suspicion that the leader was not entirely disinterested provided the Liberal Leaguers with a defence. Faced, as they saw it, with the threat of proscription, they felt the need to organise in order to maintain their footing in the party. Their reaction to the Holborn Restaurant dinner, organised by the National Reform Union, strongly expressed these fears. Asquith condemned it as 'an aggressive demonstration by one section of the party.' (61) Wemyss Reid was more categorical. 'The real intention of the promoters of the banquet was to drive Fowler, Grey & sundry others out of the Liberal ranks, & to let CB understand that he must either toe the line or retire as gracefully as possible.' (62) Herbert Samuel, whose sympathies lay with Liberal Imperialism but who was hardly close to Rosebery, judged that 'the pro-Boer section is determined to capture the party if it can.' Asquith was entirely right 'to make it clear that the pro-Boers were not entitled to speak with the voice of the whole Liberal party.'

<sup>(60)</sup> Campbell-Bannerman to Sir J.B. Smith, 1 Sept. 1902 (Copy), Spender MSS Add MSS 46,388 f.48.

<sup>(61)</sup> Asquith to Campbell-Bannerman, 15 June 1901, Campbell-Bannerman MSS Add. MSS 41,210f.206.

<sup>(62)</sup> Wemyss Reid to Rosebery, 16 June 1901, Rosebery MSS 10,057 f.155.

Yet he also deprecated the riposte of the dinner in Asquith's honour at the Cannon Street Hotel as 'an act of provocation against the other section,' who rightly could view it as 'a deliberate demonstration of strength aimed at those who are not less good Liberals than ourselves because they happen to read the facts of the South African dispute differently from us.' (63) The party's unity would have been less at risk if more Liberals had shown Samuel's tolerance. Perhaps detachment came more easily to a young man still seeking his first seat.

In any case, he was right to see formidable consequences in 'the war to the knife and fork.' The activities of the Liberal League were not entirely defensive. That most devoted of Rosebery's followers, R.W. Perks, certainly looked to the development of the Liberal League as a separate, parallel organisation with a nucleus of full-time regional agents and a stance on the war which would have alienated not committed pro-Boers alone in its support for total victory, its firm denial of charges against British troops and the management of the concentration camps, its assertion of complete. confidence in Milner. From the other side, Lewis Harcourt viewed these activities with grave suspicion and sought to counter what he regarded as a deliberate attempt to penetrate local Liberal organisations.

(63) Samuel to Charles Trevelyan, 21 June, 30 June 1901, Samuel MSS Al4ff.1-10.

'They seem to have unlimited funds and are sending lecturers all over the country to our Liberal Associations. I am countering this as best I can with Nat. Reform Union lecturers.' (64)

As Chief Whip, Herbert Gladstone, by no means out of sympathy with the Liberal Imperialists and a consistent advocate of Rosebery's return, became increasingly exercised by the possibility of a formal split. The indignant letter he wrote R.B. Haldane on 14 November, 1901, protesting against what he saw as the deliberate enticing away of William Allard from the Liberal Central Association and his position as secretary of the Home Counties Liberal Association to join the staff of the Liberal League, was a measure of these anxieties. Haldane's explanation somewhat mollified his anger, yet Gladstone maintained that the episode gave weight to the claims of the Unionist press that the League was 'the starting-point of a new party political organisation for electioneering purposes.' (65) He found gloomy analogies with 1886 when reporting to Campbell-Bannerman the efforts of the League to secure control of the party's organisations, though he somewhat softened his prognosis by doubting whether 'R's friends in HoC will be such fools as to resolve on a formal split. It is so much of a personal matter & the grounds of severance are so shadowy that I doubt whether they will go beyond some expression of allegiance to R.' (66)

<sup>(64)</sup> Lewis Harcourt to Sir William Harcourt, 8 Nov. 1901, Harcourt MSS Dep. 666f.79.

<sup>(65)</sup> Gladstone to Haldane, 17 Nov. 1901, Haldane MSS 5905f.127.

<sup>(66)</sup> Gladstone to Campbell-Bannerman, 23 Feb. 1902, Campbell-Bannerman MSS Add MSS 41,216f.195.

Campbell-Bannerman agreed that the Leaguers would not desert but would 'remain and plot and sap.' His animus against Rosebery and his friends was undisguised - 'the head of an organisation which is bribing our own agents & in every way intriguing against us in the constituencies.' (67) As the Boer War drew to its close, the debilitating enmeshing of personal animosities - what A.H.D. Acland called 'the atmosphere of personal squabbles and animosities which has surrounded us for so long' (68) - and entirely genuine differences of view held out the possibility of a formal split. The emergence of organisation and counter-organisation only served to deepen the mutual hostilities and suspicions as Bryce observed.

'It is only the creation of organisations within the party that is to be deprecated because in the present state of tension they are likely to be taken by each section, or tendency, as being directed against it, however little those who found them may so desire.' (69)

The surviving political correspondence firmly sustains that judgment.

Not only personal rancour and deeply held conviction stood in the way of reappraisal of Liberal policy. To an extraordinary degree these years were dominated also by the personality of Lord Rosebery. A.H.D. Acland was quite right

- (67) Campbell-Bannerman to Gladstone, 24 Feb, 18 May 1902, Campbell-Bannerman MSS Add MSS 41,216ff.196,208.
- (68) Acland to Spender, 25 Feb. 1902, Spender MSS Add MSS 46,391f.99.
- (69) Bryce to J.L. Hammond, 28 Feb. 1901, Hammond MSS 15f.49.

to argue that the obsession with his return to active politics was self-defeating. While Liberals were absorbed by this prospect, they would continue to 'put off the effective development of anything really worth calling Liberalism.' Even allowing that Acland was anxious lest Spender lent the weight of the Westminster Gazette to the call for Rosebery's return, there was great prescience in his judgment that Rosebery's reputation was formidable enough 'to wreck and injure his party, and not only his party but the best progressive influences.' (70) The adulation accorded Rosebery by his friends seems all but inexplicable at this remove. Whatever his ability to catch a public mood or his flair for publicity, Rosebery did not obviously have the capacity or interest to translate rhetorical slogans into practical politics. He may well have been right to maintain that Home Rule and the Newcastle Programme were electoral handicaps and to assert that the Liberal party should not move in opposition to national sentiment, but it was never entirely clear what was to be written on the clean slate. Yet Reginald Brett was not alone in greeting the news of Rosebery's resignation with the absolute assurance that 'the party will come to you next time on their knees with the keys of Parliament in their hands.' (71) Similar adulation was evinced by Wemyss Reid, who

<sup>(70)</sup> Acland to Spender 25 Feb., 20 May 1902, Spender MSS Add MSS 46,391 ff.102,106.

<sup>(71)</sup> Reginald Brett to Rosebery, 16 Oct. 1896, Rosebery MSS 10.007f.108.

saw Rosebery as 'the hope of the men who stand for all that is best in the Liberal party - a great army ready to march to victory if you will put yourself at our head.' (72) For his friends, Rosebery's return to the leadership was sufficient condition for reunion and triumph. They overlooked that their uncritical admiration was matched by an equally passionate hostility.

A significant group shared Labouchere's active dislike of 'the mystery man who is to be accepted as the Universal Rosebery's arrogance, his refusal to work Saviour.' (73) with former colleagues, his rejection of the fundamentals of their creed was seen as 'an apparent claim to dictate the personnel & the policy of the party.' (74) In their eyes it was the hankering of the Liberal Imperialists for Rosebery's reurn - 'the wish to call Lord Rosebery back as a sort of dictator round whom we are all expected to rally' - which frustrated the prospect of effective unity under Campbell-Bannerman. (75) Rosebery's friends were the schismatics, endlessly intriguing to undermine the influence and the policies of the leadership, which were loyally accepted by the majority of the party, not on any issue of principle but through personal malevolence and self-interest. Only when 'the little clique of self-seeking Imperialists' was put down

<sup>(72)</sup> Wemyss Reid to Rosebery, 9 June 1890, Rosebery MSS 10,056f. 217.

<sup>(73)</sup> Labouchere to L.V. Harcourt, 22 Aug. 1895, Harcourt MSS Dep. 426f.61.

<sup>(74)</sup> Channing to Bryce, 25 Jan. 1899, Bryce MSS UB4.

<sup>(75)</sup> Channing to Gladstone, 28 Apr. 1901, Gladstone MSS Add MSS: 46,018f.185.

could the party return to health. (76) Yet more than personalities were involved. If Rosebery's influence were to be deplored, it was because he had 'with singular perversity banished all the ideals & destroyed all the enthusiasms which fifty years or more of inspiring leadership by Mr. Gladstone had made the moral atmosphere of Liberalism.' (77) Francis Channing was not alone in seeing Rosebery's influence as entirely destructive of much that was vital in the Liberal tradition. The presence of a hypothetical leader behind the scenes, capable of rousing such extremes of regard and rancour, could only add to the difficulties of a distracted party.

Yet the chimera of Rosebery's return to active politics was pursued by the party's leaders and not only by his henchmen. Even Bryce saw the Chesterfield speech as 'a help to Liberal reunion' (78) when he replied to Herbert Gladstone's plea to use his influence with Campbell-Bannerman and urge him to take the initiative in seeking reconciliation. The Chief Whip had recorded his impression 'that the keen wish to make use of the speech as a basis for agreement & action in the HoC is so widespread.' (79) Four days later he reiterated his conviction that here was the basis for reconciliation, an opportunity which, if missed, would enlarge the rifts within

(76)	Channing	to	Campbel	11 <b>-</b> Ba	annerman,	17	Jan.	1902,	Campbell-
	Bannermar								
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(77) Channing to Gladstone, 28 Apr. 1901, Gladstone MSS Add. MSS 46,081f.186.

(78) Bryce to Gladstone, 20 Dec. 1901, Gladstone MSS Add MSS 46,019f.61.

(79) Gladstone to Bryce, 18 Dec. 1901, Bryce MSS UB7.

the party. In a letter of unusual acerbity, he expressed his anger at Campbell-Bannerman's reluctance to act.

> 'I was horrified when he declared he cd no longer consult with Asquith. I told him straight out that this wd make my position impossible & intolerable.' (80)

On 17 December he had urged Campbell-Bannerman, in the strongest terms, to take the initiative, since the bulk of the party welcomed the Chesterfield speech as the basis for unity between the contending factions. The disappointing outcome of the conversations between Rosebery and Campbell-Bannerman moved the Chief Whip to complain, in a pessimistic letter to Asquith, that 'effective reunion for a great national object seems likely to be thrown away.' (81) In reply, Asquith maintained that his leader's failure to respond positively and publicly would open up further friction and misunderstanding. He had no doubt that 'CB ought at once or at any rate without any unavoidable delay to have publicly pronounced in favour of the Rosebery line.' (82)

The reactions to Chesterfield sharpened the continuing desire for Rosebery's return to active politics. After the general election of October 1900 Herbert Gladstone had left his leader in little doubt that the party's renaissance and escape-route from its sectional difficulties lay this way. If Campbell-Bannerman took the initiative, his action would be

45,989f.59.

<sup>(80)</sup> Gladstone to Bryce, 22 Dec. 1901, Bryce MSS UB7.

<sup>(81)</sup> Gladstone to Asquith, 31 Dec. 1901, Asquith MSS 10f.42.
(82) Asquith to Gladstone, 5 Jan. 1902, Gladstone MSS Add MSS

widely endorsed since 'the clear wish of the vast majority of Liberals is that you should have the co-operation of Rosebery for general party purposes.' (83) A year later, Augustine Birrell, writing to R.B. Haldane that he had invited Rosebery to address the annual conference of the National Liberal Federation and urging Haldane to persuade Rosebery to accept, was quite certain that 'the present value of the news that he had consented would do an immense deal of good among the rank and file - in fact it would be a clincher.' (84)

A final measure of Rosebery's central position is Campbell-Bannerman's sensitivity to any suggestion that he, Campbell-Bannerman, stood in the way of reconciliation. He had no love for 'the Cardinal Prince' - it is difficult to believe that R.W. Perks heard him aright over dinner when he reported to Rosebery that Campbell-Bannerman had accepted the latter's absolute fitness to lead the party since Rosebery was 'head & shoulders above everyone else & it is his right position.' (85) More typical was Campbell-Bannerman's sharp reaction to the prospect that his Chief Whip should share a platform with Rosebery in Leeds. It was intolerable that 'he who has proclaimed his definite separation from me & my policy is to be supported by the President of the National Liberal Fed & by the Chief Whip of the Liberal Party! (86) Once

<sup>(83)</sup> Gladstone to Campbell-Bannerman, 5 Nov. 1900, Campbell-Bannerman MSS Add. MSS 41,216f.32.

<sup>(84)</sup> Birrell to Haldane, 30 Nov. 1901, Rosebery MSS 10,029f.147.
(85) Perks to Rosebery, 5 Dec. 1900, Rosebery MSS 10,050f.123.

<sup>(86)</sup> Campbell-Bannerman to Gladstone, 18 May 1902, Gladstone MSS Add MSS 45,988f.14.

again, Chesterfield provided the touchstone. He responded to Herbert Gladstone's welcoming reaction by condemning it as 'pure clap-trap and an affront to Liberalism.' (87) He made abundantly plain to Gladstone and to Bryce that the failure of the subsequent conversations sprang from Rosebery's obdurate determination to ditch Home Rule and the Newcastle Programme and his absolute unwillingness to consult. Campbell-Bannerman felt bitter that an impression had been created that his was the responsibility for the failure to heal the breach.

'I told him that it was intolerable, and mischievous, that I & my friends should be held up to condemnation because we were unwilling to work with him... The country does not know all this, thinks we are selfishly excluding a broad-minded statesman. It may be very clever, but it is diabolically unfair and mischievous.'(88)

The Liberal leader was no manipulator of the press; significantly his rare efforts to elicit editorial support came after Chesterfield. His only letter to C.P. Scott, written on 26 December, 1901, sought to dispel any impression that Rosebery was willing to resume co-operation. In similar vein, he wrote to J.A. Spender on New Year's Day, 1902. 'He won't rejoin: wont consult: wont do nuffin.... Then why should the public be told that a noble patriotic statesman wd like to save his country but certain selfish curmudgeons wont have him.' (89)

<sup>(87)</sup> Campbell-Bannerman to Gladstone, 18 Dec. 1901, Gladstone MSS Add MSS 45,987f.211.

<sup>(88)</sup> Campbell-Bannerman to Bryce, 25 Dec. 1901, Bryce MSS UB32.

<sup>(89)</sup> Campbell-Bannerman to Spender, 1 Jan. 1902, Spender MSS Add MSS 46,388f.9.

The pique was understandable.

In the end, the Rosebery cult proved bankrupt. His iregular excursions into the political arena, his arrogant determination that the Liberal party should come to him rather than that he should win its confidence and enthusiasm, his apparent preference for a national appeal transcending party, disillusioned even his most committed followers. For all his overt admiration, Edward Grey recognised that Rosebery's aloofness could be self-destructive, warning him that 'the time has come when you cannot keep out of party politics without losing influence.' (90) The ambivalence towards Rosebery was perhaps best expressed by a Mr. Humphreys, Treasurer of the Richmond Liberal Association, whom Wemyss Reid met in the train from Bournemouth and whose conversation, like so much other political gossip, was faithfully reported 'Everybody admits that Lord R. is our only hope, to Rosebery. that he is head & shoulders above everybody in the party & that on every account he is the proper leader.' But doubts remained whether he was in earnest, whether he was too sensitive to criticism within the party. 'Has he taken his coat off, & does he mean to go on to the end: or will he by & by find some reason for breaking out of it & going away to Dalmeny to write books or shoot pheasants.' (91) In the end,

<sup>(90)</sup> Grey to Rosebery, 12 May 1901, Rosebery MSS 10,028f.107.
(91) Wemyss Reid to Rosebery, 13 Nov. 1902, Rosebery MSS 10,058 f.71.

Rosebery's perverse inscrutability resolved the doubts. yet even in 1903, when Liberal fortunes were reviving, Asquith and Grey could still regard his return to active politics as urgent, if the party was to get the full impetus from the free Through the Free Trade Union, Rosebery could trade tide. take with them the road back to the security of the Liberal fold and be met, like them, 'with great cordiality & goodwill by some of those who a year ago were most hostile.' (92) Rosebery preferred 'the imperative & resistless call of your country, coming in a time of national peril' (93) to the less glamorous challenges of party politics. Yet Dalmeny was never likely to prove a Colombey kes deux Eglises. For too long, Liberals in hope or trepidation anticipated that Rosebery's return would be decisive; for many it was the condition for reunion and revival. His brooding presence was yet another distraction from the task of re-defining the Liberal creed and the Liberal programme. Set alongside the divided leadership and disagreements over so many issues, it frustrated effective policy-making. The shrewd ironmaster, Sir James Kitson, discerned the frustrating relationship. 'It is no good to discuss liberal legislation until we are reformed and in ordered array. Then perhaps we may have the power to do useful work.' (94)

(92) Asquith to Rosebery, 9 July 1903, Rosebery MSS 10,001f.117.
(93) Perks to Rosebery, 22 June 1904, Rosebery MSS 10,051f.231.
(94) Kitson to Gladstone, 3 Feb. 1899, Gladstone MSS Add MSS

46,028f.97.

The political correspondence strongly suggests that the Liberal party had not recovered that power at any time before 1903. The debilitating effect of sterile antagonisms was revealed in the almost total absence of analysis of the reasons for the electoral defeats of 1895 and 1900. No doubt many Liberals shared Harcourt's chagrin at the magnitude of the first, as he wrote to Campbell-Bannerman. 'I expected a deluge but not an earthquake.! (95) By 1900 the expectation of defeat in an election fought by a divided party in unfavourable circumstances allowed Liberals to draw some comfort from the thought that it might well have been a good deal worse. Spencer accepted that the election had been 'a fresh blow to Liberals' but at least 'we kept together and were not swept off the face of the land as the Tories hoped.' (96) In the aftermath of July 1895 John Morley could hope that 'the thundering lesson that we are now having will not be thrown away! (97) but the hope was not accompanied by any positive steps for its realisation. Campbell-Bannerman found the explanation in the hostility of the party's old enemies and in some reaction against Gladstone.

- (95) Sir William Harcourt to Campbell-Bannerman, 25 July 1895, Campbell-Bannerman MSS Add. MSS 41,219f.86.
  (96) Spencer to Campbell-Bannerman, 4 Nov. 1900, Campbell-Bannerman MSS Add MSS 41,229f.88.
- (97) Morley to Campbell-Bannerman, 23 July 1895, Campbell-Bannerman MSS Add MSS 41,223f.38.

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III

'The pace was forced by Mr. G. for many, and now there is a weariness and satiety even among men favourable to reform. Thus the power both of the Church & of the Trade was underestimated.... and the noisy fussiness of the Teetotallers is as nothing against the steady pressure of the interest they attack.! (98)

Even those, like Haldane, who recognised that 'the confidence of the workmen who will turn the next election has to be gained in relation to domestic affairs' and welcomed 'the process of putting down the ancient & somewhat dilapidated Temple of Liberalism' offered little except exploiting the old Liberal animus against grants to voluntary schools and waiting on events. 'There is plenty of dormant Liberalism only it is no good trying to wake it up before its time has come - and that is not yet & will not be until the ground is cleared of the rubbish that covers it.' In the meantime 'there is nothing that ought to be done but watch & wait.' (99) This curious passivity hardly conveys any urgent desire to review the Liberal position. Indeed, former ministers remained in grave doubt about the party's stance, something they found embarrassing when they came to make public speeches, though not all communicated their distaste as forcibly as Morley. 'My whole soul loathes this speaking, when we have not a single thing to say - except platitudes and old stale cries, that for the moment are as dead as can be.' (100) Whatever the peculiar

<sup>(98)</sup> Campbell-Bannerman to Rosebery, 20 July 1895, Rosebery MSS 10,003f.137.

<sup>(99)</sup> Haldane to Rosebery, 14 Apr. 1896, 24 Aug. 1897, Rosebery MSS 10,029ff.49,58,60.

<sup>(100)</sup> Morley to Campbell-Bannerman, 12 Feb. 1896, Campbell-Bannerman MSS Add MSS 41,223f.48.

circumstances of Morley's outburst, doubtless coloured by his defeat at Montrose, it hardly conveyed confidence in the Liberal alternative.

In 1900 the response was no different. Campbell-Bannerman was content to see defeat as largely adventitious.

'The wretched result in Scotland is partly due to bread and butter influences, especially in the Clyde districts, where war-like expenditure is popular; partly to the turn-over of the Catholic vote, which was the main cause of my diminished majority; partly to Khaki; and partly to our own factions, which have taken some of the heart out of us.' (101)

Patriotic sentiment and Liberal divisions, unscrupulously exploited in Liberal eyes by Joseph Chamberlain, were explanation enough. Of those who chose to comment on the outcome of the election, and they were precious few, none save Asquith recognised that the defeat reflected the electorate's disenchantment with the party's failure to display itself as an acceptable alternative government. 'This damnable debable' had occurred even though the electorate had no great confidence in 'this weak & noisy Government' because the electorate had 'failed to discern any possible alternative, and had voted, or abstained from voting accordingly.' (102) That diagnosis came close to home, but a leadership divided and dispirited could hardly display itself as a vigorous alternative government. Often, over the years since 1895, it was hard put even to direct the party in the routine business of the House of

<sup>(101)</sup> Campbell-Bannerman to Gladstone, 22 Oct. 1900, Gladstone MSS Add MSS 45,987f.125.

<sup>(102)</sup> Asquith to Gladstone, 7 Oct. 1900, Gladstone MSS Add MSS 45,989f.42.

Commons, let alone give new purpose to the party at large.

As late as May 1904, Sir Robert Reid, replying to a request from the Chief Whip to members of the Liberal front bench to be more regular in their attendance at the House, maintained that the slackness and want of vigour sprang from the absence of mutual confidence. 'Life will return when they feel they can trust each other politically.' (103) That lack of trust was reflected in a surprising absence of consultation, even an extreme reluctance to meet together. Asquith, for example, in the memorandum he wrote at the time of Harcourt's resignation, recorded that at a crucial period 'I had not a word of communication or counsel with any of my late colleagues The same lack of consultation and in the Cabinet.' (104) commitment prompted Tweedmouth to urge Campbell-Bannerman only to accept the leadership if he received assurances from his colleagues as to their willingness to share the burdens of Commons business.

'I hope you would only accept on the rigid understanding that the front bench should be kept constantly clothed and that its members should bind themselves to take an active part in the business of the House and to back you strongly in a militant programme.' (105)

In fact, Campbell-Bannerman's advent made little difference. His penchant for Marienbad compounded his reluctance to bring his colleagues too often together lest this revealed too

<sup>(103)</sup> Reid to Gladstone, 23 May 1904, Gladstone MSS Add.MSS 46,018f.124.

<sup>(104)</sup> Memo., 13 Dec. 1898, Asquith MSS 9f.120.

<sup>(105)</sup> Tweedmouth to Campbell-Bannerman, 1 Jan. 1899, Campbell-Bannerman MSS Add. MSS 41,231f.49.

overtly the depth of their divisions. A pre-session dinner was enough to plan the business. There is a curious aura of insouciance conveyed in the letters. Herbert Gladstone struck a plaintive note when he sought to pin his leader down to firm engagements for speech-making during the autumn. 'I don't quite know where you are but am afraid I cannot let you off any longer from hearing from me.' (106) Campbell-Bannerman's reply extolled the charm of his Marienbad doctor and dwelt on his wife's neuritis, but he firmly declined to address two key rallies at Walthamstow and the Alexandra Palace, organised by the Home Counties Liberal Federation.

The Liberal leader seemed equally disinclined to offer direction in Parliament. It was left to Herbert Fowler to inquire whether a meeting of the front-bench might be held during the Easter recess to define their attitude to the Budget of 1901. In a letter which Campbell-Bannerman passed on to the Chief Whip, he suggested 'some sort of a small gathering to consider the attitude to be taken as to the Budget which comes on the first night.' (107) Campbell-Bannerman's letter to Herbert Gladstone with this enclosure conveyed that no other member of the front bench felt the need to plan the business after the recess. A year later, things

(106) Gladstone to Campbell-Bannerman, 23 Sept. 1902, Campbell-Bannerman MSS Add MSS 41,216f.227.
(107) Fowler to Campbell-Bannerman, 3 Apr. 1901, Gladstone MSS Add MSS 45,987f.182.

were no better. The Chief Whip wrote to the leader of Fowler's indignation at not being asked to lead in the debate on the Corn Tax resolution and emphasised 'the hopelessness of making progress or even a good show without some kind of consultation on the Front Bench.' (108) On another issue which equally engaged Liberal sensibilities and provided the opportunity for a concerted assault agreeable to all sections of the party, the Education Bill of 1902, there was a similar lack of coordination. Asquith was indignant that his views had not been sought on the appropriate response. He had heard from Lewis Harcourt that it was proposed to move an amendment delaying its introduction for six months and protested vigorously at the failure to discuss parliamentary tactics on a matter of such substance. 'That no consultation of any sort should be held with several members of the late Liberal Government appears to me to require some explanation.' (109) Altogether it was an unhappy picture.

A leadership apparently unable to mount effective opposition in the House was unable to give direction to the party in the country. This is strongly conveyed by the absence from the private papers of any evidence of consultation before the general election of 1900. A common approach to the electorate simply went by default. Herbert Gladstone seemed close to despair as he surveyed the prospects in a series of

<sup>(108)</sup> Gladstone to Campbell-Bannerman, 21 Apr. 1902, Campbell-Bannerman MSS Add MSS 41,216f.201.

<sup>(109)</sup> Asquith to Gladstone, 30 Apr. 1902, Gladstone MSS Add MSS 45,989f.70.

letters to Sir Robert Hudson, secretary of the National Liberal Federation. 'The political position is just maddening with CB The whole party waits for the smallest scrap of away. inspiration, but it is all smothered in a Marienbad mudbath. (110) When Hudson, in reply turned to the party's organisational weaknesses, the Chief Whip was adamant that nothing could repair the damage done by want of effective leadership. 'It really comes to this, that if the election comes in Oct. & our leaders wont lead we must scramble through as best we can.' Campbell-Bannerman's want of energy and the absence of any accord with Rosebery created the problems in the constituencies. To Herbert Gladstone it was entirely clear that 'until these men show that they have opinions & are taking trouble for the party this disgusting apathy must prevail.' (111) These doubts he conveyed to Campbell-Bannerman in terms which confirmed that, in his judgment, the leadership had defined no platform and that the activists in the constituencies were left uncertain and dispirited.

'Of course everyone asks what the policy of the party is to be.... our people want General Election guidance. They say the election may be on us in a fortnight & not a single front bench man has spoken or written anything.' (112)

None of this was new. A year before, Herbert Gladstone had

(110)	Gladstone	to	Hudson,	18	Aug.	1900,	Gladstone	MSS	Add	MSS
	46,020f.49	Э.			-					
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(111) Gladstone to Hudson, 30 Aug. 1900, Gladstone MSS Add MSS 46,020f.60.

(112) Gladstone to Campbell-Bannerman, 9 Sept. 1900, Campbell-Bannerman MSS Add. MSS 41,216f.2

written to Bryce of the impact on the parliamentary party's morale of the front bench's inability to define its attitude to the conduct of negotiations with the Boers and the responsibility for the outbreak of the war. He regretted that 'the meeting of ex-Ministers has been so long delayed. For it seems to me the party greatly needs guidance.' (113) That sentiment, framed in particular circumstances, could have provided the text for a jeremiad on the Liberal party's woes since 1895.

Yet any attempt to provide that guidance only provoked further dissension. Tweedmouth was entirely right to judge that 'each section has the power to spoil every one else's game and no power to effect anything else on its own account.' (114) A Birmingham activist, Alfred Ostler, writing to Asquith about the unwisdom of contesting North Birmingham early in 1899, maintained that there was little hope for the party until 'some of the rubbish is tipped out of the Liberal programme.' (115) Sadly, Liberals did not readily agree about what was dress and what was pure metal. Reactions to the Chesterfield speech of older Liberals, even allowing for the personal antagonism of men like Spencer and Harcourt towards Rosebery, showed their attachment to the old causes.

<sup>(113)</sup> Gladstone to Bryce, 1 Oct. 1899, Bryce MSS UB7.

<sup>(114)</sup> Tweedmouth to Gladstone, 9 Nov. 1902, Gladstone MSS Add MSS 46,022f.50.

<sup>(115)</sup> Ostler to Asquith, 10 Jan. 1899, Asquith MSS 19f.48.

Harcourt urged Campbell-Bannerman to make clear 'that you fly the old flag & are not prepared to shunt the old traditions and the old creed, ' none of which should be abandoned for a narrow opportunism with a view to throwing down the walls of Jericho.' (116) Often Liberals of this persuasion saw no It was enough to need to formulate the Liberal alternative. Spencer, for example, could 'doubt the expediency of oppose. formulating a counter-policy. Surely good tactics do not demand of the opposition a declaration of Policy of their own, but point to strenuous opposition to Govt. proposals.' (117) If the context here was particular to the Education Bill, his letter left little doubt that his recipe was of general application. Certainly it was a tactic which commended itself to an old Radical war-horse like Labouchere. Vigorous opposition was enough to win the hearts of the electorate, the object to 'accentuate rather than minimise party differences' since 'the English like fighting, & they want something to fight about, that they can understand. '"(118) The combative reiteration of old Liberal cries, the definition of the Liberal position by negatives, would bring all safe home.

Reluctance to define new paths was strengthened by the efforts of Liberal Imperialists to link social reform with the

(116)	Harcourt to Campbell-Bannerman, 12 Jan. 1902, Campbell-
	Bannerman MSS Add MSS 41,220ff.50,52.
	Spencer to Campbell-Bannerman, 1 Oct. 1902, Campbell-
	Bannerman MSS Add MSS 41,229f.174.
(118)	Labouchere to Bryce, 5 June 1900, Bryce MSS UB10.

imperial idea. The marriage had attractions for Liberals who wished to move the party towards constructive social policies yet escape the charge that by so doing they were surrendering to working-class pressure and making the State the agency of a single interest. Liberal Imperialism could justify social reform by reference to the needs of an imperial race, not in terms of working-class interest, and emphasise the organic community against the impending prospect of class conflict. If the Liberal party was to fulfil its function of mediator between classes, it must again become a national party. To do this it must throw off the shackles of the faddists and through a sane Imperialism and the pursuit of national efficiency re-establish its relationship with majority opinion in the nation. At the same time, Liberal Imperialism would supply the comprehensive system of ideas and principles which the party needed to bring the factions together.

In fact, social imperialism could only be divisive for Liberals. The cry of national efficiency brought the Liberal Imperialists into conjunction with some strange bed-fellows. When Alfred Milner linked Imperialism and social reform he did so in terms which no Liberal could accept, since they asserted the subordination of the individual to the interests of the Imperial state, while the national economy was to be directed towards security and power. It was, to say the least, peculiar that Asquith, Grey and Haldane came so much under the

influence of a man whose contempt for their leader knew no bounds; a man who found Campbell-Bannerman 'too revolting' and could ask 'what have we done as a nation, that our interests should be, even in the least degree, at the mercy of a trifler like that?! (119) To some Liberals, the desire of the Liberal Imperialists to shunt old Liberal causes in favour of social reform only compounded their graver offence, the rejection of a Liberal tradition which equated defence and diplomacy with the interest of an aristocratic establishment, whose interventions only delayed the emergence of immanent harmony of nations. This was, after all, the party which had responded so bravely to Gladstone's attempts to moralise the nation's external role. Moreover, other Liberals interested in moving the party towards a more vigorous social radicalism entirely rejected its association with Imperialism. They shared the view of one of Campbell-Bannerman's correspondents, the Workington solicitor, George Thorne, that Rosebery's jingo Imperialism diverted both attention and resources from the task of reform at home. (120) In important ways, the Liberal Imperialists went against the grain of Liberal sentiment. So far from assisting the Liberal party towards positive policies of social reform, they inhibited the process of Liberal reconstruction.

In any case, it is not entirely clear how deep was the

 (119) Milner to Haldane, 15 July 1901, Haldane MSS 5905f.83.
 (120) Thorne to Campbell-Bannerman, 22 Nov. 1899, Campbell-Bannerman MSS Add MSS 45,987f.44.

concern of the Liberal Imperialists for detailed programmes of social reform. Haldane confided to his sister that 'it is a proper lead in social questions that we are aiming at' and a few days later wrote to her: 'yesterday I spent with the They have formed a movement & we are going to Webbs. elaborate, if we can, a real programme of social reform.' (121) If this was their intention, it figured little in the corres-There was about their pondence of Asquith, Grey and Haldane. approach to social reform a certain dilettantism, captured by Beatrice Webb, when she asked in her diary, 'Why play the game at all if you mean to play so carelessly and with so little enjoyment of the process or concern for the result?' (122) She applauded their negative role in 'stepping boldly out of the ranks of an obsolete Liberalism' and performing 'the necessary work of the iconoclast of the Gladstonian ideals.' (123) She sensed some sympathy with the ideas of her husband and herself; but in the end they lacked commitment and persistence, in the hard business of elaborating reforms in detail, preaching them and organising a party to push them. Beatrice Webb could be contemptuously dismissive of those who did not recognise wholeheartedly the superior wisdom of the Webbs, but she was properly sceptical of the Liberal Imperialists' commitment to their collectivist ideas, even if it was a little severe to

(121) Haldane to Mary Haldane, 28 June, 8 July 1901, Haldane MSS 6010ff.183,184. (122) 21 July 1902, Diary <sup>T</sup>ranscripts, Vol. 23, 4. (123) 9 July 1901, Diary Transcripts, Vol. 21, 43.

dismiss them as men whose only idea was 'to dine each other sumptuously at smart little parties of 6 or 8 & tell House of Commons stories and chaff.' (124) Professor Rainy of Edinburgh put a finger on the nebulous content of the Liberal Imperialists' programme.

'There is nothing here to elicit or embody Liberal enthusiasms. You cannot go to the constituencies with a clean slate. You must have emphatic Liberal labels.... Imperialism and Efficiency will not do, if only because the Tories as far as words go will overcrow you on both.' (125)

It was not only because their stance on external issues was anathema to many Liberals or that they were tactically inept that the Liberal Imperialists failed to make an impact on the party's attitudes to social questions. That failure reflected their own imprecision.

The party's divisions and lack of direction bred a widespread disenchantment. Grey responded to Rosebery's resignation with the observation that 'there is no Liberal party worth leading: the party in Parliament is numerically small and is greatly composed of men, who are content with nothing but leadership for themselves, for which most of them have no capacity except an incapacity to follow. Leadership is for the present impossible and before the party talks of choosing a leader it must show that it is fit to be led.' (126)

(124) Beatrice Webb to Mary Playne, 9 Feb. 1902, Passfield MSS II 463f.32.
(125) Rainy to Haldane, 25 Feb. 1902, Haldane MSS 5905f.162.
(126) Grey to Rosebery, 13 Oct. 1896, Rosebery MSS 10,028f.47.

That pessimistic assessment might be discounted, knowing his attachment to his former chief at the Foreign Office and his distaste for those, like Harcourt, whose obstinate refusal to co-operate had, in Grey's view, driven Rosebery to resign. Yet seven years later, Bryce, representing an entirely different strand of the Liberal tapestry, found himself 'impressed by the general slackness of politics and absence of all topics fit to rouse the flagging interest of It said little for the vigour of Liberal electors.' (127) politics that Bryce hoped that St John Brodrick's projected Army Reforms might fill the gap. Battered by continuing dissension, many Liberals must have echoed Tweedmouth's cry. 'I'm tired of the whole show & much tempted to drop any attempt to co-operate with others.' (128) Certainly it would have struck a chord in Herbert Gladstone, sustained by a dogged loyalty in the thankless task of Chief Whip.

It was too simple to attribute all the party's troubles to 'a dozen intriguers whose vanity, as well as their malice, will lead them to make mischief, and whose interest it is to make out that there are irreconcilable differences among us.' Yet Campbell-Bannerman was quite right to discern that the party at large was 'heartily sick of the conception of public life which consists merely in their being expected to form an

<sup>(127)</sup> Bryce to Campbell-Bannerman, 25 Jan. 1903, Campbell-Bannerman MSS Add MSS 41,211f.220.

<sup>(128)</sup> Tweedmouth to Gladstone, 31 Dec. 1901, Gladstone MSS Add MSS 46,022f.40.

occasional ring while some not very able bruiser displays his science.' (129) Many of the party's active supporters in the country shared that view. Their disenchantment sprang from a puzzled incomprehension at their leaders' inability to work together. One of J.A. Pease's supporters at Saffron Walden, Joseph Smith, asked 'why cannot something be done to bring the leaders of the two sections of the party together.... let them differ as they may surely they could work together so as to gain the confidence of the country?' (130) In turn, this disenchantment debilitated the party's local organisations, whose dangerous decay was revealed by the inquiries of a committee set up by the Liberal Central Association in April 1899 to review the state of the party's organisation in every constituencv. Individual Liberals conveyed the same dis-There were other reasons for L.T. Hobhouse's illusion. decision to end his association with the Manchester Guardian; there were the conflicting pressures of academic work and his resentment that he was not consulted on editorial policy. But whatever the element of self-justification, he chose to rest his decision on the unsatisfactory state of Liberal politics. 'Unless some great & unforeseen change occurs the Liberal party seems to me destined to futility & I find some difficulty now in writing from any point-of-view but that of an avowed

(129) Campbell-Bannerman to Rosebery, 6 Jan. 1899, Rosebery MSS 10,003f.171.
(130) Joseph Smith to Pease, 25 Feb. 1902, Gainford MSS 77.

independent.' (131) Whatever the circumstances, that a distinguished Liberal intellectual and publicist could write in these terms provides testimony to the damaging consequences of chronic divisions with their frustration of the party's reconstruction.

IV

A leadership so circumstanced was hardly equipped to stir the inertias generated within the party's local associations. Their influence remains obscure. Recent historians of the Labour party offer tantalising glimpses of independent labour politics unwittingly nurtured by obscurantist Liberal caucuses, who set their bourgeois faces against workingmen as candidates and were more enamoured of working-class votes than of working-The American, A.L. Lowell, whose work Bryce class candidates. judged 'the best account, most exact & faithful in presenting the real spirit & actuality of our institutions that has ever been written,' (132) found in the Liberal caucuses 'a jealousy of men of their own grade on the part of what are known as the lower and lower middle classes.' (133) That other acute observer, Ostrogorski, was sharply critical of the influence of local organisations, both for their reluctance to endorse working-class candidates and for their narrow disectarianism. They were the stronghold of the faddists, inflexibly wedded to political orthodoxy and incapable of independent thinking, the

(131) Hobhouse to Scott, 14 Feb. 1901, Scott MSS 132f.104.
(132) Bryce to J.A. Spender, 29 May, 1908, Spender MSS 46,391f.247.
(133) A.L. Lowell, <u>The Government of England</u> (2 vols, 1908), II,50.

vehicle for 'party tyranny which stifled every independent tendency and prevented advanced candidates from coming forward.' (134) Beatrice Webb believed that the Boer War had strengthened these influences, enhancing the Liberal party's resistance to change by 'a retreat within the old lines of "Gladstonianism."' Because the party had proved incapable of generating new initiatives there was a vacuum, which had been 'filled with pro-Boer sentiment of an extravagant kind and the old sort of secularist individualist radicalism.' (135) Here, it seems, was another barrier to Liberal reconstruction, at a level where broad social changes, which some historians have recognised as going forward in late Victorian and Edwardian England, made adjustment particularly important.

It is suggested that there was some consolidation in class terms of property-owning Englishmen with its political corollary, the replacement of group politics by class politics. This process is seen as necessarily unfavourable to the Liberal cause whose survival 'depended on its success in preventing the development of a class-orientated electorate.' (136) Lowell observed the sociological change and drew its political implication.

'Formerly the manufacturers and merchants in the new industrial centres were normally liberal. But as they accumulated wealth, the situation changed. Social aspirations awoke, while their political attitude, instead of being militant and aggressive, became defensive, and inclined them towards the party by tradition Conservative.' (137)

Ostrogorski observed the same process in the manufacturing towns of 'the gradual formation of a Tory society in their In proportion as the political and commercial midst.... claims of the middle-class were satisfied and it had to defend its position against new assailants, its Liberalism evaporated and it became Conservative.' (138) Dr. Pelling, in the Social Geography of British Elections, has confirmed these contemporary impressions by demonstrating the close correlation between constituencies, definably middle-class, and regular Conservative allegiance. By contrast, the Liberal party was less successful in consolidating its position in predominantly working-class constituencies, a failure which to some contemporaries seemed almost perverse. Brougham Villiers saw the urban poor as 'the tools of rampant militarism.... At present the poor are an asset of the Tory party, and their numbers are sufficiently great to hand the boroughs over to it, in the absence of any very decided Liberal faith on the part of the organised workers.' (139) Alfred Ostler, Asquith's correspondent, similarly argued the futility of contesting Birmingham North because 'it is the worst part of the town for drink & poverty.' (140) By contrast, Liberalism remained strong where group politics continued to hold sway, where nonconformity flourished or where the scale of business organisation was small enough to maintain some community of interest between

<sup>(138)</sup> Ostrogorski, <u>op.cit</u>. 130. (139) Brougham Villiers, <u>op.cit</u>., 28-29.

<sup>(140)</sup> Ostler to Asquith, 10 Jan. 1899, Asquith MSS 19f.48.

employers and workers, perhaps reinforced, as in Northamptonshire, by the obdurate resistance of local landed families to the aspirations of professional and business people. In Wales, where Liberalism and nationalism were fused and the Liberal party was linked with major advances in Welsh society, the Liberal party's dominant position was assured: class harmony was assumed and those who proclaimed that Labour had a separate interest requiring separate organisation seemed disloyal to the advance of Welsh nationhood. Yet where liberalism remained a dominant and unifying force, there was little inclination to make concessions to working-class demands, either in policy or personnel, as local response to the Gladstone-MacDonald pact was to show.

Such evidence supports the thesis that the Liberal party by the turn of the century needed to broaden its base, both organisationally and programatically. Its enemies to the Left argued that this could not be done since 'the Liberal Party is financed by rich Capitalists. It is therefore controlled by rich Capitalists.' (141) If politics was indeed bound within rigid class terms, then the Liberal party was, perhaps, destined to pass away unmourned. A party which included among its MPs Sir James Kitson, Sir W.D. Pearson, Sir H.E. Kearley and Sir W.T. Lewis, which still had the support of landed magnates like Baron Wimbourne and the Earl of Manchester, and whose local associations were over-representative of the Liberal

(141) Fenner Brockway, Labour and Liberalism (1913), 85.

faddists, would not find the process comfortable. Commitment to programmes of social reform might well alienate some supporters and leave local associations short of money. 0n the other hand, there was the thrust of progressive opinion, sharing Liberalism's distaste for class politics, its belief in social harmony, its confidence that conflicts were reconcilable. Even new aspirations within the Labour movement did not point in any deterministic way to the Labour party's triumph. To respond, to articulate and mobilise this potential constituency Liberalism needed a coherent creed, which could harmonise its traditional concern with the individual and the present need for positive state intervention; which could represent social reform not as a ransom owing to the sectional interest of the working-class but as an imperative for the well-being of the whole society.

Little of this impinged on the party's leadership. There is no suggestion in their correspondence of an alertness to the necessity for some radical reconstruction of the party's posture. Distracted by their own divisions, arising from external issues which at once justified and sharpened their personal antagonisms, they appeared unaware of the currents flowing through their party at other levels. They did not perceive, as others did, 'the steady alienation of the people from Liberalism,' of the Liberal cause going by default because it no longer offered 'some great constructive policy.' (142)

(142) Brougham Villiers, op.cit., 4,13.

There were Liberals who saw the old cries as irrelevant, a burdensome anachronism, which had failed to retain their hold upon the people because they were 'not in the direction of present-day progress' and had 'no root in popular necessity.'(143) Even while the party of progress came close to tearing itself in pieces, Liberal intellectuals and publicists were parting company once and for all with the older individualism and were fashioning the arguments to sustain a creative role for Sensitive to the prospect of class division and government. concerned lest a negative response would increasingly polarise the classes, they urged that the State should play a stabilising role to prevent class war and industrial strife. In pursuing a new, comprehensive science of society, they offered a re-definition of the Liberal creed, responsive to new ideas of social justice and stimulating constructive approaches to acknowledged social evils. But theirs was not the world of the parliamentary party and its leadership. That was a world in which a future Liberal foreign secretary could condemn his leader's attempts to conciliate the rival factions as resulting 'in increased vitality of both extremes, each contending for the ascendancy, one in the hope of getting you entirely on their side & pushing Rosebery further off; the other in the hope of bringing Rosebery back as leader.' (144) Charles Geake, who

(143) Ibid., 79.

(144) Grey to Campbell-Bannerman, 22 Nov. 1900, Campbell-Bannerman MSS Add MSS 41,218f.25.

did so much to revitalise the Liberal Publication Department, could see the fatal consequences of treating the Liberal Imperialists as if they were disloyal. In his eyes, 'the danger of situat<sup>n</sup>. in which Asquith's men feel they are being ousted' was that they would be driven to a formal split and that would leave Campbell-Bannerman 'an opposition leader in perpetuity.' (145) Such were the concerns of the party at its centre.

Those historians who see the Liberal party's triumph in 1906 as a testimony to its renewed vigour and its subsequent performance in office as a result of its penetration by the social radicalism of the New Liberals can hardly claim that these processes were going forward within the leadership before 1903. Even in 1905, Cecil Chesterton, admittedly a hostile partisan, maintained that Liberalism had neither 'a coherent or intelligible political philosophy' and attributed the party's continuing attachment to old Radical shibboleths to the fact that 'the Radical wing of the Liberal Party has degenerated into a political committee of the Free Church Councils.' (146) W.T. Stead recorded the tension between the leadership, convinced that the certainty of victory rendered the definition of a programme superfluous, and the constituencies with their 'growing feeling of inquiry as to the details of a

(145) Geake to Gladstone, 29 Dec. 1901, Gladstone MSS Add. MSS 46,042ff.162,163. (146) Cecil Chesterton, Gladstonian Ghosts (1905), 25.12.

policy which is to undo the long years of Tory misrule and provide some indication of the advance towards the amelioration of social conditions.' (147) Long years of rivalry and some insensitivity to the political world beyond the confines of Westminster rendered the party's leadership impotent to repond to the party's need for reconstruction. At another level, however, a foundation for that reconstruction was already being offered by men whose considerable intellectual penetration was directed both to profound social analysis and to re-definition of the Liberal creed. The intellectual foundation for a Liberalism of social radicalism was being laid even as the party came close to dissolution.

(147) W.T. Stead, Coming Men on Coming Questions (1905), 425.

## CHAPTER V The Public Argument

Ι

'Politics are collective thinking, and the Government which neglects to think aloud will fail in its work, and deserve to fail.' The Daily News was rightly reflecting that in an open political system legislative programmes and administrative skill are not enough. 'Politics in a free country are also the art of persuasion and no leader can be great, whatever his constructive power as a legislator or his organising talent as an administrator, who fails in his task of inspiring the democracy in whose name he acts.' (1) The relationship suggested here may be deceptively simple but it indicates one aspect of the total political process where the concepts of the New Liberalism might be expected to have currency in shaping political rhetoric and giving a distinctive patina to the Liberal party's political style. Necessarily the infusion involved transmutation; politicians, then as now, addressed diverse audiences for diverse reasons and reacted to diverse pressures. The absorption of New Liberal ideas into the language of party controversy could hardly be direct, not necessarily conscious, since politicians may use novel categories without being entirely aware of what they are doing.

At one level, politicians, in their continuing dialogue with a diffuse public opinion, may at once register and clarify and sharpen aspirations and concerns which are only dimly

(1) 2 Oct. 1908.

perceived by people at large. The greater self-consciousness about this aspect of the political process which seems to mark the Edwardian years was aptly expressed by A.L. Lowell. 'The function of statesmen in a democracy is quite as much to precipitate, to crystallise and to formulate, as to create, Indeed, his sense that the balance within the opinion.' (2) constitution had shifted from the House of Commons towards the Cabinet led him to emphasise this direct relationship between ministers and the electorate through the public platform, so that 'the platform has in some degree supplanted the House as the forum where public questions are discussed. (3) From time to time, the press also discussed this need for politicians to overcome the inarticulateness of the mass democracy. 'How little people can express needs which they may yet terribly feel, how imperative it is that the statesman should undertake for them the translation of those needs into complex legislative demands, how imperative, too, that they should carry the people with them in their translation. (4) The Times also reflected on the complex interaction of political leadership and public opinion. 'The country undoubtedly wants its wishes to be respected, but it wants something more. It wants its wishes to be translated into the language of statesmanship, it wants them put into a form more intelligible and

- (3) <u>Ibid</u>., I, 433.
- (4) Manchester Guardian, 31 May 1907.

<sup>(2)</sup> A.L. Lowell, The Government of England ( 2 vols, 1908), II, 97.

more consonant with the nature of things than it can itself devise.' (5) The emphasis here also is on the politicians' need to make comprehensible what is complex, to dramatise what at first sight is unexciting, to compete for attention among the everyday concerns of ordinary men.

These qualities contemporaries found peculiarly in The Daily News, writing of Lloyd Lloyd George and Churchill. George's campaign for the People's Budget, recognised that 'he magnifies it; he makes it interesting; he forces the democracy to understand that something very considerable is happening here and now under their very eyes.' (6) Some twenty years after the event J.A. Spender could still recall Churchill's sensitivity and dramatic power. 'He just caught the changing tides of opinion which the more scientific calculators seemed to miss.... To discuss a question with Churchill was to see him dramatise it in successive scenes with dramatic lights and colours, and then at the end choose the scene which was best dramatised and most effectively lit.' (7) The Nation's reaction to Lloyd George's Newcastle and Limehouse speeches could well be more generally applied; their significance lay in endowing complex and contentious issues with reality and meaning, so giving to ordinary folk 'hope and a vital interest in affairs - because they have

<sup>(5) 7</sup> Apr. 1908.

 <sup>(6) 4</sup> Aug. 1909.
 (7) J.A. Spender, <u>Life, Journalism and Politics</u> (2 vols, 1927), I, 164.

quickened and illumined their sense of politics.' (8) So the concerns, the categories, the language of informed opinion may begin to percolate through a more diffuse public opinion. What is written in the study comes to be discussed in the public bar, if in less rigorous terms.

Yet politicians also addressed the committed, the activists within their own ranks, since the popular organisation of the party provided at once an invaluable auxiliary in the pursuit of office and a constraint. The party leadership might manipulate the mood of its adherents but they must also respect it in a reciprocal relationship, finding issues and language which would consolidate old loyalties while drawing in other social groups and powerful interests. To be too adventurous might damage the party's cohesion, to be too cautious invited stagnation. Contemporaries like Ostrogorski and Graham Wallas offered acute perceptions, drawing on their recognition of the irrational element in politics which made identifiable images and symbols vital props of party attachments, themselves a complex of emotions, associations and Consequently politicians must 'remember that the experience. organisation which they control is an entity with an existence in the memory and emotions of the electors, independent of their own opinions and actions.! (9) As we have seen, the

(8) <u>Nation</u>, 16 Oct 1909, Vol VI, 109.
(9) Graham Wallas, <u>Human Nature in Politics</u> (1908), 111.

proponents of the New Liberalism were at pains to emphasise the continuities, above all the enduring value of the individual within a harmonious society, whose informing principle was organic inter-dependence not conflict, so that they could be seen as offering some solution to this dilemma of relating new purposes to a continuing tradition, of addressing new audiences while confirming the loyalty of the old, of registering novel expectations in the language of older assertions.

One senses that politicians have a third audience - each other. Political utterances may seek to establish a position within the leadership and the parliamentary party, to confirm a lien on power by demonstrating that they speak for important interests within the party and so are indispensable. For a party as divided as the Liberals were between 1895 and 1902 this consideration was prominent, often to the exclusion of all else. The reaction of Liberal leaders to Rosebery's Bodmin speech in November 1905, with its rejection of the sanctity of the Home Rule pledge, was one indication of this influence on the content of public speeches, even when the worst divisions were behind and the prospect of office a beckoning reality.

Necessarily, the content of political utterance responded also to events, for here as in much else politicians had to deal with matters not of their own making, events abroad, the

legislative programmes of a Unionist administration, the challenge of the Upper House to a Liberal government, the mounting crisis in Ulster. The political dialogue, like much else in the political process, was shaped by the recalcitrant materials with which politicians dealt. Even so. a total scepticism about the value of political statements, whether on public platforms or party literature, seems un-In part, they may be taken at their face value, warranted. one aspect of a continuing and complex relationship between politicians, party enthusiasts, informed opinion and the wider public, itself a congeries of conflicting interests and aspirations. Politicians will not be interested in ideas per se, but they may find in them serviceable instruments for articulating their party's purposes and relating these to public expectations, however diffuse and obscure; for reconciling new policies and ideas to the enduring attitudes and myths by which a party endures and for drawing into active support of the party new social groups and interests. In the context of the New Liberalism, this analysis would suggest the need to establish evidence from Liberal speeches and party literature of sensitivity to new currents of opinion and to new aspirations, particularly among working people; of a clear priority to social questions; of an acceptance that such problems arose from recognised social malfunctions. These issues should be discussed in terms of an organic community, locked together by

mutual responsibilities, discharged by an active state, drawing its resources from progressive taxation, legitimised by a social view of property. Liberal politicians would give the party a new direction of a social radical kind and find in New Liberal categories appropriate language for linking this to the party's older traditions as the party of movement and progress.

II

Even in these terms the response of the party's leadership to the initiatives of the New Liberalism seems tardy Between the defeat of Rosebery's government in and muted. 1895 and the ending of the Boer War leading Liberals were much engrossed in their own divisions. Indeed, these could be accepted as inherent in the party of progress, even if the sentiment were expressed in a self-defensive way and accompanied by pleas for mutual tolerance, as Campbell-Bannerman did when he accepted the leadership on 6 February 1899. When he spoke to the annual meeting of the National Liberal Federation in Hull on 8 March 1899, he argued that internal differences arose because 'our party is not an inert and mechanical party; it is a party which moves and thinks, and therefore must speak its mind.' (10) No doubt, Campbell-Bannerman, newly entered into a troubled inheritance, felt that he must accept the party's internal divisions and find in them a source of hope. With the outbreak of the Boer War many speeches seemed directed more at the party's activists than at the wider public,

(10) The Times, 9 Mar. 1899.

endeavouring to pre-empt for a sectional view of the war the support of the party at large, with Campbell-Bannerman seeking to display that the division came only from vocal minorities on each extreme and, above all, using the platform to demonstrate his inflexible opposition to any tendency that would give these divisions organisational expression. At the Reform Club, on 9 June 1901, he maintained that 'we are divided, not on account of real and essential divergencies of opinion, but because of the operation of certain personal antagonisms which for the last half dozen years have disturbed and paralysed the Liberal party in Parliament,' (11) a theme reiterated at Southampton on 2 July and to Liberal MPs at the Reform Club on 9 July, in the midst of the so-called "war to the knife and fork." It was natural so to personalise these issues, as the most effective way of minimising their effect on the party at large; equally so to utter the sharpest warnings to those who seemed intent on widening them by taking them into the constituencies like the Liberal Imperial Council, which he stigmatised at Dundee on 15 November 1900 as 'a separate society seeking to manufacture for themselves distinctions and differentiations between themselves and their neighbours.' (12)

So much Liberal utterance at this time, faithfully

(11) The Times, 10 June 1901. (12) The Times, 16 Nov. 1900.

recorded for the activists in the columns of the Liberal Magazine, seemed directed at colleagues, now seen as enemies, and at committed Liberals in the constituencies. The wider dialogue went by default. Yet this was no temporary aberration inflicted on the Liberal leadership by perverse events, which magnified personal antagonisms and deeply held convictions about the nature of Liberalism. The electoral debacle of July 1895 prompted no thinking aloud about the future direction of Liberalism. A divided leadership and inadequate organisation were represented as explanation enough, as they were five years later with the gloss of monstrous Unionist exploitation of patriotic fervour. 'The meanness which hustled the country into an election at an undesirable time, on a flimsy and fallacious plea of necessity, so that a great constitutional proceeding was prostituted, and a fine patriotic sentiment was exploited.... for the sordid and selfish purpose of enabling them to retain office.' (13) In so far as Liberal leaders in these years contemplated the enduring stuff of Liberal principle they did so in traditional terms, perhaps because the appeal to that tradition had an emollient effect on a divided party. Asquith, for example, speaking to the Edinburgh University Liberal Association on 10 January 1900 still maintained that the chief mission of Liberalism was the mission of emancipation' and 'broadening the foundations of our constitutional

(13) Campbell-Bannerman at Dundee, 15 Nov. 1900. Liberal Magazine, Dec. 1900, Vol. IX, No. 95, 568.

structure:' and emancipation was from religious disabilities and political inequalities not from the constraints of a stricken environment. (14) Campbell-Bannerman equally stuck to well-trodden paths. Speaking at Edinburgh on 20 December 1897, he reiterated the Liberal conviction that 'men are best governed who govern themselves; that the general sense of mankind if left alone will make for righteousness; that artificial privileges and restraints upon freedom, so far as they are not required in the interests of the community, are hurtful.' (15) Such statements of Liberal principle would have been unexceptional for a generation or more.

References to specific matters were hardly more adventurous. From time to time, one senses hostility to programmemaking as such. Sir Edward Grey, supporting the resolution to elect Spence Watson as President at the 1896 meeting of the N.L.F. in Huddersfield, quite specifically warned delegates against any premature indulgence of this kind. 'They, none of them, could forecast what the needs of a great democracy might be in two or three years' time. They must be prepared to admit new problems and new ideas, and it would be time enough as the election approached that they should put forward their programme and proposals.' Herbert Gladstone, in another debate, endorsed this view, seeing in programme-making little more than an invitation to self-destruction through the

(14) <u>Liberal Magazine</u>, Feb. 1900, Vol. VII, No 77, 21. (15) <u>Liberal Magzzine</u>, Jan 1898, Vol. v, No 50, 530.

contention of rival faddists. (16) The corollary of this reluctance was to find the Liberal purpose in resistance to Tory reaction, to assert Liberalism's identification with the people at large by attacking the Tory proclivity for subsidising favoured sectional interests from public funds, an attitude epitomised by John Morley at Edinburgh on 17 June 1902.

'I think a very good working programme for the hour is furnished for us by the government. Resistance to reaction; that is a very good programme; and that is the programme of today, because the Government in every detail is a Government redolent of reaction.' (17)

Given its internal divisions, it was not easy for the party to 'show that on home affairs we have got a fertile mind.' (18)

Only rarely can one find evidence that the Liberal leadership heeded the plea of a young Liberal, Herbert Samuel, for a firm re-statement of Liberal principles in the context of social reform, to demonstrate that 'they regarded as the main purpose and object of Liberalism in this day to carry out such wise legislative proposals as would enable the powers of the State to be used to improve the conditions of the masses of the population, to assist in raising the standards of living of the people.' (19) When Campbell-Bannerman addressed the N.L.F. for the first time as leader his only references to social questions were to old age pensions, which he approached

<sup>(16)</sup> Liberal Publications Department, Report of Proceedings at 18th Annual Meeting of N.L.F., Huddersfield, 25-28 Mar. 1896. (17) Liberal Magazine, July 1902, Vol x, No 106, 381.

<sup>(18)</sup> Grey at Peterborough, 17 July 1901, Liberal Magazine, Aug. 1901, Vol 1x, No 95, 385.

<sup>(19)</sup> Liberal Publications Department, Report of Proceedings at 18th Annual Meeting of N.L.F., Huddersfield, 25-28 Mar. 1896.

in a guarded way, and to the taxation of land values, and his caution was reflected in Liberal speeches at large. Asquith urged the need to 'remove the scandal and reproach of destitute old age from our midst' (20) but was entirely unspecific as to means, while Morley in a rare excursion into such matters maintained that 'Parliament and the country will not look favourably upon any plan for maintaining old age pensions which impairs the efficacy and usefulness of those great voluntary organisations which are a standing monument of the thrift, the prudence and the foresight of the industrial classes of this country,' (21) hardly a view consonant with New Liberal perceptions of the problem. Asquith, when he felt the need to defend the Liberal Imperialists against the possibility of proscription, linked their emphasis on Empire as a trust with the need to reinvigorate its heart, but at best his remarks constituted a social programme in the most general sense, as in his letter to his constituency chairman at East Fife following the formation of the Liberal League - 'imperfect and unorganised education, waste of ability and opportunity, intemperance, bad dwellings, overcrowded districts, vicious systems of tenure, the unjust incidence of rating.' (22) Such references, in any case, were not typical and the general impression remains of a leadership which still found the

- (20) Asquith at Lowestoft, 1 Dec. 1898, Liberal Magazine, Jan. 1899, Vol vi, No 63, 566.
- (21) Morley at Lydney, 25 May 1898, <u>Liberal Magazine</u>, June 1899, Vol vii, No 69, 260.
- (22) 1 Mar. 1902, in <u>Liberal Magazine</u>, Mar. 1902, Vol x, No 102, 102.

essentials of Liberalism in reform of the political structure and in opposition to sectional privilege of the landed interest and the Established Church.

The proceedings of the National Liberal Federation and the pamphlets and leaflets of the Liberal Publication Department confirm this impression. The accord is not surprising since the N.L.F. had come under the control of the parliamentary leadership, sharing offices in Parliament Street with the Liberal Central Association, directed by the Chief Whip, and the secretary, Robert Hudson, while the Liberal Publication Department was a joint enterprise. The Report of the General Committee to the Annual Meeting of the N.L.F. and the Resolutions debated on that occasion focussed in these years on external matters - Armenia, Crete, the Nile expedition, the forward policy on the North-west frontier, China, and, in due course, South Africa - and on the misdeeds of Unionist Government, the endowment of denominational schools and landlords from public funds; what George Whiteley, MP for Pudsey, described as 'the octopus of aristocracy and clericalism' when he assailed 'the tender care and solicitude with which the Government has watched and clucked over its brood of aristocratic, agricultural and clerical chickens.' (23) Positive resolutions demanded political change: electoral reform, Home Rule, the limitation of the House of Lords veto.

(23) Liberal Publications Department, Report of Proceedings at 23rd Annual Meeting of NLF, Bradford, 13-16 May 1901.

From time to time, the unexciting format favoured by the Liberal Publication Department comes alive, but the passions which break through are Liberal antagonism to external policies (as in Spence Watson's presidential Address to the Annual Meeting in Hull on 6 March 1899, with its impassioned plea for the return of morality to politics) or pleas for Disestablishment and defence against Ritualism as a cry from which 'there will be kindled that enthusiasm which seems to be now wanting in the Liberal party.' (24) The pamphlets and leaflets followed the same theme.

On one issue alone did a positive Liberal stance emerge. By 1902 land reform and the taxation of site values had become a major concern, often linked in resolutions, pamphlets and leaflets to the problem of urban and rural housing. From 1899 there were resolutions each year on these matters and the arguments were rehearsed in debates and given wider coverage in pamphlets and leaflets. The rating of buildings, improvements, fixed plant and machinery was represented as a deterrent to industrial enterprise, which if removed would promote greater competitiveness, rising output, more employment, lower prices. The present rating and taxation system stood condemned as deterring development and encouraging the speculative holding of land in anticipation of an enhanced value. Realistic rating or taxation of site values would bring land on to the market

<sup>(24)</sup> Carvell Williams, MP for Mansfield, Liberal Publication Department, Report of Proceedings at 21st Annual Meeting of NLF, Hull, 6-9 Mar. 1899.

and so make possible more and cheaper houses as well as stimulating industrial development; again, there would be benevolent effects on employment and wages. The defence of such proposals wedded the older popular radical animus against the passive landlord - 'the tax on land values would reduce the gains of those who live idly upon the labour of others and would benefit everyone who works with hand or brain' with newer concepts of property as a social creation - 'the community should claim, in the shape of a tax, a share in those values which it creates itself.' (25) The housing problem would require wider powers for local authorities to purchase land and to build, assisted by loans over long periods and simplified procedures for compulsory purchase. The persistent drift from the countryside demanded vigorous action: better housing, better schools, above all assistance for the labourer to acquire land so that he could see the hope of independence. 'His life would have some hopefulness in it if he knew that by hard work and thrift he could rise from being a weekly labourer with, perhaps, a half-acre of allotment, to become an independent small farmer tilling his own land, and, from that, if fortune favoured him, to reach in course of time the position of a large farmer.' (26)

Significantly, leaflets produced for the 1900 general election, directed at Tory extravagance and Tory doles - one put the cost of the South African War at £75 million and the

(25) Liberal Publications Department, <u>Pamphlets and Leaflets</u> (1900).

(26) <u>Ibid</u>.

doles at £2,887,000 per annum - linked this with missed opportunities to provide old age pensions, to humanise the poor law and expand education. To a degree, the party's publication department and its popular organisation gave a stronger emphasis to one social question than its parliamentary leadership. This impression is confirmed by the election addresses which offer some measure of the emphasis individual candidates chose to give among a complex of issues. Inevitably, a majority of candidates condemned an unnecessary election on an old register, attacked the conduct of the war and the cost of imperial policies, revealing divergent Liberal attitudes towards the legitimacy of the war. There were marked discrepancies on Ireland, ignored by many, while others made firm commitments to Home Rule. Outside London, in the English counties and boroughs and in Scotland and Wales, many candidates contented themselves with denouncing the misdemeanours of the Unionist government and offering generalised statements of Liberal principles. A. Thomas, contesting Glamorgan East, might stand as representative for those candidates whose Liberalism was contained within well-tried limits - 'the extension of local Government, Religious Equality, Popular Control of the State-aided schools, Temperance Reform, and all other questions that make for the social and material advancement of the Industrial Classes.'

Strongly committed responses to social questions were

comparatively rare. Samuel Storey at Newcastle-cn-Tyne urged the plight of 'the millions who vegetate in slums where virtuous and healthy life is all but impossible' and maintained 'the first and highest duty of a Government is to improve the condition of the common people, the bone and sinew of the nation.' C.E. Schwann, contesting Manchester North, similarly emphasised these urban problems and found in the unearned increment accruing to ground landlords the untapped fund which could sustain an assault on urban decrepitude.

'The urgent needs of our great towns entail ever-increasing burdens on those who work and live in them, while at the same time the satisfaction of these needs adds constantly to the value of the land and buildings. I hold that the expense of making towns habitable for those who dwell in them must be thrown upon the land which their toil makes valuable.'

In London there was a broad accord on a social programme which suggests some degree of consultation. Candidates, while giving weight to the war and Unionist misgovernment, concentrated on old age pensions, financed through a graduated income tax; on reform of the Poor Law; on extended workmen's compensation; on educational expansion; on extensive powers for local authorities in housing, including the purchase and holding of land in advance of development. Above all, taxation and rating of site values had pride of place as the source of revenue: As J.A. Strachan, at Islington South, put it, the justice of creating 'a fund for social reforms out of the ground values which now go untaxed.' In London, and less uniformly among candidates

fighting urban constituencies in the provinces, some kind of social programme was emerging, even if the majority of Liberal candidates preferred well-tried cries and the attack on Unionist incapacity and self-interest. (27)

In important ways, the dramatic reversal of political fortunes which began with the ending of the Boer War no more conduced to a fundamental re-appraisal of the Liberal party's stance than had the experience of electoral defeat and internal confusion. It was all too easy to exploit the issues offered by the Unionist leadership, which at once energised those sectional interests so important to Liberalism's vigour and enabled the party to establish its popular credentials by reference to Toryism's tenderness to vested interests. Above all, the fiscal issue dominated Liberal speech-making from May 1903 to the election of 1906. On this evidence it was for the leadership the central question in politics. All would have agreed with Asquith's assessment at Leuchans on 13 January 1906 that 'the question the electors had to answer at the polls was were they or were they not in favour of the maintenance of the system of free trade.' (28) This emphasis was faithfully reflected in the output of the Liberal Publication Department; very much the central concern of the Liberal Magazine; it was the theme of most of the speeches published in pamphlet form

 <sup>(27)</sup> References from the collection of Election Addresses in the Gladstone Library of the National Liberal Club. Hereafter referred to as Election Addresses.
 (28) Liberal Managine Ech 1006 Well referred to 2

<sup>(28)</sup> Liberal Magazine, Feb. 1906, Vol xiv, No 149,8.

and of its leaflets. (29) On the same evidence, the Education Act of 1902, the Licensing Act of 1903, the question of Chinese Labour, and the continuing theme of Tory extravagance and incompetence were the other issues which the Liberal leadership sought to bring before the electorate.

To read this material is to receive a strong impression that the face of Liberalism had changed little; that the defence of free trade, the reversal of Conservative legislation on behalf of the Established Church and the Brewers, the promise of renewed financial rectitude would be enough for electoral success. Augustine Birrell's Presidential Address to the 1905 meeting of the NLF was redolent of this confidence and offered little with which an older generation of Liberals would not have agreed. The most important thing for a future Liberal government to demonstrate was that there was still 'a party in the state whose traditional policy is to reduce the burden of taxation and to secure economy, efficiency and honesty in all the spending departments of the State. Every penny of remitted taxation fructifies in the pockets of the people.' (30) The Gladstonian echoes were in more than the phraseology.

Such a weight of evidence does not, however, demand total scepticism towards claims that the Liberal party when it

(29)	In 1903 t	he L	PD pro	oduo	ced	62 ]	leafle	ets,	27 0	on th	ne Fisca	a <b>1</b>
-	Question	- in	1904	47	of	whic	h 20	were	on	the	Fiscal	
	Question	- in	1905	15	out	; of	44.					

<sup>(30)</sup> Liberal Publications Department, Report of Proceedings at 27th Annual Meeting of NLF, Newcastle-on-Tyne, 18-20 May, 1905.

returned to office was in process of conversion towards an advanced social policy. From time to time Liberal leaders appeared to recognise that the defence of free trade required the elaboration of positive alternatives to the allurements of the Tariff Reformers. At Newport on 30 November 1903 Campbell-Bannerman accepted that a foremost task of a Liberal government must be 'the succour of the masses who are in poverty.' Yet his formulation of the problem owed more to the categories of an older popular Radicalism than to those of the New Liberalism, for the persistence of poverty in the midst of 'an ever-increasing collective wealth' he attributed to the survival of 'feudal ways and privileges,' to the fact that 'vested interests and the dead hand of the past lie heavy on this country of ours' and his observations on possible roles for the state were, to say the least, obscure. (31) At Ladybank on 17 October 1903 Asquith recognised that the arguments raised by the fiscal controversy compelled Liberals 'to scrutinize more closely, and to ask themselves what were the causes of and possible remedies for, the deplorable conditions of large numbers of their own people.' (32) Rarely were Liberal spokesmen as explicit as R.B. Haldane. 'Unless the Liberal Party goes into battle with a well-settled plan of campaign, unless it has a programme not morely destructive but constructive, the only result of the Liberal Party coming into

(31) Liberal Publications Department, <u>Pamphlets and Leaflets</u> (1904).
(32) <u>Liberal Magazine</u>, Nov. 1903, Vol. xi, No 122,580.

office will be that it will go out again and pave the way for Mr. Chamberlain to carry his scheme of Protection.' (33) Certainly the proposals in Liberal speeches were modest: a national system of education under full public control as a preliminary to expansion, references to unemployment though with little by way of remedies, concern about housing and over-crowding. The most developed theme was the need for land reform and taxation and here at least Liberal leaders were using the language of the radical pressure groups and of the New Liberalism; that urban communities which desperately needed to increase their spending were reaching the limits of their resources, while the rising capital values of urban land, created by the social spending of municipalities and the energy and enterprise of their people, went untaxed. There was, over-all, little sensitivity to new currents of opinion or to a possible need for the Liberal party to respond to the presence of the emerging Labour party.

References to the latter were sparse indeed and when they appeared showed a marked incomprehension of the aspiration of working people. Morley, for example, was content to assert that old-style Liberalism and Labour interests were at one. 'If they asked him for distinct proposals for the amelioration of the condition of labour, his answer was that, in urging peace, in pressing for economy, in resisting every innovation

(33) R.B. Haldane at Cambridge University Eighty Club, 12 May 1904, Eighty Club Year Book (1905), 150.

upon the great policy of Free Trade, he was doing the best according to his humble abilities that he could for the cause of Labour.' (34) Significantly, Lloyd George and Churchill, not yet on the opposition front bench, showed the sharpest awareness that Liberalism might need to respond to novel forces. In his North-West Manchester constituency on 30 January 1905, Churchill spoke of the growing feeling that urgent social questions had been neglected and that political enfranchisement had as yet in no way ameliorated the condition of many working-class people. It was for the Liberal party to confront these problems and 'show itself fertile of practical solutions if it is long to continue to preserve the confidence of the people.' (35) Yet such perceptions make their impact through their rarity in the total volume of Liberal rhetoric. At best, references to social issues were sketched in and when the battle was squarely joined they receded from the centre of the arena. Campbell-Bannerman's key-note speech at the Albert Hall on 21 December, 1905 with its references to the need to develop the country's under-developed estates, to turn the land into a treasure-house for the nation instead of a pleasure-ground for the rich, generated something of a radical tone but the thrust was towards the fiscal issue. His election address, like those of his front-bench colleagues, returned to the iniquities of Unionist government - 'a well-nigh unbroken

 (34) Morley at Newcastle-upon-Tyne, 18 Apr. 1903, Liberal Magazine, May 1903, Vol xi, No 116, 235.
 (35) Pohent Phodes James Winsten Space Churchill, Mission Space Churchill, Mission Space Churchill, Mission Churchil

(35) Robert Rhodes James, <u>Winston Spencer Churchill.</u> His <u>Complete Speeches</u> (8 vols, New York, 1974), I, 418.

expanse of mismanagement; of legislation conducted for the benefit of privileged classes and powerful interests; of wars and adventures abroad hastily embarked upon and recklessly pursued' - and to the centrality of the fiscal controversy. An analysis of other election addresses suggests that Liberal candidates followed this lead. Almost to a man they made reference to the fiscal issue; other questions which figured prominently were the Education and Licensing Acts, Chinese Labour, the need to repair the ravages of Tory extravagance, legislation to over-rule the Taff Vale judgment and electoral reform.

Concentration on these issues should not, however, obscure a lively concern with social issues which appears more widely disseminated than in 1900. Once again the London addresses were most uniform in their commitment, with unemployment added as a subject for earnest attention, but more markedly than in 1900 candidates in urban constituencies gave weight to social problems. J.J. Woodhouse at Huddersfield, for example, maintained the need for social reform in recognisably collectivist terms. 'I think the collective action of the community can be wisely employed positively, as well as negatively, to equalise opportunities as well as curtail unjust privileges.' Again Lewis Haslam at Monmouth Boroughs: 'social reform should, in my opinion, be in the forefront of Liberal legislation. Betterment of the condition of the people,

including proper housing, the causes of poverty and recurrent periods of widespread distress through unemployment, Poor Law reform, and like questions, should be the subject of immediate and through inquiry, to be promptly followed by remedial measures.' Above all, land reform ran through Liberal election addresses throughout Great Britain, ranging from advocacy of tenant right and the importance of small-holdings - so that sometimes the party appears as a small-holders, peasant party - to land nationalisation. Many candidates clearly identified land reform as central to the solution of urban problems like housing and unemployment. J. Branch, contesting Enfield, was one of many: 'the taxation of land values will secure access to land which is now monopolised by the few and will promote better housing at least cost in town and country with opportunities for small holdings and allotments. An effective land tax will compel landowners to utilise land to the utmost and in the process of development the services of the agriculturalist and the artisan will be called for.' The election addresses suggest a party of great diversity, still moved by old animosities, but also infused with concern about social inequities, sometimes manifested in markedly radical terms as it was by Arthur Ponsonby at Taunton. 'I believe that this can only be done by checking the growth of capitalism and by more even distribution of wealth which will lead to greater regularity of employment. (36)

(36) Election Addresses.

On balance, the commitment of the rank and file to social radicalism appears rather more strongly than that of leaders content to offer generalised observations on social reform and to represent Unionist policies in language which stigmatised the Unionist party as the pliant servant of powerful interests. Tariff Reform, particularly, could be represented in this way as 'a desperate or retrogressive policy which made the rich richer and the poor poorer and which accumulated all that was unjust and made for privilege and monopoly and for corruption, financial and political. To condemn Tariff Reform as 'a system whereby the workman does not get at property, property gets at the workman, and property gets at the consumer also.... a system by which the aggressive power of wealth is fortified by Parliament' (37) relieved the Liberal leadership of the necessity to display its own popular credentials through positive proposals. The contrast was All this makes categorical assertion difficult. It enough. seems as unwise to maintain that the Liberal party was committed to a social radical programme by 1906 as to dismiss it as locked in old Liberal concerns which, somewhat fortuitously, sufficed to achieve an electoral triumph. In February 1913 Russell Rea, reviewing the Liberal government's achievements, reflected that in January 1906 they were 'a somewhat undisciplined host. They had won a famous victory but

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<sup>(37)</sup> Campbell-Bannerman at Partick, 28 Nov. 1905, and at Larbert, Stirlingshire, 22 Jan 1906, reported in <u>The Times</u>, 29 Nov. 1905, 23 Jan. 1906.

did not quite know what to do with it.' (38) That might well stand as a fair measure of the party's diversity as revealed by its public utterances.

## III

Once the Liberal government was in office the problem of evaluating its commitment to social radicalism through its rhetoric and the output of the Liberal Publication Department becomes more difficult. Within a year the new government was beset by the House of Lords and the constitutional issue became a dominant theme in the ministerial dialogue with the party and a wider audience. In the judgment of ministers, this issue was inextricably entangled with the fiscal question, still projected as the major question in politics. Rightly, they judged that the Lords' intransigeance in 1909 owed much to the prospect of buoyant revenues within the context of free trade finance opened out by the People's Budget, a prospect which undermined one assertion of the Tariff Reformers. The resolution of the constitutional conflict in 1911 in its turn added a new and threatening dimension to the older issue of Home Rule and Ulster, provoking a crisis yet more ominous. Inescapably, these were the issues of politics, projected from public platforms and through the Liberal Publication Department, while the proceedings of the NLF served to set the imprimatur of the popular organisation on the government's legislative programmes. To recognise the thrust of Liberal

(38) Liberal Magazine, Feb. 1913, Vol. xxi, No. 233, 34.

propaganda, however, may be no more than to accept the intractable nature of politics; it would be dangerous to argue that ministers sought refuge in these issues, particularly the House of Lords, because they no longer discerned the appropriate direction for the party of progress. Rather, Liberal discussion of the related issues of veto and protection sought to draw both into a debate which had social overtones, a process greatly eased by the Budget of 1909, the focal point of both. Of course, the strictly constitutional aspects were firmly displayed, but as early as 1907 the veto was discussed in terms of the frustrated social purpose of the government. The resolution of the conflict dominated and transcended other issues because 'it embraces and involves every great and beneficent social and political change upon which our hearts are set.' (39)

Asquith, speaking here at a great Liberal rally in the Albert Hall, both reflected a relationship already prominent in Liberal rhetoric and established it as central to the impending election campaign. It was a theme admirably suited to the rhetorical powers of Lloyd George and Churchill, both of whom drove home the point that the destruction of feudal anachronisms was a necessary condition for fulfilling the government's defined social purposes. Churchill delineated the relationship with absolute clarity.

(39) Asquith at the Albert Hall, 10 Dec. 1909, Liberal Magazine, Jan. 1910, Vol xvii, No 196, 745.

'The veto of the House of Lords, which must be swept away, is only a means to an end. The end is not political change. The end is social amelioration, an endeavour to secure if we can a better, a more even, and more suitable condition of society for the great mass of the labouring classes of this country.' (40)

Many candidates in the two elections of 1910 emphasised the same relationship; with near unanimity, they focussed on the constitutional question but, with varying degrees of emphasis, they saw the fulfilment of the government's social programme as contingent upon its resolution. As William Francis Phillips, contesting Gower in December 1910, put it, 'the party has before it definite schemes for the social advancement of the community at large' which would be implemented once the veto was removed, while for Vivian Phillips at Liverpool, Toxteth East, what was at stake was 'the social redemption of the great masses of the people.' (41)

That the constitutional conflict came into focus with the People's Budget gave a sharper edge to this organisation of the issues for a wider public. Not only did the resulting debate give currency to arguments about the merits of land taxes, which might have wider application, but it could also be related to observations about the inequitable nature of contemporary society of which the Lords' resistance to equitable taxation was a microcosm. In parliamentary debate, from public platforms, in party literature, the point was made,

- (40) Churchill at Dundee, 7 Dec. 1910, in Rhodes James, <u>op.cit.</u>, II, 1655.
- (41) Election Addresses.

time and again from 1909 onwards, that there were publicly created values, which were a proper object of progressive taxation, in order to sustain 'a war against poverty and social disease' and, in due time, effect 'the most gigantic scheme of social amelioration that the world has ever seen.'(42) It is true that much of the discussion emphasised 'that land as a form of property has unique characteristics, entitling the community to claim a share of the wealth which the community does so much to create' (43) but it could shade off into almost Hobsonian language of the taxable surplus accruing as unearned increment, and into discussion of the legitimacy of taxes not as revenue raisers but for their effects on the distribution of wealth and income and on the buoyancy of the economy as a whole. By May 1913 the Liberal Magazine could maintain 'the Liberal policy has been one of making the well-do-do contribute of their wealth to the making of a better state of society, and the workers can hardly hesitate as to the side they will take in the struggle to maintain the policy, and to carry it on to its fuller development.' (44) What had been implicit in the debate became explicit; the case for the taxation of socially created values to construct a more equitable society need not be confined to land and 'the workers' battle for a workers' Budget' had to be sustained not only against landlords but against 'the

(42) C.F.G. Masterman, at Nuneham Park, 26 Aug. 1909, and in the House of Commons, 29 Apr. 1913, Liberal Magazine, Sept. 1909, Vol xvii, No 192, 466; May 1963 Vol. xxi No 236, 232.
(43) Liberal Magazine, July 1909, Vol xvii, No 190, 334.
(44) Liberal Monthly, May 1913, Vol vii, No 80, 7.

conspiracy of wealthy vested interests by which it is being In all this there were echoes of old Radical attacked.! (45) cries, of Liberalism as the popular cause against selfish interests and prescriptive privilege, but from 1909 they were being fused with New Liberal categories of an inequitable society demanding amelioration through an active state.

A similar shift of tone can be distinguished in the working of the fiscal issue, increasingly presented as part of the struggle against that same conspiracy of vested interests and in terms which overtly appealed to the working-class. Nowhere was this more marked than in the pages of the Liberal Monthly with its 'popular propagandist character designed to interest the rank and file and to secure converts to Liberalism,' (46) a complement to the rather staid Liberal Magazine, whose proclaimed audience was Liberal speakers and canvassers. In Russell Rea's words, when he was chairman of the Liberal Publication Department, it was 'intended for, and addressed to instructed Liberals, chiefly to those engaged in the political work of the party in the country. It is intended for edification and not directly for the work of propaganda.' (47) The livelier style and format of the Liberal Monthly brought it a steadily rising circulation, from 41,500 in 1906 to 265,000 in June 1914, compared with the Liberal Magazine's modest 4-5,000. The purpose and relative success of the former may indicate how

(45) Liberal Monthly, Aug. 1909, Vol iv, No 35, 7.
(46) Liberal Monthly, Oct. 1906, Vol I, No 1, 1.
(47) Liberal Magazine, May 1910, Vol xviii, No 200, 209.

the L.P.D. judged the most profitable approach to the more popular audience. Two of its regular features, "Around the Village Pump" and "The Rights and Needs of the Workers" were specifically directed 'to prove that Liberalism is in the deepest and fullest sympathy with the toiling millions.' (48) In its approach to the fiscal controversy it consistently sought to nail the high wage, high employment argument of the Tariff Reformers, whose real object was 'to tax the many for the benefit of the few, ' (49) in contrast with the equity of the People's Budget. These themes were its staple diet over the years, supported by evidence from Germany and the United States designed to demonstrate that the grass was not greener across the Protectionist fence, whether the criterion was employment, real wages or buoyant trade, arguments sustained with equal regularity but more impressive statistical support by its magisterial stable companion. If nothing else, the evidence suggests an acute sensitivity to the need to present a major issue in terms relevant to working-class concerns.

On the party's specific commitment to social programmes there seems a need for caution. Certainly its public utterances in 1906 and 1907 did not suggest a government which had come into office with a defined social radical purpose. References of this kind were rare and couched in innocuous

(48) Liberal Monthly, Feb 1907, Vol II, No 5, 16.
(49) Liberal Monthly, Jan. 1908, Vol III, No 16, 2.

terms, which did not indicate precise directions. The Prime Minister generated the impression of an earnest and reforming government; at the dinner given in his honour at the National Liberal Club on 14. February 1906, he reflected on the party's triumph and found reason for gratitude in the fiscal controversy because it had focussed the public mind on vital social and economic questions. 'I am peculiarly grateful to Mr. Chamberlain for bringing vividly before us, and keeping before us, and bringing home to us the condition of the people question. (50) It would be for Liberals to advance positive solutions, but he eschewed giving his general observation any precise content. He explored the theme on other occasions, but with no greater precision. His colleagues rarely followed this lead and when they did offered no specific prescriptions. Yet Campbell-Bannerman seemed aware that the parliamentary party was a different entity from its predecessor, a new style House of Commons enlivened by abounding radical zeal - 'a new Parliament with new ideas and with an amount of earnestness and determination to do work, and to get through work, and to stand no nonsense that I have never seen equalled before.' (51) It was as if the Prime Minister felt he must give countenance to the expectations of those at his back, but was as yet uncertain about how the government could best direct their thrusting enthusiasm. Certainly on specific issues the government's

(50) <u>The Times</u>, 15 Feb. 1906. (51) <u>The Times</u>, 17 May 1906.

response was guarded. One example may suffice; when Campbell-Bannerman and Asquith received a deputation from the Parliamentary Committee of the T.U.C. on old age pensions on 15 February 1906, both were cautious. Asquith emphasised the financial constraints; his language looked backwards not forwards, to budgetary restraint not redistributive taxation. 'The only way in which money can be obtained for this and other social reforms depends in the long run on our keeping down extravagance, by reducing the Debt, and by bringing the finances of the country into a sounder and healthier condition.' (52) Even given the context of ministers, newly in office, reluctant to pre-empt the government's legislative programme, the reply suggested a Chancellor whose thinking owed more to Gladstone than to Hobson.

In the course of 1908 there were suggestions of some new momentum. On 30th April the parliamentary party met at the Reform Club to endorse Asquith's position as leader; his speech emphasised that the defence of free trade remained central and that settlements of the education and licensing questions were vital, even if both might prove hostages to the party's electoral fortunes. Once these were cleared away, the attack on social problems would become the essential constituent in the government's work - 'poverty and unemployment with their causes and so far as may be, with their remedies' and 'the

(52) The Times, 16 Feb. 1906.

organised treatment of the problems connected with childhood and old age.' The party's aim must be 'securing for our people, for all classes of our people, a wider outlook, a more even level of opportunity, and for each and for all a richer and fuller corporate life.' At the National Liberal Club, on 12th June, he reiterated that here lay the government's principal concern and deliberately represented old age pensions as but the first stage in a coherent progress 'that general reconsideration and reconstruction which cannot be long delayed of the organised dealing of the State with the problems of poverty, of unemployment, of infirmity, of old age.' (53) Other speeches, at the Birmingham Hippodrome on 19 June during the annual meeting of the NLF and at Earlston in Berwickshire on 4 October, enlarged the theme of a government with a defined social purpose, directed towards removing the glaring anomalies of modern society, towards liberating working people from squalor and insecurity.

Others, notably Lloyd George and Churchill, Herbert Samuel and Dr. T.J. Macnamara, followed where the Prime Minister led. By the end of the year both Prime Minister and Chancellor had indicated that the Budget of 1909 would be related to this purpose, providing the sinews for a social programme. No doubt these were responses to strictly political pressures. Pete Curran's victory at Newcastle and Victor Grayson's in Colne

(53) The Times, 1 May 1908, 13 June 1908.

Valley during 1907, the flagging morale of the parliamentary party after the heady expectations of 1906 as they contemplated their government's apparent impotence in the face of the House of Lords. Yet political men could not be expected to behave in any other way. The impulse towards social programmes necessarily came from their sense of their relevance to political situations, just as their use of New Liberal categories arose from their sensitivity to the value of such categories in explaining and justifying such programmes to a wider audience.

What is important is to establish whether ministers articulated these as entirely pragmatic responses to recognised and specific problems, or whether they related particular legislative and administrative initiatives to some general system, and in so doing accepted the developing role of the State within a society of mutually dependent relationships, whose current organisation imposed on individuals burdens which no personal effort could remove. Lloyd George and Churchill both possessed the political intuition to sense new pressures within society and to adapt the language of Liberal intellectuals to the ambience of public controversy. Lloyd George, who as late as the election of 1906, appeared as the nonconformist hammer of the Establishment and the spokesman of Welsh nationalism, turned once in office to social questions as the animating principle of modern Liberalism in Great Britain, if

it were not to follow continental Liberalism into inanition through exclusive concentration on the reform of political structures. This was the theme of his address during the National Liberal Convention for Wales at Swansea on 1st October, 1906. He attacked the inequities of contemporary society and made the removal of poverty, insecurity and a debilitating environment the first concern of a Liberal government, and a first charge on the nation's wealth which working people had largely created.

'A few of these millions might be spared to preserve from hunger and torturing anxiety the workmen who have helped to make that great wealth.... the first charge on the great natural resources of this country ought to be the maintenance above want of all who are giving their labour and brain and muscle to its cultivation and development.' (54)

Here can fairly be seen the analysis of social and economic realities made by Liberal intellectuals translated into the language of political polemic, and the thrust of the Swansea speech was to be echoed in Lloyd George speeches over the years. He certainly related the measures of the Government to a deliberate and sustained onslaught on social injustice, undertaken in response to a popular awakening to the fact that poverty and insecurity and deprivation were not the dispensation of Providence nor the harvest of immutable economic laws. 'They know so far from this being a Divine decree, it is on the contrary the mismanagement of men. They mean to demand a

(54) The Times, 2 Oct. 1908.

change and are coming to the House they command, which they realise for the first time their power over.' (55)

Churchill, particularly when he was President of the Board of Trade, was even more inclined to reflect on the profound changes occurring within contemporary society and their implications for government.

'The main aspirations of the British people at the present time are social rather than political. They see around them on every side, and almost every day, spectacles of confusion and misery which they cannot reconcile with any conception of humanity and justice.... They demand that more should be done; and in my sincere judgment the British democracy will not give their hearts to any party that is not able and willing to set up that larger, fuller, more elaborate, more thorough social organisation, without which our people will sink inevitably through sorrow to disaster.! (56)

A response to this groundswell not only involved the political future of the Liberal party but the stability of the United Kingdom itself. He left his audiences in no doubt that the government was making such a conscious response, seeking 'a fairer and more just equipoise of society' through a wide, comprehensive, interdependent scheme of social reorganisation.' (57) For Churchill, this provided the context for the Budget and the constitutional conflict: the Budget provided the revenues to sutain 'those great schemes of social

- (55) Lloyd George in the Budget debate, 11 May 1913, Liberal Magazine, Vol xxii, No. 249, 328.
- (56) Churchill at the Victoria Hall, Nottingham, 29 Jan 1909, in Rhodes James, <u>op.cit.</u>, II, 1157.
  (57) Churchill at the Birmingham Liberal Club and the Victoria
- (57) Churchill at the Birmingham Liberal Club and the Victoria Hall, Nottingham, 13 Jan., 29 Jan. 1909, <u>Ibid</u>., II, 1146, 1157.

organisation, of national insurance, of agricultural development, and of the treatment of the problems of poverty and unemployment which are absolutely necessary.' Together they formed 'a concerted, an interdependent system for giving a better, a fairer social organisation to the masses of the people of our country.' (58) The individualist prescriptions were categorically rejected as irrelevant to the realities of an industrial society - 'there are often trials and misfortunes which come upon working class families which are quite beyond any provision which their utmost unaided industry and courage could secure for them! (59) - and such families were enmeshed in a clinging, distorting web of insecurity, poverty, wretched housing, low wages, which undermined their physical and moral stamina and threatened our society at large. Only deliberate social organisation would liberate the individual and renew a sense of personal responsibility. To read these speeches of 1909 is to recognise how a politician of remarkable acumen could seize on ideas, generated by others, and direct them to the elaboration of political programmes, to setting political conflict within a particular frame and enlarge the perceptions of his audience about the nature of their society and the role of government.

Lloyd George and Churchill were, by common consent, beyond the ordinary run of politicians: politically aware,

<sup>(58)</sup> Churchill at the King's Theatre, Edinburgh, and the Palace Theatre, Leicester, 17 July, 4 Sept. 1909, <u>Ibid</u>., II 1284, 1317.

<sup>(59)</sup> Churchill at the Palace Theatre, Leicester, 4 Sept. 1909, Ibid., 1322.

Their colleagues seemed reluctant to thrustful. ambitious. develop these themes and only rarely did ministers emerge as conscious that they were, in the Master of Elibank's phrase, 'developing together a deliberate, strenuous attack all along the line on our social and industrial ills.' (60) Haldane, who at first sight seems well equipped to relate ideas to the raw material of politics, appeared engrossed in the complexities of Army reorganisation and no doubt spoke so often of this because it was a matter uncongenial to the Liberal party at large. Nor did the Liberal Publication Department repair the omission to any significant degree. It provided a great deal of informative material about the government's measures, particularly the National Insurance Act of 1911, and was at pains to drive home their direct benefits to working-class Clearly the party's propagandists had identified a people. potential election winner, a view shared by individual candidates in 1910 on the evidence of those who in their addresses emphasised the achievement to date and the measures yet to come. Russell Rea was entirely frank in the Liberal Magazine for May 192; the public were indifferent to Welsh Disestablishment and Home Rule. At the next election 'public interest will doubtless be chiefly engaged in the development and direction of the great fabric of social reconstruction of which the foundations have been so well and truly laid by a

<sup>(60)</sup> Master of Elibank at Edinburgh, 18 Nov. 1911, Liberal Magazine, Dec 1911, Vol xix, No 219, 700.

Liberal Government and a Liberal House of Commons.' (61) Surprisingly, the coherence of the government's social programme was not consistently emphasised. The Executive Committee of the NLF in its report to the Annual Meeting of 1911 in Bath did choose to stress that 'the Government, in their previous measures of Social Reform, have not been making so many scattered attempts to cure this or that evil, but have been steadily developing a deliberate, strenuous attack all along the line on our social and industrial ills.' (62) However that assertion is not entirely supported by the general tenor of the Liberal Publication Department nor by the speeches of ministers taken over all.

Discussion of the wider implications of a Liberalism moving towards a proclaimed social radicalism came even more rarely. From time to time Liberal politicians reflected on the significance of substantial Labour representation in the House of Commons or sought to define the unique quality of Liberalism in a more collectivist stance as against Socialism. These reflections were related to specific political developments. In 1906, for example, the presence of a Labour group in the House of Commons was acknowledged and welcomed, but only the Master of Elibank and Lloyd George, in very different terms, drew out the implications. The former, reflecting the

(61) Liberal Magazine, May 1912, Vol xx, No 224, 227.
(62) Report of the Proceedings of the Annual Meeting of the N.L.F. at Bath, 23-24 Nov 1911.

hostility of the party in Scotland to accommodations with Labour, accused that party of opening war on the Liberals. They were 'a body of malignant wreckers who would destroy Having successfully launched a crusade the Liberal party.' against Protection, the party would need to follow it with another against Socialism or be consumed. (63) Yet his conclusion, that Liberalism must show itself a living and positive force by the quality of its legislation, was little different from that of Lloyd George, who made this same relationship the subject of his speech to the National Convention of Welsh Liberals at Cardiff on 11 October. He spoke of the class harmony brought to Wales by common nationhood and the unifying force of nonconformity, but the same harmony and political co-operation could be realised throughout Great Britain. The Liberal party alone could foster class harmony; a working-class party, overtly socialist, would drive the middle-class into reaction and this the working-class understood. 'It brought to their assistance the potent influences drawn from the great middle classes of this country, which would be frightened into hostility by a purely class organisation to which they did not belong. No party could ever hope for success in this country which did not win the confidence of at least a large proportion of this powerful middle-class.' But the immanent harmony must be fostered by allowing the Labour party to add verve and direction to the

<sup>(63)</sup> Master of Elibank at the Conference of the Scottish Liberal Party, Peebles, 6 Oct. 1906, reported in <u>The</u> <u>Times</u>, 7 Oct. 1906.

Liberal government, which for its part must display its will and ability 'to cope seriously with the social condition of the people, to remove the national degradation of the slums, widespread poverty and destitution in a land glittering with wealth.' (64)

This perception of an active Liberalism as the proponement of a harmonious society came close to the concerns of the Such a Liberalism needed a distinctive identity New Liberals. and, under the stimulus of a campaign in the Conservative press in 1907 to equate the Liberal government's intentions with Socialism, Liberal leaders turned to this task. Yet their response arose from a specific political need. 'The Tories are trying to effect a diversion & to rally some of the forces which deserted them at the last General Election by beating the anti-Socialist drum.' (65) John Morley felt that Victor Grayson's election strengthened this tactic as he confided to Campbell-Bannerman as an afterthought in a letter concerned with the Governorship of Bombay.

'Colne Valley is a nuisance. It will frighten people about Socialism, and tho' we are not Socialists, many of our friends live next door, and the frightened people will edge off in the opposite direction.' (66)

Asquith set himself to calm the frightened people at Ladybank on 19 October. He recognised that the inequities of contemporary society had driven many into intellectual and moral

<sup>(64)</sup> The Times, 12 Oct. 1906.

<sup>(65)</sup> Asquith to Bryce, 6 Nov. 1907, Bryce MSS UB1.

<sup>(66)</sup> Morley to Campbell-Bannerman, 19 July 1907, Campbell-Bannerman MSS Add MSS 41,223f.253.

revolt, that socialism reflected that revolt, a sign 'that men's social vision is being enlarged and their social conscience aroused.' Liberalism must attune itself by enlarging its older concern with emancipation to embrace 'a large place for the collective effort and organised energy of the community' since there was now abundant evidence of 'wants, needs, services, which cannot be safely left to the unregulated operation of the forces of supply and demand, and for which only the community as a whole can make adequate and effective provision.' To recognise this was not to equate Liberalism with Socialism since the enlivening principle of Liberalism remained its concern with individual freedom and its independence from the entanglements of class or sectional interests, but it must address itself vigorously to social evils if Socialism were not to flourish. (67) Here, again, a politician offered an analysis of movement within contemporary society and of the necessary political response in terms entirely consonant with New Liberal categories.

Haldane, in two speeches in October, and Macnamara to the Reading Liberal Association on 5 November, followed Asquith's lead and both the <u>Liberal Magazine</u> and the <u>Liberal</u> <u>Monthly</u> at this time reinforced the argument, urging particularly, as Lloyd George had done at Cardiff, the value to the working-class of a broadly based party of social reform.

(67) Asquith at Ladybank, 19 Oct. 1907, Liberal Magazine, Vol xv, No 170, 611.

Churchill, in that productive period during 1909, developed the same themes, drawing out strongly the formidable consequences of indifference to working-class aspirations and to the groundswell of progressive opinion. This he made central to his charge against the peers. They were frustrating the beneficent process of continuing adaptation to social change and to new perceptions of society which had given to Great Britain its peculiar stability; today the thrust of workingclass aspiration and of more widely disseminated concern about social evils provided the challenge to which a constructive Liberalism sought to adapt. Savage class conflict would be the fruit of the peers' frustration of this benevolent purpose. In the context of the Budget and the land taxes, he saw Liberal intentions as restoring the legitimacy of property by bringing it into harmony with current moral values.

> 'If those moral convictions of the nation are to be retained there must be a consistent and successful effort to reconcile the processes by which property is acquired with ideas of justice, of usefulness, and of general benefit. A society in which property was in secure would degenerate into barbarism. A society in which property was absolutely secure, irrespective of all conceptions of justice in regard to the manner of its acquisition, would degenerate not to barbarism but to death.! (68)

Like Hobson, Churchill found appealing the notion of legitimate reward to enterprise and skill contrasted with the unacceptable engrossing by individuals of socially created values. Thereafter, these themes became muted, though there was a remarkably

<sup>(68)</sup> Churchill at Ballo Mill, Abernethy, 16 Oct. 1909, Rhodes James, <u>op.cit.</u>, II, 1332.

full discussion of them by Russell Rea, speaking to the League of Young Liberals at South Shields in 1912, a speech subsequently published as an LPD pamphlet. Here was a fully developed analysis of the contrast between the emerging social service state and socialism, which appears to owe much to New Liberal thinking, in its emphasis on collective action as the instrument of an enlarged liberty and greater equality and its view of a mixed economy, of private enterprise generating wealth, of public enterprise defending consumers against monopolistic exploitation. 'The State may have to assume the control, or even to absorb, one or more of our primary forms of industry after another to give opportunity and freedom to the rest of the community to whom it had become a tyranny and an obstruction.' An enduring Liberal principle remained the touchstone - 'the realisation of a higher and more extended liberty in ordering a man's life.' (69)

## III

All this hardly indicates a large indifference to secular trends within society or to their political implications. Current intellectual concerns were being drawn into the political discussion. What appears to be true is that this inter-action required the prompting of some peculiar stimulus from a party or parliamentary situation, a perceived political

<sup>(69)</sup> Liberal Publication Department, <u>Pamphlets and Leaflets</u> (1912).

need which required a response, as did the appearance of a significant Labour representation in 1906 or the Tory press campaign of 1907 or the continuing constitutional conflict. Hence the somewhat erratic discussion of these themes over the whole body of Liberal propaganda and ministerial speechmaking. One thing was abundantly clear; only the parliamentary leadership could establish directions, be these in legislative programmes or the terms of political controversy. The party's organisation had neither the means nor the will to assume this function. The output of the Liberal Publication Department did no more than develop issues already raised by the leadership; it justified what the Government was doing and explained its legislation in a straightforward, informative way, frequently with a remarkable absence of polemic. There was no suggestion that it should advance new lines of policy or project its own view of the Liberal image: it was for the parliamentary leadership to define the content and the tone of political controversy.

The purpose defined in the first issue of the <u>Liberal</u> <u>Monthly</u> could well have expressed a broader relationship, which denied a creative role to the party's organisation - 'the object of promoting the education of the electorate on the questions which formed the party programme for the time being, thereby stimulating Liberal organisation.' (70) Strictures on the

(70) Liberal Monthly, Oct. 1906, Vol I, No 1, 1.

quality of Liberal propaganda, like those of W.H. Dickinson, Chairman of the London Liberal Federation, might or might not be deserved. 'I am strongly of the opinion that in London we fail to get hold of the intelligence of the electors because of the paucity and poverty of Liberal journals and secondly from our ordinary political literature being very little attractive.' (71) If the criticism was of content rather than of format it was proper to address it to a member of the Liberal front bench rather than to Augustine Birrell or Charles Geake. The NLF was content with a similarly supportive role, though the circumstances of its genesis in 1877, as an instrument of sectional pressures within the party, continued to generate some tensions.

The proper relationship between the popular organisation and the parliamentary leadership was, for example, at issue in 1898 before the annual meeting of the N.L.F. at Leicester. Robert Hudson, secretary of the NLF, firmly rejected the charge that it had in any way embarrassed the leadership by interfering in policy-making. Writing to the Chief Whip about the way in which the Newcastle Programme had emerged in 1891 he set out his view of the proper relationship. 'We did what we were entitled to do in collecting and expressing the opinion of the rank and file of the party' while Gladstone 'did what he was entitled to do in taking up those expressions of opinion

(71) W.H. Dickinson to Bryce, 27 Mar 1903, Bryce MSS, UB 30.

and making them the Programme on which we went to the country.' (72) Herbert Gladstone's reply the following day expressed the feeling that the Newcastle Programme had resulted from improper pressure by the NLF on his father, who had reluctantly endorsed his proposals. On this occasion, all was happily resolved. In its report to the Leicester meeting the General Committee disclaimed any responsibility in policymaking. The resolutions before the meeting had been framed by the Executive Committee; their intention was to register those matters on which the party was agreed. If the Report did not make it explicit, it was doubtless understood that in its prior consultations the Executive Committee would eliminate those resolutions deemed untimely by the parliamentary chieftains. The flurry of 1898 finally resolved the issue; thereafter there was no suggestion that the popular organisation should do other than support the leadership. Nor is there any suggestion in Herbert Gladstone's papers that he saw the Liberal Central Association in anything but organisational, terms. important as his impact was in reviving a flagging organisation. His memorandum on internal devolution within the LCA, when he became Chief Whip, indicated no role for research or policy advice, save the rather obscure reference among the functions of his proposed Permanent Head of Office 'to take action for securing services of any persons competent to be of use to

(72) Hudson to Herbert Gladstone, 9 Mar. 1898, Gladstone MSS Add MSS 46,020f.13.

party.' (73) Alert as he was to the value of vigorous local organisations - 'the permanent success of Liberalism in London must depend upon the life and energy of the local Liberal Association in each constituency' (74) - he never appeared to equate vitality with policy.

To this dependence of the party upon the stimulus of effective parliamentary leadership there was one partial exception in the Land Campaign. Here there was systematic inquiry as a preliminary to decisions on policy, undertaken outside the machinery of Government and in advance of a Cabinet decision, though the initiative came from Lloyd George, whose personal interest in the activities of the Land Enquiry Committee is obvious from his papers which also convey the scale of the inquiry, a substantial effort made possible by the generosity of a few rich Liberals. Obviously Lloyd George saw the inquiry as providing issues which could be personalised and dramatised. 'One way of prosecuting this enquiry is to look up the back numbers of Country Life and choose a few of the great Country Houses of which a glowing description is given in that Journal and then investigate the Housing problem in these neighbourhoods.' (75) But he was equally ready to

(75) Lloyd George to Seebohm Rowntree, 25 Aug. 1913, Lloyd George MSS C/2/2/44.

<sup>(73)</sup> Memo. by Herbert Gladstone, Apr 1899, Gladstone MSS Add MSS 46,105f.4.

<sup>(74)</sup> Memo. by Herbert Gladstone, 19 July 1901, Gladstone MSS Add MSS 46,105f.203.

discuss in detail proposals which would eventually be embodied in legislation. In choosing the land issue he showed a shrewd political touch, for nothing could more surely fuse older Liberal concerns with more recent trends within the party towards an overt social radicalism, by setting contemporary social problems in a framework whose essentials were established by the Anti-Corn Law League. Many Liberals, over the years, might have anticipated Lloyd George's pronouncement to the National Liberal Club on 31 January 1913, that 'foremost among the tasks of Liberalism in the near future was the regeneration of rural life and the emancipation of this country from the paralysing grip of an effete and unprofitable system.' (76)

Certainly, by the election of 1906, the merits of land taxation had been thoroughly canvassed and other aspects of land reform, with their benevolent implications for urban and rural communities, comprehensively rehearsed in the Liberal press, in the party's propaganda and in the election addresses of individual candidates. In general terms, they had received the approval of the parliamentary leadership, so that within a few weeks of that election Asquith could assure a deputation from the Municipal and Rating Reform Association that 'it is right and just that the community should reap the benefit of increased values which are due to its own expenditure and its

(76) Liberal Magazine, Feb. 1913, Vol xxi, No 233, 10.

own growth.! (77) Such were the anticipations of land reform that even so modest a measure as the Small Holdings Act of 1908 could be hailed in the Liberal Monthly as 'the beginnings of what may be a social revolution.' (78) The People's Budget had given an immediacy to the taxation of land values, not only as providing revenue for social reform but as directly bearing upon the solution of urgent social problems. 'It will prevent the landowner locking up the land against the people who want to use it, and will enable our towns to develop unhampered by the exactions of landowners whose only interest too often is to squeeze the last farthing out of their property.<sup>1</sup> (79) Not surprisingly, Lloyd George's initiative J.St.G. Heath, secretary of the Land evoked enthusiasm. Enquiry Committee, found no difficulty in recruiting 'keen and wealthy Liberals, who have undertaken to investigate their towns for us. (80) E. Richard Goss, expressing his regret that he could not attend a meeting of the committee on the eve of the Land Campaign, maintained that 'the Liberal party would be unworthy of its past and undeserving of any future if it hesitated for a moment to follow you in your great endeavour to revivify our decaying villages and to trans-

(77)	26	Feb.	1906	in	Liberal	Magazine,	Mar.	1906,	Vol	xiv,
	NO	150,	165.							

<sup>(78)</sup> Liberal Monthly, Feb. 1908, Vol III, No 17, 14.
(79) Liberal Monthly, June 1909, Vol iv, No. 33, 7.
(80) Heath to Lloyd George, 9 Aug. 1912, Lloyd George MSS

C/2/1/4.

form the pernicious systems of tenure and rating which are throttling the development of our towns.' (81)

## IV

The enthusiasm was not disproportionate to the fruits of the undertaking. In their graphic detail, the successive reports of the Land Enquiry Committee added to that scarifying delineation of the sheer magnitude of social evils which so disturbed many Edwardians. Their recommendations, which provided material for four major speeches by Lloyd George in October and November 1913, envisaged a substantial extension of state intervention, whose implications were even more farreaching. A Ministry of Lands and a permanent Land Commission with extensive powers, government support for research and the development of rural communications, local authorities with extensive powers of compulsory purchase and responsibility for the planned development of their communities, a statutory minimum wage for agricultural workers and fair rents for tenant farmers represented a substantial intervention upon market forces and property rights, which Liberal spokesmen, by no means Lloyd George alone, emphasised. One wonders if Walter Runciman, by no means the most radical of the younger Liberal ministers, fully understood the implications of his remark to the Yorkshire Council of the League of Young Liberals at Leeds, that if landlords neglected their estates 'the State must take

<sup>(81)</sup> Gross to Lloyd George, 7 Sept. 1913, Lloyd George MSS C/2/3/7.

steps to insist either on better cultivation or change of ownership at a fair price.' (82) Equally one wonders how far the <u>Liberal Monthly</u> would have pursued the implications for wage determination of its comment on the proposed statutory minimum wage for farmworkers that 'the men who create wealth from the soil are surely entitled to a first charge on that wealth to the extent of a living wage that will support themselves and their families.' (83) Leo Chiozza Money, on the other hand, was entirely clear about the implications and would have gone further. In a letter to Heath on 4 December, 1913 he urged the need for a central planning board and substantial state support for municipalities, so that they might buy and hold land in advance of development, an extension of public initiative which he judged necessary if the proposals of the Urban Report were to be realised. (84)

Such interventions were justified in the Reports of the Land Commission and in Liberal rhetoric by the benevolent processes they would set in motion. The problems of town and country were represented as one; low wages and atrocious housing, even more the feudal dependence of the labourer, created a devastating rural migration, which deepened the torpor of the villages, and added to the pressures of over-

<sup>(82) 18</sup> Oct. 1913. Liberal Publication Department, <u>Pamphlets</u> and Leaflets (1913).

<sup>(83)</sup> Liberal Monthly, Feb. 1914, Vol ix, No 89, 6.

<sup>(84)</sup> Money to Heath, 4 Dec. 1913, Lloyd George MSS C/2/3/54.

crowding and excessive rents, of competition for jobs at starvation wages in the towns. The land system frustrated the ambition of the labourer to become an independent cultivator and constrained urban development, whether by private enterprise or by local authorities, held back by inelastic revenues and unrealistic compensation. To renew the vigour of the countryside would be to regenerate the towns; an expanding demand from a prosperous countryside would generate full employment and promote higher wages, as families returned and employers operated in a sellers' market. As scarcity of labour succeeded plethora, employers would necessarily concern themselves with their workers' welfare, adding directly to the solution of urban problems.

It is easy to see all this as nothing more than the perennial evasion by English popular radicalism of the realities of conflict within an industrial society, all of whose ills could conveniently be laid at the door of an effete yet voracious landed class, battening on the active part of the community. Crompton Llewellyn Davies, active in the Town Tenants' League and the Welsh League for the Taxation of Land Values, reflected exactly this view of the merits of the Land Campaign. Perceptive enough of working-class aspirations and the irrelevance of old radical cries, he saw in the Land Campaign the means of revivifying the coalition of classes.

'The working people now want something more than the anti-game law radicalism of our uncles.... The people know that only by economic change -

by altering the footing on which land-users, i.e., the whole working population, stand over against those who control the sources of livelihood - can freedom be won... and that only by taking an account with the privileged class who pocket public values, can justice be done. This is what makes the taxation of Land Values the rallying cry to which they respond.' (85)

No doubt, sceptics would point to the limited perception of economic change envisaged here as evidence that Edwardian Liberalism shirked any profound analysis of the fundamental conflicts within contemporary society.

More than this, the Land Campaign, like some Liberal election addresses, could be seen as revealing another retreat from contemporary realities. Some responses suggested that Liberalism might become the political vehicle of the little man, the small cultivator, the shopkeeper, the small employer. Certainly from a modern perspective the restoration of the countryside through the renaissance of an English yeomanry seems a vain hope. There is a pathetic ring to the belief that 'if only the sturdy yeoman race can be revived, our villages will no longer decay, but will actually revive, and consequently the labourer will cease to be driven into the slums of our towns. (86) Crewe, assessing shrewdly enough the electoral prospects of the Land Campaign, was entirely specific about this vital constituent of Liberal support. In rural constituencies, as he saw it, the labourer could not stand alone; consequently the Liberal appeal must be stiffened by

<sup>(85)</sup> Llewellyn Davies to Lloyd George, 28 Oct. 1913, Lloyd George MSS C/10/1/76.

<sup>(86)</sup> Liberal Monthly, Mar. 1907, Vol II, No 6, 26.

attracting 'an infusion of the lower middle classes, who are the backbone of Liberalism everywhere, but who are a little upset & flurried in the districts I know by the Insurance Act It was vital for the Liberal & by industrial unrest etc.' party to address the small employers, who had influence with their men, in part with a straight material appeal that the custom generated by prosperous labourers and small cultivators would greatly exceed the custom of the great house left empty half the year, in part through an appeal to their more pro-'We have a powerful lever in the fear that found unease. every small man feels that he is being crowded out by great monopolies, & by the piling up of wealth in the higher classes, with a corresponding increase in the luxury & cost of living. (87) Crewe's immediate political judgment may have been sound enough, but it suggested a Liberal party whose appeal was to an inexorably narrowing group.

The Land Campaign, however, warrants other observations. It was firmly directed towards the problems of the towns as much as to those of the countryside and, in this way, did no more than develop a relationship well understood by Liberals. As the <u>Daily News</u> had earlier put it, concentration on the land problem was essential 'because the solution of this problem will cut deep into the heart of large problems of social reform. Poverty, drink, unemployment, dying industries, physical deterioration, slum life, infant mortality, are all found to lead

<sup>(87)</sup> Crewe to Lloyd George, 4 Oct. 1913, Lloyd George MSS C/4/1/4.

straight back to the land problem.' (88) All this may seem deplorably facile but the emphasis was on the centrality of urban problems, the product of industrial society, and, for many Liberals, the land question appropriately linked older traditions with newer concerns, as well as providing a meeting ground for socialists, who questioned the land monopoly as well as other concentrations of wealth, and individualists, who resented the presence of passive wealth receivers. Certainly Lloyd George represented the Land Campaign as integral to the whole social purpose of the Government, which involved a substantial re-ordering of social and economic relationships. 'The code of laws, the Government, the social and economic system which tolerates such iniquity - it has all the brand of folly stamped on its brow, and ought to be torn down quickly.' When the Government's programme stood complete 'the resources of the country will be well-ordered, well-husbanded, fairly distributed.... The children will be wards of State, the aged and the infirm will be honoured The sick workman will be cared for by the community, guests. for the nation will be one family.' (89) In the speeches which launched the Land Campaign, Lloyd George was at pains to relate it to much wider purposes. He did not stand alone. Herbert

(88) 9 Apr. 1907.

(89) Lloyd George at the Holloway Empire, 29 Nov 1913, Liberal Publication Department, <u>Pamphlets and Leaflets</u> (1913)

Samuel, for example, in a speech in Sheffield publicising the urban proposals linked them with the need to escape once for all from the constraints of laissez-faire. The unplanned, ungracious urban sprawl did not result from the land monopoly alone but from 'the excessive individualism of the Victorian age.... We have cared too much for the rights of property and too little for the rights of life.' (90)

Some contemporary perceptions of the Land Campaign went In a country where entrepreneurial organisation was further. giving way to corporate enterprise, the definition of land as a peculiar resource became increasingly artificial, the distinction between rent and profit, between earned and unearned income, increasingly blurred. It is in no way surprising to find the Nation arguing that the land was not the only factor of production which earned monopoly returns, nor did it account for the bulk of the wealth of the well-to-Many forms of wealth and income did not arise from the do. enterprise and merit of their recipients and could, therefore, be taxed without injuring industry. (91) More surprising is the acceptance of essentially the same position by W.H. Lever, a generous contributor to the Lane Campaign as he was to the war chest of the L.C.A. In donating £5000 for the Land Campaign, he urged the case for progressive taxation at large.

<sup>(90)</sup> Herbert Samuel at Sheffield, 14 May 1914, Draft in Samuel MSS A44f.6.
(91) On 27 July 1912, for example, Vol xi, 612.

'The nation that taxes land values & frees from taxation the buildings etc on the land & has also a graduated income tax on fairly high bases for those who have great wealth & also has a graduated scale of death duties on a basis generous to those who possess little & fairly stiff for the wealthy.... will have solved the problem of the poor & will attain to a more equal distribution of wealth amongst all.! (92)

If it seemed artificial to distinguish land as the object of progressive taxation, one wonders whether the substantial interventions contemplated in the Land Campaign could long have been confined to those sectors which were its immediate concern.

To use the Land Campaign to demonstrate the sterility of Edwardian Liberalism ignores the alarm with which contemporaries contemplated the conurbations. In their time it did not seem impossible to halt the drift to the towns through re-invigorating the countryside, and by so doing ameliorate a daunting complex of problems, nor can a later generation, which has seen successive Labour governments seek legislative solutions of the land problem and witnessed the property boom of the early seventies, so politically damaging, lightly dismiss its relevance in an urban society. For contemporary Liberals the relevance was more certain and the political attractions great, a single cause uniting the progressive coalition and speaking to old and new thrusts in Liberalism; more immediately. reviving the enthusiasms of 1909-10 and neutralising those electoral hostages, Welsh Disestablishment and Home Rule. The

(92) W.H. Lever to Lloyd George, 22 Oct. 1913, Lloyd George MSS C/10/1/58. enthusiastic response of Liberal activists is entirely comprehensible, even if their larger expectations were misplaced. 'Such a campaign would sweep in thousands of those who in the absence of a Liberal lead have gravitated towards the Labour party... it would complete the break-up of the Labour Party as an anti-Liberal force.' (93) Here at least was understanding that the working-class provided Liberalism's essential constituency and that the Liberal party must turn its attention to their concerns.

V

Over nearly twenty years the public face of the Liberal party displayed many facets. On the evidence of its public statements, one might entertain a certain scepticism about those more categorical assertions which display the party as embracing an advanced social programme committing it to planned social change. We may question how fast and how deeply its internal conversion went and whether it is substantially true that 'the entry of social reform in general into politics marks a qualitative change in the substance of politics.' (94) There was, after all, little that was novel in a party which continued to assert its popular claim by reference to Tory tenderness for sectional interests. As late as June 1911 the <u>Liberal</u> Monthly could stigmatise Tory policy as 'doles to denominational

(93) Llewellyn Davies to Lloyd George, 4 Aug. 1912, C/9/3/10. (94) Emy, op.cit., vii, viii.

schools; doles to landowners; doles to the clergy; doles to the brewers' and find in the contrast evidence enough that Liberals concerned themselves with the people at large. (95)

Social radicalism was hardly the key-note of January 1906 and even when the Liberal Government had begun to develop a significant social programme these issues did not form the dominating themes on public platforms and in the output of the Moreover, their elaboration Liberal Publication Department. depended heavily on Lloyd George and Churchill, who peculiarly identified great social processes as significant for the party's continuing vigour and found in New Liberal categories the language to project the Government's intentions. Thus Lloyd George spoke of old age pensions not as a dole but as a rightful claim on the nation's wealth by those who had helped to create that wealth. 'A workman who has contributed health and strength, vigour and skill, to the creation of the wealth by which taxation is borne has made his contribution already to the fund which is to give him a pension when he is no longer fit to create that wealth. (96) It seems perverse to represent the Liberal government, swept into office by reaction against its Unionist predecessor, as having no notion of how power might be used and seeking refuge in those welltried panaceas for Liberal inaction and divisiveness, the myths of the single unifying cause and the great obstruction. There

<sup>(95)</sup> Liberal Monthly, June 1911, Vol vi, No 57, 2. (96) Hansard (Fourth Series), I, 566.

was, after all, a significant body of legislation which the party's propaganda chose to represent as a coherent and systematic attack on identifiable social problems. whose genesis lay not in individual inadequacy but in the inadequacy of society's organisation. Lloyd George, in the second reading debate on the Old Age Pensions bill, accepted that provision for the sick and unemployed was entirely inadequate and maintained that the government was 'anxious to utilise the resources of the State to make provision for undeserved poverty and destitution in all its branches.' (97) Similarly, Churchill, in the debate on the Address at the beginning of the 1909 session, maintained that the government had a clear responsibility 'to do all that is in its power to protect the well-abiding and willing citizen from industrial fluctuations entirely beyond their control, and even beyond their foresight.' (98) There was a dawning awareness that the party of progress must move in a social radical direction: that perception and the terms in which it was defended were in harmony with the positions adopted by the New Liberals. Perhaps we should expect no closer relationship between the play of ideas and the continuing dialogue between politicians and their wider audience. Those historians who seek to impose categories on the diversity of Edwardian Liberalism do less

(97) Hansard (Fourth Series), I, 586.
(98) Hansard (Fifth Series), I, 186.

than justice to its complexity. The predominance of other issues within the whole corpus of Liberal rhetoric reflected the political necessity of expounding policies forced on the attention of Liberal leaders by events more than an indifference to the new directions urged on the party by the New Liberals.

Necessarily the leadership heeded the interests of those groups who had contributed to the party's vigour in the past and continued to exert influence within it. A contemporary like Ostrogorski was alert to the delicate relationship between the activists in the NLF and the parliamentary leadership, who are 'both its mouthpieces and its guides' and 'in order to lead it are under the necessity of following it; they give it the impulse while receiving it.' (99) An older Liberal, Sir Wilfrid Lawson, in his election address for the general election of December 1910, could still project highly traditional Liberal sentiments: 'the extension of the principles of Civil and Religious Liberty, and of Peace, Retrenchment and Reform.' Many others, like Francis Neilson at Hyde, represented the constitutional conflict as part of Liberalism's age-old struggle against 'arrogance and class selfishness.... the menace of privilege and the curse of caste.' Yet others, even in that election, made the pursuit of a more equal society, purged of insecurity and want by comprehensive social provision, the centre of their appeal to their constituents: a rare voice. like that of R.C. Phillimore in Mid-Hertfordshire, indicated

<sup>(99)</sup> Ostrogorski, Democracy and the Organisation of Political Parties (1902, Anchor Books, New York, 1964) 241.

that some Liberals had understood Hobson's equating of the social service State with the pursuit of full employment since 'if the level of our home consumption could be raised a market would be found for our present surplus production and work for our unemployed.' (100)

The public face of Edwardian Liberalism faithfully reflected the party's diversity. Older concern with reforming political structures, with liberation from the constraints of prescriptive privilege, lived alongside a growing awareness of the need for reform of social and economic structures. For some ministers and backbenches this had become the proper pursuit of the party of progress, and as that pursuit issued in particular measures New Liberal concepts became part of the language of political controversy. At the very least the role of the State had become acceptable, and, implicitly, the Liberal emphasis on liberation had assumed a form appropriate to the realities of everyday experience in a largely industrial society.

(100) Election Addresses (Dec. 1910).

## CHAPTER VI The New Liberalism and High Politics 1903-1914

Ι

Of recent years, the sceptical voices about Edwardian Liberalism have been muted. No longer is it fashionable to see 1906 as an adventitious triumph, a delusive cloak for the Rather there are confident Liberal party's moribundity. assertions of the party's vigour, 'surging with new life, in its organisational structure and in intellectual debate' and, in the aftermath of 1906 'undeniably in full and vigorous health.' (1) Proponents of this view, notably Dr. H.V. Emy and Dr. Michael Freeden, go a good deal further. In essence. they claim, the very substance of politics was changing in response to new interests and new perspectives. Political allegiances were increasingly determined by the individual's perception of the proper relationships between the State and the individual, between the individual and society, between the State and the economy. The political struggle was now waged in terms of the State's right and ability to intervene in the market economy in order to secure positive goals which that economy had failed to secure. Thus the central issue is construed as 'the proper organisation of economic society, and the proper extent of the State's responsibility for re-defining the basis of that society' - a veritable sea-change since 'the entry of social reform in general into politics marks a qualitative change in the substance of politics.' (2)

Kenneth O. Morgan, <u>The Age of Lloyd George</u> (1971), 37.
 Emy, op.cit., viii.

In this process the New Liberalism is represented as having a central role. Its creative thinkers and publicists provided an intellectual framework within which to tackle concrete problems, yet a framework which preserved the essential continuity of the Liberal tradition. By relating abstract thinking to the burning social and political issues of their time they challenged the policy-makers to confront the spectres of poverty, unemployment and disease. No one would dispute the freshness and vitality of the New Liberalism in furthering 'the metamorphosis of liberal ideology from a decaying creed under attack from all sides to an aggressive, modernised set of ideas serving as a springboard for political action,' nor challenge the judgment that 'in the generation preceding the First World War the basic tenets of liberalism were fundamentally reformulated in a crucial and decisive manner.' (3) What is open to debate is the sensitivity of the policy-makers to the springboard.

The crucial connections remain obstinately elusive; too often Dr. Emy and Dr. Freeden assert what it would be better to demonstrate. It is not easy to uncover the evidential basis for the confident assertion that New Liberal intellectuals were 'instrumental in re-establishing a strong connection between a modernised liberal theory and its counterpart in political action' and to assign to them a major role in 'the re-orient-

(3) Michael Freeden, The New Liberalism (Oxford, 1978), 21, 1.

ation of the Liberal programme.' (4) Even more dubious are the suggestions of explicit connections between New Liberal thinking and legislative action. It is, to say the least, uncertain that their ideological concerns were 'omnipresent in every move of the planners and executors' nor do Campbell-Bannerman, Asquith and their colleagues readily appear as 'aiming at a planned, concerted attack on social evils.' (5) Indeed, a substantial part of the evidence would support the assessment of the 1906 government as 'a cautious reforming Government of the nineteenth century pattern, in which individual ministers dealt with problems as they arose or which particularly interested them. There was no driving force towards reform, and no central planning or direction.' (6) Dr. Freeden ignores the evidence which supports this judgment. In a revealing comment he dismisses what might seem to be a body of evidence crucial to his purpose. 'Private papers have little to offer, displaying in the main a paucity of comment or reflection relevant to this study.' Equally curious in a study claiming to establish the inseparable links between ideas and political action is the warning that 'the New Liberalism of the party must not be confused with the ideas originating with the Liberal thinkers and ideologists of this period' - an observation which might be taken as surrendering at the opening

<sup>(4)</sup> Ibid., 243, 244.

<sup>(5) &</sup>lt;u>Ibid</u>., 195, 199.

<sup>(6)</sup> Robert Rhodes James, The British Revolution (2 vols, 1976, 1977), I, 245.

of the action the very position that he has undertaken to defend. (7)

With Dr. Emy, the case is rather different; the confidence of his preface becomes more restrained as his argument develops, but to admit that the Cabinet had no clear conceptual framework and that there were tensions between the Cabinet and social radicals on the back-benches hardly suggests that the confident initial assertions could be sustained by the evidence. Once again, the lines of force are not precisely delineated; the social radicals among backbenchers remain largely unidentified and it is by no means clear how they exerted pressure on ministers. Yet the conclusion is drawn that 'after 1908, the consistent theme emerges of a Liberal leadership constructively experimenting with social legislation under the continual impetus of a section of their own backbenchers.' (8) Other historians, not specifically concerned with the relationship between the New Liberalism and political action, seem to accept the broad proposition that Edwardian Liberalism displayed a new vigour, that this primarily derived from a shift towards social reform, that issues of this kind increasingly determined political allegiances. Dr. Peter Clarke leaves us in little doubt that what he terms 'progressivism' had become by 1906 the dominant force in Liberal politics, with its connotations of social

- (7) Freeden, op.cit., vii.
  (8) Emy, op.cit., 176.

justice, state intervention and alliance with Labour. (9) His most recent work is concerned with the development of ideas among a group of inter-related publicists and intellectuals, rather than their influence upon the political process at the He recognises, however, at least before 1909 'a centre. tantalising gap between the intellectuals' aspirations and the Government's actual course.' The People's Budget and Churchill's achievement at the Board of Trade and his rhetoric in the country closed that gap. It was now not unreasonable 'to see trends in politics which gave intellectuals not only a political doctrine but a political party,' particularly since Churchill's speeches offered 'a striking indication of how closely the arguments of the politicians and the intellectuals now coincided.' (10) Dr. Neal Blewett, whose main concern is the outcome of elections, maintains that 'the dynamism of Edwardian Liberalism resulted from the yoking together of the Radical drive to reform the structures of political power with the social reformers' desire to redress the economic imbalance.' (11) As politics settled more into a class mould, Liberal politicians successfully responded to their dependence on working-class votes. The alignment of powerful interests against the government buttressed the Liberal claim, displayed through its social legislation, that their

<sup>(9)</sup> Peter Clarke, <u>Lancashire and the New Liberalism</u> (Cambridge, 1971).
(10) Peter Clarke, <u>Liberals and Social Democrats</u>, 114, 117, 118.
(11) Neal Blewett, <u>The Peers, the Parties and the People</u> (1972), 413.

party championed the people against wealth and privilege. Explicitly or implicitly, in much recent discussion, the prescriptions of the New Liberalism are seen as leavening the party at all levels, giving a new edge to its political appeal and shaping its conduct in office.

To question the precise impact of the New Liberalism is not to denigrate the achievement of Liberal governments between 1906 and 1914. They produced a body of legislation which altered the role of the State within society. For some historians the problem hardly exists; an interpretative model, applied to the whole progress of social reform through the nineteenth century, may be seen to work for Edwardian Liberalism too. Here was a government responding to its perception that certain social problems had become unacceptable and required legislative action, to the weight of informed opinion and to particular pressure groups, to the authority of experts within and without the bureaucracy. Indeed, the bureaucracy is represented as having a creative role. Established to administer regulative legislation, its processes of enquiry and report revealed unsuspected dimensions of a problem, which pointed the way to further legislation, while its authority increased with ministers, politicians and informed opinion alike. Dr. Bentley Gilbert has applied this mode of interpretation to the achievement of the Liberal governments. (12) In a somewhat different context Dr. José

(12) Bentley Gilbert, The Evolution of National Insurance (1966), passim.

Harris conveys the same impression. (13) Her study of the development of policies towards unemployment indicates an increasingly refined comprehension of the problem promoted by investigation both public and private; a growing recognition of the inadequacy of the Poor Law, even its incipient breakdown; the tentative legislation of 1905, the Unemployed Workmen Act, generated in the Central Unemployed Body, administering the Act, a conviction of the need for national approaches. At the same time, Asquith's government felt the conjoined political pressures of the Labour party and of the Tariff Reform promise of full employment through Protection. The down-turn in trade in 1907-8 made these pressures more urgent. The government, at the centre of converging pressures, acted, as, in the end, any government would have done.

These are the same men and same events represented by Dr. Emy and Dr. Freeden. To one group of historians, the Liberal governments responded, as other governments had done, to a complex of pressures; to another, they were moved to action, more or less consciously, by the prescriptions of perceptive intellectuals within their party. The second proposition invites some scepticism, but to embrace the first requires substantially the removal of purpose from political action. No doubt Liberal politicians were not left untouched by an environment in which social problems were more closely

<sup>(13)</sup> José Harris, <u>Unemployment and Politics</u>. A Study in English Social Policy 1886-1914 (Oxford, 1972), passim.

documented than ever before. It is true that 'the striking fact about the period is in how many fields of public policy a searching out of facts and constructive thinking took place.' To a degree, though not uniformly, experts in the public service had become 'dynamic elements in society, ever led, irrespective of political philosophies, by their own expertise to enter new fields, to apply new knowledge, to think out how to deal with the new problems arising within their Departments' sphere of responsibility.' (14) Politicians could hardly remain indifferent to these developments inside and outside the machinery of government.

Yet the more mechanistic forms of this interpretative model deserve critical appraisal. It is not entirely clear how a problem becomes perceived as critical without calling into play what Hobhouse would have called the advance of the collective mind. Those who deal in ideas enlarge the awareness of their society and offer solutions to the problems they force upon the public consciousness, whether they be Benthamites or New Liberals or Keynesians or Friedmanites. 'Great changes are not caused by ideas alone; but they are not effected without ideas.' (15) This would seem peculiarly so in an age marked by the vigorous expression of political ideas and abounding confidence in the politics of persuasion. There

 <sup>(14)</sup> P. and G. Ford, <u>A Breviate of Parliamentary Papers 1910-1916</u>. The Foundation of the Welfare State (Oxford, 1957), ix, xii.
 (15) L.T. Hobhouse, <u>Liberalism</u>, 50.

was an exciting variety of views in print because men wished their principles to inform public affairs. Moreover, legislation emerges from Cabinets, whose judgments are formed by political considerations as well as by bureaucratic advice and organised pressure groups. The Liberal governments stood at the point where the Foreign Office was emerging from a group of well-bred clerks to a policy-making executive. That Grey chose to fudge the edges of the British commitment to France, however, owed nothing to the advice of Hardinge or Nicholson, Eyre Crowe or Tyrell or Bertie. It was a political decision shaped by his judgment of what his colleagues and the parliamentary party would stand.

To move to the two ministers who imparted the decisive thrust to the government's social policy emphasises the point. It was, after all, while he was still Under-Secretary at the Colonial Office that Churchill wrote from the White Nile about what he discerned as the great political issues of the future and cried 'woe to Liberalism if they slip through its fingers.' Governments must meet working-class aspirations to escape 'the awful uncertainty of their lives' by ensuring minimum standards of earnings, comfort and security through insurance against old age, sickness and unemployment. What was certain was that 'they will set their faces against the money power' and this repulsion would 'extend to any party associated in maintaining the status quo.' Politics must be rescued from its present humdrum course and brought into

harmony with the expectations of ordinary folk.

'All their minds are turning more and more to the social & economic issue. This revolution is irresistible. They will not tolerate the existing system by which wealth is acquired, shared and employed.' (16)

When Asquith discussed with him the possibility of a government re-shuffle in March 1908, Churchill protested his attachment to the Colonial Office but nevertheless offered Asquith a 'Dimly across gulfs of ignorance I see the social programme. outline of a policy wh I call the Minimum Standard.' In elaborating it, he set himself to forestall anticipated opposition from colleagues like Morley who 'at the end of a lifetime of study & thought has come to the conclusion that nothing can be done.' (17) No doubt Churchill, as a recent recruit to the Liberal party but already an aspirant for high office, wrote to impress an influential Liberal editor and his future leader. His motivation, however, does not diminish the political acuity of his observations. It hardly required Sir Hubert Llewellyn Smith or William Beveridge to point Churchill in directions profitable to the Liberal cause. In the aftermath of 1906, Lloyd George, too, instinctively perceived that Liberalism must equip itself to become the meeting-ground for all interested in Labour questions. Without a social programme, working-class voters would desert the Liberal fold. If the Labour party flourished by default, it

<sup>(16)</sup> Churchill to J.A. Spender, 22 Dec. 1907, Spender MSS Add MSS 46,388f.220-221.

<sup>(17)</sup> Churchill to Asquith, 10 Mar. 1908, Asquith MSS 11f.14.

would do so at the expense of Liberalism. These themes, explored in his speeches of 1907, testified to his political percipience, not to his subservience to Board of Trade officials. Neither Lloyd George nor Churchill was a political genie so insubstantial as to be readily confined in a bureaucratic bottle.

## II

Confidence in the new-found vigour of Edwardian Liberalism would be entirely acceptable if the only relevant consideration were the writings of the New Liberal publicists. They were ideological innovators, who elaborated common intellectual assumptions which pointed the way to comprehensive social reconstruction. Their emphasis on the social element in human behaviour, on mutual dependence, on the membership of all in the community issued in the concept of an active state promoting mutual responsibility and social solidarity by social reform and the restoration, through progressive taxation, of socially created value to the nation. Because specific problems, like poverty or unemployment or the urban environment, were defined as the products of defective social organisation, they invited solution through communal action. We have seen that after 1906 these issues increasingly engaged the attention of the Liberal press in terms which suggest the increasing currency of New Liberal ideas. To a lesser, but significant degree, these same concerns came to fashion the

Liberal party's appeal to the electorate. But to establish the influence of the New Liberalism upon the Liberal party it is necessary to consider those who shaped its actions in opposition and in office. As we move from the periphery towards the centre the New Liberal influence becomes increasingly obscure.

This is not to entertain the expectation that Liberal politicians might perceive the relevance of Hobson's theory of under-consumption to the problem of unemployment or share Hobhouse's enthusiasm for a comprehensive science of society as the basis for political action. No doubt Beveridge was right when, in the context of the genesis of Liberal social reform, he judged that 'the owners of political power are generally too busy for thought.' (18) However, it seems not unreasonable to look for some perception of changes within the broad Liberal constituency, of novel working-class aspirations and of a progressive opinion alert to social problems and eager to fashion political tools for their mediation and of the implications for the party's electoral style and legislative programmes. We might expect some appreciation of the urgency of social problems and their priority for a Liberal government. Above all, it seems important to find evidence that what was done by way of social reform represented some coherent programme commanding consciously

(18) W.H. Beveridge, Power and Influence (1953), 70.

the support of Cabinet. To hope to discern clear-cut ideological influences is to ask too much. Politicians adjusted conflicting claims and interests in the formulation of policy and weighed desirable courses of action against the constraints of budgetary resources and administrative possibilities. Tf the relationship of the New Liberalism to political action is to be established there must be evidence of some explicit understanding by politicians that they were responding to a swell of ideas. which shifted the limits of what was politically possible. Only then could the confident assertion that politicians and administrators were keenly aware of the principles involved in their actions be endorsed. Otherwise there is a legitimate scepticism towards the proposition that 'in the thirty years' span before the First World War social policy, far from being an automated response to political exigencies, was the product of a highly ideological age, when basic ethical values, ground principles of social action, were being moulded out of intense and searching discussion.' (19) In default of such evidence there are attractions in the more cautious view that the 1906 government 'tinkered - often very effectively - with social problems on the classic nineteenth century pattern; at no point did it deal with fundamental social problems; at root, it was emphatically a Free Trade and Laissez-

(19) Freeden, op.cit., 249.

Faire government.' (20)

To read the memoirs of Liberal politicians and their solid official biographies gives no impression of men concerned to re-fashion the Liberal creed and to translate it into decisive legislative action. Whatever the weaknesses of this kind of evidence, there is a safe presumption that men engage in this activity in no spirit of self-abnegation and official biographers are not commissioned to strip off the Emperor's At least such material should convey a sense of clothes. what, in retrospect, was deemed important. Consequently, the paucity of references to what might seem a major part of their achievement is both surprising and significant. J.A. Spender portrayed Campbell-Bannerman as a Victorian Radical sustained by 'the belief of a Victorian Liberal in Liberalism as a definite body of doctrine which might be temporarily eclipsed. but must surely triumph in the end if its adherents remained faithful to it.' (21) If he had 'all the modern Radical's sympathy with the underdog! and 'pleaded for constructive social policy which would grapple seriously with the evils of slums and sweating and infant mortality' this is conveyed in terms of an older Liberal struggle against powerful interests, privilege and monopolies. (22)

Nor does Spender convey a very different impression of Asquith. The discussion of social legislation is slight and

(21) J.A. Spender, Life of Sir Henry Campbell-Bannerman (2 vols, 1923), II, 400.

(22) <u>Ibid.</u>, 402.

<sup>(20)</sup> Rhodes James, op.cit., I, 245.

nomhere is it suggested that Asquith gave priority to such legislation or related it to broader considerations. His tenure of the Exchequer is seen as 'strictly in line with Treasury tradition and orthodox finance.' (23) Asquith himself recalled with some approval the continuing Gladstonian tradition at the Treasury, seeking 'to clear the way for natural growth and expansion of our national resources' and to ensure that 'not a penny was to be exacted in taxation which could not be demonstrated to be indispensable for the essential services of the State.' (24) Old Age Pensions are represented as the fruit of careful orthodox finance, 'the garnered result of the prudent finance which in the two previous years had reduced debt on an unprecedented scale, and at the same time built up revenue to the point which left a considerable margin for social reform and especially Old Age Pensions, which he now had the satisfaction of seeing safely established.' (25) Even the Budget of 1909, in Asquith's judgment, contained 'nothing that, in principle, could not be abundantly justified by financial precedent' though, just as in his speech on the Third Reading of the Finance Bill, his defence of the land taxes echoed New Liberal concepts of the social nature of property as a rationale for progressive taxation. They were justified because they applied only 'to

<sup>(23)</sup> J.A. Spender and Cyril Asquith, Life of H.H. Asquith (2 vols, 1932), I, 252.

<sup>(24)</sup> H.H. Asquith, Memories and Reflections (2 vols, 1928), I, 253. (25) Spender and Asquith, op.cit., I, 232.

the enhancement in the value of land which is not due to any enterprise or expenditure on the part of the owner, but to the growth, and often to the actual expenditure, of the community.' (26) Significantly, both Asquith and his official biographers represented the budget more in political terms than as a dramatic exercise in fiscal innovation related to a defined social purpose. The prime purpose was to halt the erosion of party morale, at Westminster and in the constituencies, occasioned by the government's apparent impotence in the face of the impasse created by the House of Lords' destructive interventions. It was in this sense that the Budget 'promised new issues and adventures for a party which after three years was beginning to feel the inevitable reaction.' (27) The rest of the government's formidable legislative achievement hardly warranted comment. In his brief exegesis on the National Insurance Act of 1911, Asquith chose to dwell on the complex administrative structures which had to be created and the political task of conciliating powerful What, in other contexts, might seem its prime interests. significance is dismissed in a single cool sentence. 'It was the foundation and starting-point for all subsequent legislation, actual or attempted.' (28)

(26) H.H. Asquith, Fifty Years of Parliament (2 vols, 1925), I, 69.
(27) Spender and Asquith, <u>op.cit.</u>, I, 254.
(28) Fifty Years of Parliament, I, 121.

All this concerts uneasily with assertions about the vigour of Edwardian Liberalism at every level. Simon may have come close to the real balance of this government's concerns; forty years later only the National Insurance Act remained in his mind and that is briefly distinguished as 'a main contribution of the Liberal Party to the new and expanding conception that it was the duty of the State to come to the help of those who needed help most' (29) - an observation suggesting some misapprehension of the New Liberal thrust. Not surprisingly, those who stood on the party's Radical wing re-called, with some distaste, the leadership's passivity towards what to them were urgent questions. That passionate advocate of the single tax, Josiah Wedgwood, remembered their 'dissatisfaction with the Whiggery of our front bench.' (30) Sir Francis Channing, in many ways the exponent of an older popular Radicalism, was yet sensitive to new currents and the consequent need for bold policies to cement the links between Liberalism and Labour. These should form the cornerstone of the party's programme. He recalled his conviction that 'the old Liberalism of the Reform Bill. of the Corn Laws, of the Gladstone age, contained all that was necessary to salvation. But, in the context of the fiscal controversy, it had to prove its right to survive 'by direct

(29) J.A. Simon, <u>Retrospect</u> (1952), 88.
(30) J. Wedgwood, <u>Memories of a Fighting Life</u> (1940), 76.

and convincing application to present problems.' (31) To combat Tariff Reform the Liberal party had to embrace bold, constructive policies, reflecting the nation's need to 'set itself to work out big social reforms, to secure efficiency on every side of national development, by rational organisation of all that makes strong, and elimination of all that makes Beyond this, the enlarged operations of the State, weak. through taxation and social services, would progressively ensure to every man 'the full property right in the wealth created by his own skill and labour.' (32)

Among Liberal leaders, only Haldane shared in his memoirs, these perceptions of Liberalism's future. He dwelt on his association with the Webbs, Shaw and other Fabians and acknowledged the stimulus he received from them. He perceived the new tone of progressive opinion and recognised the imperative of this shift for Liberalism's continuing vigour. 'A new spirit was disclosing itself, a spirit that was moving the democracy to go beyond the old-fashioned Liberal tradition.' Its product was 'an earnestness about State intervention to be seen everywhere.' (33) To respond the Liberal government needed a coherent programme of social measures. By failing sufficiently to adapt, the Liberal party forfeited the confidence of progressive opinion and working people. Haldane's

<sup>(31)</sup> F. Channing, <u>Memories of Midland Politics</u> (1918), 292. (32) <u>Ibid</u>., 299, 371.

<sup>(33)</sup> R.B. Haldane, Autobiography (1929), 212, 214.

memoirs are different in tone from the others, displaying a mind at once reflective, incisive and wide-ranging, capable of taking long views nourished by intimate knowledge, political sensitivity and defined purpose, an intellectual grasp directed not only to the problems of Liberalism but to the structure of government and the need for fundamental adjustments at many levels in British policy in response to secular changes in the world at large. Rightly, G.P. Gooch recalled him as 'a practical idealist, equally competent as a largescale planner and a master of detail' whose ambition was 'to apply ideas to life. (34) The contrast throws into relief the limitations of his colleagues, locked into the pressures of the immediate, enmeshed within their departments, narrowly political in their concerns, curiously insensitive to the movement of opinion among those who still looked to the Liberal party as the vehicle for constructive change within their society.

These are the impressions strongly conveyed by the great weight of evidence in the private papers of Liberal politicians and registered by their recent biographers. To read this material is to inhabit a different world from that of Dr. Emy and Dr. Freeden. Neither this evidence nor the writing based on it suggests a Liberal leadership alert to the ferment of ideas within the party and to its significance for their appeal

(34) G.P. Gooch, Under Six Reigns (1958), 190.

to the electorate and to their priorities in office, nor do the Liberal chieftains appear as deliberately developing some coherent social programme. As the long, frustrating years of opposition seemed near to ending, as the debilitating conflicts engendered by personal antagonisms and political conflicts gave way to a new-found unity, proferred by the Unionist government's actions, it might have been expected that Liberal politicians would respond to the beckoning prospect of office by taking stock. There seems much sense in a recent assessment of the beneficent effects of opposition.

'Political parties seldom philosophise when in office. Their leaders are too pre-occupied by administrative pressures, too concerned with immediate problems to have the leisure to reflect on the broad purposes for which their party exists. Ministers may not believe that a week is a long time in politics but they tend to behave as if they believed it. The experience of defeat, however, concentrates the political mind wonderfully, and people who have never given serious thought to such matters begin to reflect on what has gone wrong and to puzzle how to put it right.' (35)

By 1903 the Liberal leadership had had ample opportunity for reflection; rescued by their opponents from the distractions of self-destructive rivalries, they might have turned to constructive consideration of their party's role, reaching beyond the mere negative defence of Free Trade. On the evidence, they did not.

Rather the response was, in the narrow sense, political and tactical, the exploitation of rifts appearing among the

(35) Lord Blake, The Conservative Opportunity (1978), 1.

Unionist coalition, both in the House of Commons and in the The Liberal front bench was exercised by the constituencies. possible effects of a declaratory resolution on Free Trade in the Commons, which might reveal Unionist divisions or bring the Unionist Free Traders into line in support of Balfour's government. The discussion of parliamentary tactics favoured a cautious approach, lest a premature forcing of the issue offended the susceptibilities of Unionist Free Traders and rallied support for the government in the lobbies. A parliamentary defeat for the Free Trade position was, of all things, to be avoided. Harcourt, writing to Campbell-Bannerman on 29 May 1903, echoed his leader's native caution. 'A mistake at this critical point would be fatal to the campaign which in any event is an anxious one. He reinforced this view a fortnight later. 'A defeat on such a motion would be a letter of licence to Joe and a complete confirmation by the House of Commons of Balfour's position. (36) Bryce gave substantially the same advice. 'We ought not to court defeat and we ought not to affront the F.T. Unionists. (37) Similar caution animated the discussion of the merits of an electoral understanding. Herbert Gladstone, as Chief Whip, pressed strongly for an arrangement, reflecting the judgment of the Liberal Central Association's memorandum urging that such understandings

<sup>(36)</sup> W.V. Harcourt to Campbell-Bannerman, 29 May, 11 June 1903, Campbell-Bannerman MSS Add MSS 41,220f.110,f.119.
(37) Bryce to Campbell-Bannerman, 5 June 1903, Campbell-Bannerman MSS, Add MSS 41,211f.235.

were both desirable and practicable at local level 'to prevent the defeat of Free-trade candidates of either political party' while discounting a formal fusion. (38) This course Herbert Gladstone urged on both Campbell-Bannerman and Asquith. complaining that nothing is being done for the serious and practical consideration of our relations with the Conservative Free Traders.' (39) Both were sceptical, strongly opposing the proposal floated by Lord James of Hereford and by the Liberal Central Association of informal consultations between the two sides. Asquith doubted the electoral strength of the 'They look very well in the shop-window, Free Trade Unions. but I fear that in the constituencies their voting strength is insignificant.' (40) Campbell-Bannerman was more concerned at the impact of any understanding on local activists, for him and for Bryce the response of nonconformists in the constituencies, enraged by the Education Act of 1902, had to be carefully weighed, the more so since Lord Hugh Cecil was a prominent Unionist Free Trader. These tactical niceties absorbed local Liberals too. In Charles Trevelyan's papers there is an angry letter from a Falkirk Liberal, protesting against his advocacy of an electoral understanding in a letter to the Daily News. Liberal politicians had no business 'to

(38) Memo, 21 Dec. 1903, Gladstone MSS Add MSS 46,106f.88.
(39) Gladstone to Asquith, 21 Dec. 1903, Asquith MSS 10f.16.
(40) Asquith to Campbell-Bannerman, 28 Dec, 1903, Campbell-Bannerman MSS Add MSS 41,210f.227. impose on Falkirk Liberals a man who has supported this infamous Government for the last seven years, simply because he refuses to follow Mr. Chamberlain in his mad proposals.' (41) Yet Trevelyan was expressing the view of many in the North-East who believed, for example, that Arthur Eliot should be left secure in his Durham seat because he was 'a man who at great personal sacrifice has made a great stand for Free Trade against the wire-pullers of his party.' (42) Harcourt was another who was cautious, recognising that an electoral understanding would be unpopular 'on any general footing' but possible 'as single cases where the local people are willing.' (43)

The Liberal leadership was not always confident that the fiscal controversy would work ineluctably in their favour. Campbell-Bannerman saw Tariff Reform appealing to the electorate's prejudices in much the same way as the Imperial fervour of the Boer War had done. He wrote with unusual passion of 'the degraded, apathetic, sport-loving, empty-headed lot that our countrymen have become.... they kick at any serious

<sup>(41)</sup> P. Mackenzie to C.P. Trevelyan, 11 Aug. 1903, Trevelyan NSS CPT 13.

<sup>(42)</sup> Thomas Hodgkin to Walter Runciman 9 Feb. 1905, Runciman MSS WR 11.

<sup>(43)</sup> W.V. Harcourt to L.V. Harcourt, 5 Jan. 1904, Harcourt MSS Dep. 658f.5.

view of politics and morals.' Such an electorate was ripe for exploitation by Chamberlain, so adept at deploying 'the foolishness of the fool and the vices of the vicious to overwhelm the sane & wise & sober.' (44) He was provoked to this outburst by letters from Bryce reviewing the impact of Tariff Reform after visits to Salford and Scotland. Bryce had no doubts about the unifying effect on the parliamentary party, but was less certain about opinion in the constituencies. If there were numbers of 'quiet businessmen usually disposed to vote Tory now with us on the fiscal issue,' it was also evident that 'many manufacturers are caught by Protection for their own trades, so our reliance must be mainly on the That judgment of the electoral consequences workingmen.' (45) of Tariff Reform gave a special urgency to another tactical consideration: the fashioning of an electoral arrangement with the Labour Representation Committee.

Once again, the emphasis was tactical with a minimal concern for policy implications. The evidence here, largely derived from Herbert Gladstone and the Liberal Central Association, may be misleading since to the Chief Whip an electoral understanding would be paramount. Yet he assumed that on matters of policy Liberal and Labour were as one. 'There being no material point of difference between Labour & Liberalism on the main lines of Liberal policy, we are ready

<sup>(44)</sup> Campbell-Bannerman to Bryce, 29 Dec., 31 Dec. 1903, Bryce MSS UB31.

<sup>(45)</sup> Bryce to Campbell-Bannerman, 7 Dec. 1903, Campbell-Bannerman MSS Add MSS 41,211f.252.

to ascertain from qualified & responsible Labour leaders how far Labour candidates can be given an open field against a common enemy.' An increase in Labour representation could only save the Liberal cause since 'it would increase progressive forces generally and the Liberal party as the best available instrument of progress.' (46) Consequently the Liberal Central Association could legitimately exert its influence to persuade local associations to unite in support of competent Labour candidates. Only as an afterthought, in a random jotting.did the Chief Whip consider that the emergence of the Labour party owed something to the absence of a strong Radical wing in the Liberal party, at a time when the great Liberal objectives had largely been secured. 'Formation of Labour party a natural evolution because needs of poorer classes are most pressing & no extreme wing of Lib. party offers sufficient attention. (47) If Herbert Gladstone perceived possible policy implications as no more than a postscript to the serious business of striking an electoral bargain, most of the front-bench appeared indifferent even to that process. Grey's strong support stood all but alone among Gladstone's correspondents. Labour should have more direct representation in the House of Commons & every Liberal should not only admit this but wish it.' (48) It was at the periphery more than at the centre that the prospect of an electoral pact aroused interest or concern.

<sup>(46)</sup> Memo., 13 Mar 1903, reviewing prospects in various constituencies. Gladstone MSS Add MSS 46,106f.7.
(47) Loc.cit., f.27.

<sup>(48)</sup> Grey to Gladstone, 18 Sept. 1903, Gladstone MSS Add MSS 45,992f.101.

The fear of Labour aggression was real enough. Sir William Harcourt, for example, urged the Chief Whip to endorse Brace's candidature in South Glamorgan since 'the Miners are bent upon increased representation and if they don't obtain it in seats now held by Tories they will seek to indemnify themselves elsewhere in seats now held by Liberals.' (49) Jesse Herbert, Secretary of the Liberal Central Association, similarly urged Gladstone to exert pressure on the local association to endorse the miners' candidate, Johnson, in South-east Durham. 'If this is not done all the Durham seats will be endangered.' (50) Elsewhere there were equally gloomy prognoses of the consequences of surrender to Labour pressure both on the vigour of local associations and on the loyalty of Liberal voters, coloured no doubt by the resentment of Liberal candidates required to make the sacrifice. Herbert Beaumont, considering his difficulties at Barnard Castle, was understandably gloomy.

'The strong Liberals say they would rather vote for Vane than have Henderson foisted upon them in the way in which a small section of Socialists haling from London are trying to do. What I am doing now all you Liberal Members with large working-class constituents, will have to do within the next ten years, because if you don't smash the Independent Labour Party now -

- (49) Harcourt to Gladstone, 3 Oct. 1903, Gladstone MSS Add MSS 45,992f.64.
- (50) Herbert to Gladstone, 27 Oct. 1903, Gladstone MSS Add MSS 46,026f.28.

and Henderson's Association is entirely controlled by the I.L.P. - they will smash the Liberal Party, as they avowedly say they wish to do.' (51)

Fears of this kind were registered at the centre. Jesse Herbert, a strong supporter of the electoral pact, reflecting on Sir Joseph Compton-Rickett's reluctance to surrender Oldgoldcross to a miners' candidate, confided to the Chief Whip that 'the mercantile class throughout the division .... are strongly opposed to a miners' candidate, and would probably support a Conservative rather than a miners' man.' He, too, saw wider implications. 'It is generally recognised that these candidatures which are now being pressed forward are the result of the growth of the I.L.P. among the Miners, a Party which seeks more to destroy the Liberal Party than to secure Miners' Representation.' (52) Whether confident that the electoral pact would mobilise the progressive vote or pessimistic that tactical exigencies in the present would destroy the party in the future, the discussion never reached beyond the organisational. However relations with Labour were seen they did not apparently hold implications for the party's programmes. When

(51) To confirm these contentions he enclosed a letter from Caterall, the Liberal agent in Clitheroe, urging his election committee to resist Henderson's challenge. Handing the Clitheroe seat to Labour had had disastrous consequences. The local organisation was 'falling to pieces like a rope of sand,' Liberal voters were threatening to vote Tory next time and the Labour party had become more aggressive. Beaumont to C.P. Trevelyan (and enc.), 3 July 1903, Trevelyan MSS CPT13.

<sup>(52)</sup> Herbert to Gladstone, 11 Nov. 1904, Gladstone MSS Add MSS 46,026f.73,f.74.

the rich harvest of January 1906 had been fully garnered, the pact was still seen in these terms. The pact had justified itself because it 'produced a solidarity in voting especially in the big towns which I scarcely dared hope for' while gratitude for Liberal support would exert 'a steadying influence' on Labour and ensure that in the new House of Commons they would be 'a good element.' (53)

It was not only the tendency to see politics in manipulative terms which diverted the Liberal leadership from active consideration of policy. Echoes of old controversies still rumbled through their correspondence, despite the unifying pressures of the fiscal controversy. To an extraordinary degree the personality of Rosebery loomed large, the appointed saviour or the ignus fatuus according to personal Campbell-Bannerman's comments displayed an unusual taste. acerbity. He rejected out of hand, despite Herbert Gladstone's emollient efforts, any suggestion that Rosebery should return to active Liberal politics on his own terms. All would be well if 'he returns, and bears his share of the work' but 'if the idea is that he should mount and ride the horse and should dictate what we are to do and say, we cannot, of course, have him on such terms.' (54) On the other hand, Grey and Haldane

(53) Gladstone to Campbell-Bannerman, 21 Jan. 1906, Campbell-Bannerman MSS Add MSS 41,217f.295.

(54) Campbell-Bannerman to Gladstone, 9 Nov. 1903 (copy), Campbell-Bannerman MSS Add MSS 41,217f.31.

still hankered for Rosebery's return. They still resented Campbell-Bannerman's conduct during the war; to shunt him to the House of Lords was a necessary safeguard for effective government, the essential pre-requisite for 'the redemption of the Liberal party from its present condition and the construction of a strong alternative administration.' (55) These sentiments were expressed most strongly by Rosebery's running-dogs, Sir Reginald Perks and Wemyss Reid, who still saw the leadership within Rosebery's grasp, if only he would strive for it. To them the majority of Liberals regarded his presence as a condition of victory and only his enigmatic elusiveness might alienate this support within the party and the 'They see the moment of victory approaching & they nation. believe that all would be well if only they had you, not merely beside them but at their head.' (56) Yet the Liberal Leaguers felt mounting frustration at Rosebery's continuing detachment, a disenchantment which for Asquith, at least, began in July 1903 when he strove assiduously to persuade Rosebery to join him in using the defence of Free Trade as the road back into the Liberal fold. Perhaps by the end of 1905 the Rosebery bubble had burst. Even Perks could write that 'a general impression has got abroad even among many who ardently

<sup>(55)</sup> Haldane to Knollys, 19 Sept 1905 (copy), Haldane MSS 5906f.204.

<sup>(56)</sup> Wemyss Reid to Rosebery, 19 Oct. 1904, Rosebery MSS 10,058f.198.

wish to believe otherwise, that office was distasteful to you & that you did not care for the worries & drudgeries of political leadership.' (57) That canny assessor of political trends, Jesse Herbert, believed that the Bodmin speech had effectively ended Rosebery contention for office. Were a Liberal government formed, Campbell-Bannerman might 'govern without the terror by night & by day of what Lord R might do if in office.' (58)

Yet that same speech gave a sharper edge to another controversy looming over Liberal politicians as the prospect of office drew nearer: Home Rule, the ark of the covenant to some, an electoral albatross to others. Within the space of three weeks, Campbell-Bannerman received two letters which revealed the sharpness of that division. Sir Robert Reid confided his fears that Rosebery and his friends were conspiring to ensure that Home Rule was 'absolutely excluded by a preliminary ban from the work of the next Parliament. It will wreck our party if we assent to an ordinance that during next Parliament nothing is to be done for Ireland in the way of self-government beyond administrative reform.' (59) Crewe, not yet a man of weight in the party's counsels, made an entirely different assessment.

(57)	Perks to	S Re	osebery,	8	Sept	: 190	5, Ros	ebery	MSS	10,0:	52f`•'	78.
(58)	Herbert	to	Gladsto	ne,	27	Nov.	1905,	Glads	tone	MSS	Add	MSS
	46,026f	.18	6.	-								

(59) Reid to Campbell-Bannerman, 29 Oct. 1905, Campbell-Bannerman MSS Add MSS 41,222f.141.

'It is supremely important to get the largest possible majority for Free Trade. It is not our fault that this question elbows out all others. To introduce H.R. must complicate the issue in the electors' minds, make the meaning of a victory uncertain, and actually lose the votes of many electors.'

The conclusion was plain: a clear declaration must be made that a Liberal government would not legislate in the next Parliament. (60) Asquith also believed that Campbell-Bannerman must make absolutely clear that a Home Rule Bill would form no part of a Liberal government's programme. Any commitment to Home Rule would do 'incalculable and fatal mischief' possibly condemning the party to another twenty years in the wilderness. (61) Even on the eve of its triumph. the Liberal party showed its capacity for self-destruction. Loulou Harcourt, as rumours burgeoned of Balfour's imminent resignation, advised Campbell-Bannerman to form a government without Asquith, Grey and Haldane. 'It is coming to a fight between the real & the sham Liberals and after the election the overwhelming majority of the party will belong to the first category.' (62) Harcourt was still fighting his father's battles and was not indifferent to his own advancement, but he displayed a curious judgment of where the political priorities lay. At least his was a reminder that old controversies still diverted energies better employed in the constructive tasks of policy-making.

- (60) Crewe to Campbell-Bannerman, 19 Nov 1905, Campbell-Bannerman MSS Add MSS 41,213f.336.
- (61) Asquith to Gladstone, 22 Oct 1905, Gladstone MSS Add MSS 45,989f.131.
- (62) Harcourt to Campbell-Bannerman, 27 Nov 1905, Campbell-Bannerman MSS Add MSS 41,220f.192.

Campbell-Bannerman was hardly the man to direct the party firmly to these constructive tasks. As he followed the stately rhythm of his year between Westminster, Marienbad, Belmont and autumn speech-making, one suspects he entertained a large capacity for leisure. Certainly he displayed a marked reluctance to bring together the Opposition front-bench even to discuss the work of the session, let alone future directions for his party. Herbert Gladstone evinced near-despair at this somewhat casual approach to leadership. Almost plaintively he inquired 'if you could without too much inconvenience look in at the House this afternoon it would be most useful,' (63) a request strange at first sight until one recalls that Campbell-Bannerman at the beginning of the session had rejected the idea of some formal meeting of the front-bench in favour of a dinner at his house which would suffice to plan the work of the session. 'Beyond conversation then, and perhaps the late staying of a few, is a conclave necessary?' (64) There was something of the same cheerful insouciance here which led him to recommend Sir William Geary as a useful man for a Kentish seat, apparently for no better reason than that 'he has just gone out of his way to do a civil thing to me as a neighbour, sending me an interesting old map he has found among his papers as part of my property.' (65)

Gladstone himself was aware that the Liberal party could

<sup>(63)</sup> Gladstone to Campbell-Bannerman, 28 May 1903, Campbell-Bannerman MSS Add MSS 41,216f.271.

<sup>(64)</sup> Campbell-Bannerman to Gladstone, 9 Feb. 1903., Campbell-Bannerman MSS Add MSS 41,216f.249.

<sup>(65)</sup> Campbell-Bannerman to Gladstone, 17 Aug 1903, Gladstone MSS Add MSS 45,988f.49.

not stand simply on the defence of Free Trade, if for no other reason than that such a negative posture would disappoint expectations within the party. In June 1903, he opened up this theme at some length. 'I am frequently asked by candidates what the party position is on a number of matters. Is it not time that you should take stock & on general lines indicate the course which should be taken?! (66) He offered a comprehensive list of issues: Ireland, Education, Licensing, Taxation of Land Values, the House of Lords, Electoral Reform, Financial Policy, Reform of Trade Union Law, an Eight-hour day for miners, Poor Law Reform, Old Age Pensions, Workmen's Compensation. Housing. He reiterated the theme that 'it is all right to knock Chamberlain but that does not tell the country what a Liberal Government would do when it comes in. They want a fighting policy wh. not only destroys but constructs a programme.' (67) Nor did the Chief Whip content himself with pious utterances on the merits of a more positive approach to policy-making. By November 1904 he was urging the establishment of two or three informal committees to study in depth crucial issues like Housing and Poor Law reform, drawing in the experience of experts from outside the party In December 1904 he circulated a memorandum like Sidney Webb.

(66) Gladstone to Campbell-Bannerman, 24 June 1903, Campbell-Bannerman MSS Add MSS 41,216f.281.
(67) Gladstone to Campbell-Bannerman, 12 Oct 1903, Campbell-Bannerman MSS Add MSS 41,217f.22.

to his colleagues on unemployment. He judged that cyclical unemployment had become all but intolerable and the Poor Law was incapable of dealing with it. Government must consider the value of public works programmes to create employment. Campbell-Bannerman was not indifferent to these considerations. 'I fancy there will be a call from our people for a pronouncement on some questions and a hint of their relative importance - e.g. electoral reform; land values; education and the Welsh action. (68) He found merit in the proposed committees to review policy, though he was sceptical about drawing in back-benchers and outsiders. The implications for party management weighed more strongly with him than the vigour of the committees as policy-makers. While accepting that 'we sadly want new blood and fresh views from all corners of the Party,' he feared that the inclusion of back-benchers might generate embarrassing expectations of office - 'if at this time we pick our people for confidential consultation it comes precious near (in their eyes) a rehearsal for a cast for a new Government.' (69)

In the event, Gladstone's proposal does not appear to have born fruit while his unemployment memorandum evoked a mixed response from his colleagues. Asquith recognised the

<sup>(68)</sup> Campbell-Bannerman to Gladstone, 10 Oct. 1904, Campbell-Bannerman MSS Add MSS 41,217f.126.
(69) Campbell-Bannerman to Gladstone, 5 Dec. 1904. Campbell-

Bannerman MSS Add MSS 41,217f.141.

merits of a counter-cyclical programme of public works, but Bryce's response was distinctly cool.

> 'It seems to me that if we say anything in the sense he suggests, it would be prudent for us to prevent its being supposed that we recognise any duty on the part of the State to provide work, and that the most we could safely say is that if it can be shown that there are nationally useful works.... which can be profitably undertaken they might be used to relieve the pressure on the labouring class when work is scarce.! (70)

The responses of Spencer and Fowler were equally cautious and Campbell-Bannerman was uneasy about the effects on middle-This reluctance to embrace new initiatives class voters. extended to the memorandum submitted by a group of industrialists led by Sir John Brunner, Sir James Kitson and D.A. Thomas, men of weight in the regional organisations of the party and so commanding a double respect. Their views were not coloured by the New Liberalism, but they too envisaged an active state seeking to repair Great Britain's competitive deficiencies by public spending on communications, research and the development of higher education. To combat Tariff Reform, the Liberal party must demonstrate its capacity 'to advocate and strenuously take in hand the development of the internal resources of the United Kingdom. (71) Campbell-Bannerman's response was to reflect on the likely reaction of railway shareholders.

So far from distinguishing some sensitivity among the

<sup>(70)</sup> Bryce to Campbell-Bannerman, 19 Dec 1904, Campbell-Bannerman MSS Add MSS 41,211f.290.

<sup>(71)</sup> Memo., Dec. 1903, Gladstone MSS, Add MSS 45,988.97.

Liberal front-bench to social radical currents within the broad spectrum of Liberalism, it is hard to discern any coherent strategy whether in opposition or during the election campaign The leadership conducted its affairs in the of January 1906. casual way epitomised by Campbell-Bannerman's suggestion to his Chief Whip: 'Do you not think we should have a meeting of as many of the ex-cab as can be laid hands on to consider the things that immediately come up?' (72) a proposal which hardly indicated any urgency in policy-formation. To some frontbenchers, attention to programmes was positively dangerous, and the Unionist government could be safely left to destroy itself. 'These fellows are utterly discredited, and don't even need a kick to tumble them into the ditch. Programmes are not needed by us and (as you observe) may be embarrassing.' (73)

It was beyond the Liberal front-bench that the need to present a positive Liberal alternative was most closely discerned, not only to ensure electoral victory but to sustain a Liberal government in office. W.M. Crook, secretary of the Home Counties Liberal Federation, thought it imperative that the young men in the party should assert themselves. 'It will kill us if we have a period of middle-aged, uninspired & uninspiring opportunism, without soul and without programme, destitute of courage & a ready target for Joe in opposition.'(74)

<sup>(72)</sup> Campbell-Bannerman to Gladstone, 26 Apr. 1905, Gladstone MSS Add MSS 45,988f.170.

<sup>(73)</sup> Bryce to Campbell-Bannerman, 2 Nov 1905, Campbell-Bannerman MSS Add MSS 41,211f.304.

<sup>(74)</sup> Crook to L.V. Harcourt, 21 June 1904, Harcourt MSS Dep. 437f.77.

Even Crewe, hardly on the party's progressive wing, recognised that 'more than ever before the L. party is on its trial as an engine for securing social reform - taxation, land, housing etc.' (75) To those with a stronger commitment to social reform, like Charles Trevelyan, the apparent passivity of the leadership called forth angry indignation against 'the essential fat-headed stupidity of the present gang' and 'the old foozler CB.' (76) He had urged a commitment to social reform on his leader in October 1903 and no doubt felt that the sympathetic reply he received had hardly been matched in action. He revealed his position clearly in a letter to Churchill, critical of the leadership for arguing only on free trade and advancing no counter-policy.

'The problem for us more advanced Liberals is not only Free Trade and never will be. No Free Trade govt. could hold office & do nothing.... The whole raison d'être of present day Liberalism is constructive reform.! (77)

In an undated memorandum, presumably drafted at this time, he defined what that constructive reform should be: taxation of ground values and land reform, legislation against sweating, housing reform, licensing reform, a policy designed to establish a minimum standard of comfort. Herbert Samuel was another young Liberal who felt disappointed because the leadership showed little enthusiasm for the causes like un-

(75) Crewe to Campbell-Bannerman, 19 Nov 1905, Campbell-Bannerman MSS Add MSS 41,213f.337.

(76) Trevelyan to Samuel, 31 Jan 1905, Trevelyan MSS CPT 4.

(77) Trevelyan to Churchill, Dec 1903, Trevelyan MSS CPT 3.

employment that he held dear. After dining with Canon Barnett at Toynbee Hall he wrote with regret that Barnett had 'a number of definite ideas as to the right course to be pursued, and is anxious that the Liberal party should have a policy on the subject - which it certainly has not yet got.<sup>1</sup> (78)

Perhaps ominously, some of the strongest perceptions of the Liberal party's need to present positive alternatives to Tariff Reform came from new recruits like Churchill and Ivor Guest. From outside the party, Beatrice Webb recorded her scepticism about the leadership. 'Little Englandism, crude democracy, economy, secularism, are all again to the front in the official Liberal Party - are, in fact, the only actively militant forces with a policy to push.' Liberal bankruptcy would be her husband's opportunity; bereft of programmes of their own, the Liberals in office would necessarily take counsel of the Webbs. 'A man who has brains and who is ready to lend them freely to anyone who can use them will sooner or later have his share of real power.' (79) Viewed from the outside, the Liberal leadership offered no constructive It was this which established the curious tone of policies. much Liberal comment in the autumn of 1905, delighted anticipation irradiated with pessimistic gloom. The unity of the party seemed entirely negative, irrelevant Radical

<sup>(78)</sup> Samuel to his mother, 19 Feb. 1905, Samuel MSS A156 163-250f.589.

<sup>(79)</sup> Diary entry, 1 Mar 1904, Passfield MSS Diary transcripts Vol.24,ff 59-60.

Shibboleths were again in the ascendant and failure to conceive a constructive policy in opposition would frustrate the Liberals in office. A year earlier Brougham Villiers had judged that 'a Progressive victory at the present moment would certainly prove that the people are tired of the Tories, not that they are converted to any constructive reform whatever.! (80) W.T. Stead emphasised the different moods of the leadership and the wider party. 'In the higher circles of official Liberalism there is an overwhelming conviction that the Liberal party is so obviously assured of a majority at the next election as to render the framing of a definite programme superfluous, but in the constituencies there is a growing feeling of inquiry as to the details of a policy which is to undo the long years of Tory misrule and some indication of advance towards the amelioration of social conditions.' (81) Haldane's gloom in a letter to his mother was doubtless coloured by his uneasy personal position, but it conveyed that same sense of failure to respond to changing needs which he re-called in his Autobiography. 'Our people are really not fit to govern & I am depressed over them. They are so weak & timid that one feels inclined to be out of the whole thing. (82)

These fears seem entirely justified. The leadership had

(80)	The Opportunity of Liberalism,	, 89.
(81)	Coming Men on Coming Questions	s, 425.
(82)	Haldane to his mother, 8 Mar 1	905, Haldane MSS 5973f.88.

not forged a constructive policy in opposition nor did it fashion a coherent strategy in the election of January 1906. Whatever the high hopes of the Liberal battalions, the leadership was uncertain of its direction. On 20 January, Asquith could still enquire, almost casually, of his leader: 'are you giving any thought to the items of the menu?! (83) The reply suggested more concern with tactical exigencies than with translating into legislative form the prescriptions of the 'But if we have two sops for Labour, we ought New Liberalism. to have some other Bill besides Educ<sup>th</sup> of general interest, to balance them. Otherwise will not the enemy blaspheem & will not colour be given to the assertion which seems to be their main weapon now, that we are in the hands & at the mercy of Labour (which equals socialism)'. (84) Arthur Ponsonby, when Herbert Gladstone's principal secretary at the Liberal Central Association, reported the desire of the many candidates with whom he spoke for an enlightened progressive programme 'embodying a new liberal cause for the xx century.' (85) Even by 1906 the leadership had done little to satisfy those aspirations. Theirs was a different world from that of J.A. Hobson.

## III

From the perspective of 1912, Percy Alden, himself on the

<sup>(83)</sup> Asquith to Campbell-Bannerman, 20 Jan 1906, Campbell-Bannerman MSS Add MSS 41,210f.259.

<sup>(84)</sup> Campbell-Bannerman to Asquith, 23 Jan 1906, Asquith MSS 10f.200.

<sup>(85)</sup> Ponsonby to Morley, no date. (Draft letter, not sent c.15 Oct 1903) Ponsonby MSS MS Eng. hist. c652f.123.

social radical wing of the party, could see the legislation of the Liberal government as a coherent exercise in social reconstruction, responding partly to 'the altruistic spirit of the younger men who entered the House of Commons full of enthusiasm for humanity and for social causes which seemed to them bound up with the success of their own principles' and partly to new pressures from the working class in whose mind 'the possession of huge incomes from land, combined with the vast accumulation of wealth in the hands of a few, renders inevitable an attack upon the existing social system.' He was equally clear that the coherent legislative programme represented a departure in principle, 'a desertion of the old individualistic standard' in favour of a significant extension of the State's functions. Consequently 'property is no longer to have an undue claim: great wealth must be prepared to bear burdens in the interests of the whole community.' (86) Given this perspective, or a longer one, these seem acceptable judgments. Certainly they would commend themselves to historians of the Welfare State. Viewed in their totality, the measures of 1908 to 1911 altered the relationship between the State and the community and created the legislative and administrative structures to make effective new principles of social policy. The State no longer stood solely in a regulatory posture; instead it sought to establish a minimum of security to be enjoyed by all citizens as of right.

(86) Percy Alden, Democratic England (New York, 1912), 2-3, 6-7.

Potentially, through progressive taxation the State became an organ of redistribution, harnessing for public purposes those values created by the growth of society itself. Take the legislative achievement as a whole and the hypothesis of a government, fashioning consciously a coherent programme in response to its perception of secular social trends and to the restatement of the Liberal creed within its party, becomes persuasive. There is ample testimony, also, to the social radical commitment and enthusiastic expectations of many elected for the first time in 1906. The new House wanted to move forward quickly and as it was  $1\frac{5}{4}$  strongly radical' there was 'swift condemnation of any tendency to moderate whigism.' (87)

Yet the evidence is not all of a piece. To a surprising but revealing degree, the private papers remain silent on those matters. They obstinately refuse to convey that in the judgment of most Liberal ministers the social legislation lay at the heart of the government's activity: rather their silence conveys a large indifference. Discussion of individual measures, when this appears in correspondence, rarely related them to some broader strategy, an impression sustained by the printed memoranda circulated by ministers to their Cabinet colleagues. Asquith quite rightly reported in his Cabinet letter of 1 May 1908, the Old Age Pensions scheme, approved by

(87) Diary entry, 16 Apr 1906, Ponsonby MSS MS Eng.hist. c653f.ll.

his colleagues that day, as being of a modest and tentative character.' (88) In coming to its decision the Cabinet had reviewed a mass of material presented to it since December It was presumably familiar with the various inquiries 1906. which had been mounted since the mid '80s into the problem of It had at its disposal the views of private the aged poor. individuals like Charles Booth, Canon Blackley and the Webbs. It was offered ample statistical data and comprehensive information about foreign practice. The relative merits of contributory and non-contributory schemes, of universal and selective schemes, were fully canvassed. Obviously ministers wrestled with these details, as Walter Runciman wrote, describing the Cabinet Committee 'sitting every other day, toiling with the problem of Old Age Pensions.' (89) Yet the conclusions were tentative, more aware of the limitations to which the scheme must conform than of its contribution to some emergent conception of a national minimum. 'It must necessarily be of an experimental character.... It must not unduly mortgage the finances of the present and following years.' (90) Ministers, engrossed in administrative and financial complexities, were insensitive to the wider implications: perhaps, too, the hesitancy reflected some scepticism within the

(88) Asquith to Edward VII, 1 May 1908, Asquith MSS 5f.25.
(89) Runciman to Trevelyan, 24 Nov. 1907, Trevelyan MSS CPT28.
(90) Cab 37.92.54.

Cabinet. Morley saw even this limited scheme opening up divisive debates within the party which would be electorally damaging. It would be 'injurious to us with the lower middleclass, who after all are no inconsiderable contingent of our party strength' without any compensating appeal to the workingclass electorate, since 'we shall hardly be able to produce proposals magnificent enough to make the workmen ardently enthusiastic or even decently grateful.' (91)

Morley's doubts were hardly surprising; no Cabinet minister was more impervious to New Liberal thinking. Those of Haldane were more so. He argued strongly against a universal scheme as likely to 'extinguish several most important developments of social reform of other kinds which will require expenditure in the future. A ground for rejecting such a scheme is that it is not clear that the benefit would be proportional to the enormous sacrifice called for from the nation.' (92) One can only wonder how far ministers heeded the political warnings of one of Asquith's correspondents, F.H. Stead, Warden of the Robert Browning settlement and, admittedly, a dedicated campaigner for Old Age Pensions, a commitment that no doubt coloured his warnings of the con-The Tariff Reformers sequences of failure to act decisively. would gain an enormous accretion of strength by making 'the people wonder whether any great Social Reform can be secured

(91) Morley to Bryce, 6 Jan 1908, Bryce MSS UB32. (92) Haldane to Asquith, 13 Sept 1907, Asquith MSS 97f.145.

on a Free Trade basis.' Government passivity would 'complete the disgust of the working-classes with both of the traditional parties and cause them to repeat the experience of Jarrow and Colne Valley in most of the great industrial centres.' (93) Perhaps such warnings went unheeded, just as the wider implications went unperceived, by ministers engrossed in the financial and administrative details of alternative approaches to the problem.

Of all the issues which engaged the attention of the New Liberals, unemployment was in many ways central. In its various guises, it was seen to be at the root of so much else and it was the supreme example of a social and economic malfunction, even if its causes were not clearly understood, pressing down on vulnerable individuals. The imperative of translating new principles of social responsibility into effective action was clearly displayed. For government there were political imperatives too. No issue bore more closely on the continuing loyalty of its working-class constituency nor strained the bonds with its Labour allies in the House, particularly when they offered their own panacea, the Right to Work Bills of 1908 and 1911. Yet the Cabinet's approach was tentative. In 1908 loans totalling £800,000 were made to go local authorities to promote 'works of public utility giving employment to a large quantity of labour which would otherwise

(93) Stead to Asquith, 14 Dec. 1907, Asquith MSS 75f.128.

be idle.' (94) In a Cabinet memorandum, John Burns stigmatised the Right to Work Bill as destructive of incentive and creating an artificial system of industry 'in which labour is to claim as its right that work is to be executed at the public cost. not because it is wanted or will be remunerative, but as an excuse for paying wages, and the ratepayer or the taxpayer is to be bound to supply the cost.' (95) Asquith dismissed the principle of the Bill as 'an obviously inadmissable proposal. (96) In his diary Burns was even more dismissive both of the Bill and of relief works, public and private; they were nothing more than expensive devices for pauperising working people. His self-appointed task was to defend the independence of the labourer since 'no one else stands between the fools and fanatics who are bent on destroying the spirit of independence in the workmen by such enervating proposals' this outburst after the Labour party's amendment to the King's Speech in February 1911. (97)

If the president of the Local Government Board was an unyielding opponent of new approaches to the problem, others took a different view. Asquith discussed its political implications with J.A. Pease on 15 October 1908 and the latter's proposal to introduce legislation to allow local authorities to spend the product of a penny rate on relief works was dis-

<sup>(94)</sup> Cabinet Letter, 20 Oct. 1908, Asquith MSS 5f.55.

<sup>(95)</sup> Cab. 37.91.32.

<sup>(96)</sup> Cabinet Letter, 11 Mar. 1908, Asquith MSS5f.4.

<sup>(97)</sup> Diary entry, 12 Feb. 1911, Burns MSS Add MSS 46,333f.48.

cussed at a stormy Cabinet on 19 October, only Lloyd George, Churchill and Sydney Buxton supporting the proposal. Pease argued the political case for more adventurous approaches.

'The labour party in the country is composed of a variety of elements, & if we now estrange them we shall secure no support to enable the Gov<sup>mt</sup> to carry half-hearted proposals. If however the Gov<sup>mt</sup> secure the confidence of the best leaders of the various groups, we shall be able to resist both Tory reaction & socialism & drive a wedge between the practical & unpractical labour politicians.' (98)

Others in the government by the autumn of 1908 were relating their approach to unemployment to legislative proposals which were to come. Samuel, writing to congratulate Churchill on his Dundee speech, expressed his conviction 'that it is the essential duty of the State to deal with this evil.' (99) He recognised it as a continuing problem requiring permanent national machinery for its containment. Churchill, from the time that Asquith approached him about his possible move to the Board of Trade in March 1908, recognised the need to deal with unemployment in all its complexity and to relate such The State must find measures to a system of State insurance. ways to 'augment the demand of the ordinary labour market for unskilled labour so as to counter-balance the oscillations of world trade' and under-pin the heterogeneous institutions of self-help by 'a sort of Germanised network of State intervention & regulation.' (100) His Cabinet Memorandum of

<sup>(98)</sup> Diary entries, 15, 19 Oct 1908, Gainford MSS 38.

<sup>(99)</sup> Samuel to Churchill, 10 Oct 1908, in <u>Companion Volume II</u>, Part II 841.

<sup>(100)</sup> Churchill to Asquith, 14 Mar 1908, Asquith MSS 11f.14.

27 January 1909 showed the same grasp. It presented the introduction of Labour Exchanges as part of a strategy to deal with a many-sided problem: cyclical and structural unemployment, a disorganised labour market, the urgent need for decasualisation, more efficient industrial training. At best. Labour Exchanges would ameliorate the problem by affording 'that general concentration of demand and mobilisation of supply which is essential if the inevitable fluctuations and changes of industry are to be met with the minimum of waste and idleness.' (101) The Board of Trade's Memorandum on the proposed introduction of Unemployment Insurance, circulated to Cabinet on 17 April 1909, related the specific proposal to The scheme would provide a remedy for the the wider problem. evils arising from cyclical and seasonal fluctuations, but could not greatly help in alleviating the pressures of more profound structural changes in the economy. It would, however, have indirect effects on stabilising demand by giving employers and the State a direct financial interest in doing 'all in their power to minimise avoidable fluctuations and so to make the best use of the existing demand.' (102) Here was the capacity to take long views, to fashion comprehensive policies which consciously enlarged the action of the State in order to protect the individual against the pressures arising from the

<sup>(101)</sup> CAB.37.97.17.

<sup>(102)</sup> CAB.37.99.69.

malfunctions of the market economy.

How far such perceptions were widely shared within Asquith's Cabinet remains open to doubt. There is a daunting absence of reference in their correspondence to what historians would regard as matters of substance, even when the Prime Minister was obviously at pains to ensure that his colleagues were adequately informed. He was eager to be fully apprised of the continuing work of the Poor Law Commission, even though Lord George Hamilton refused him access to the evidence taken by the Commission in advance of the Majority Report. The memorandum he circulated to his colleagues on 2 March 1909 -'an attempt to treat the Reports more critically and to indicate lines of practicable legislation' - showed that the conclusions of the Majority and Minority Reports had been well-digested. The complexity of the problem of unemployment, cyclical, frictional and structural, was carefully delineated and the special urgency of casual employment in unskilled trades where labour was permanently in surplus recognised as a major cause of pauperism. Low and irregular wages, poor housing, inadequate diet conspired to demoralise casual workers. The memorandum advanced possible solutions: labour exchanges. insurance, the anti-cyclical timing of government expenditure, the organisation of the labour market, efforts to improve mobility through training and technical education. 'Labour should be rendered not only mobile in space but also mobile in kind. It is largely dependent on highly specialised machinery,

and in order not to be displaced it must be able to adapt itself to the constant changes in mechanical processes.' (103) If his colleagues had read the exhaustive reports prepared to support the work of the Royal Commission they would have been left in no doubt of the formidable complexities of the related problems of pauperism and unemployment and of the development of informed opinion on these questions inside and outside the machinery of government. (104) Unfortunately the absence of reference in their correspondence makes an assessment of their response impossible. They seemed equally indifferent to the National Insurance Act of 1911. Few historians would dispute Asquith's judgment that it was 'more comprehensive in its scope and statesmanlike in its machinery than anything that has hitherto been attempted or proposed' forming, with Old Age Pensions, 'the largest and most beneficial measure of social reform yet achieved in any country.' (105) Here was a seminal piece of legislation, not without political implications, to which most ministers appeared blithely indifferent.

Their apparent detachment is thrown into relief by the lively concern which focussed on Lloyd George's land campaign. As we have seen, this provided an issue which drew together old Radical animus against the landed monopoly with New Liberal

(104) For example, Report by A.D. Steel-Maitland and Rose E. Squire, The Relation of Industrial and Sanitary Conditions to Pauperism Parliamentary Papers, VOL xliii, Cd 4653; Report by Cyril Jackson and Rev. J.C. Pringle, The Effects of Employment or Assistance given to the Unemployed since 1886 as a means of Relieving Distress outside the Poor Law Parliamentary Papers, Vol. xliv, Cd 4795.

(105) Cabinet Letter, 5 Apr 1911. Asquith MSS 6f.25.

<sup>(103)</sup> CAB.37.98.40.

advocacy of the taxation of socially created values and concern for the urban environment. At the level of political management, it seemed to afford a way out of a discernible political impasse, the endeavour to consolidate working-class support without alienating middle-class voters. Lord Riddell neatly caught this calculation after discussing the projected land campaign with Lloyd George over dinner on 12 June 1912. 'This land scheme is a shrewd political move. While it deals with present-day economic troubles, it is framed to appeal to the Liberal politician who is not prepared to attack the commercial classes, but will rejoice in attacking the pockets and privileges of his traditional bugbears and enemies, the squires and ground landlords.' (106) Asquith conveyed the political dimension when offered the Presidency of the Board of Agriculture first to Samuel and then to Runciman in the autumn of To both he confided his judgment that 'we have lost 1911. much ground in the English rural counties, largely because we have not been able to present to them an intelligible land policy.' (10%) Lloyd George went further: the land question would renew the government's impetus after the frustrations of the constitutional battle. As he argued to Riddell on 12 May 1912, 'there are times when Radicalism needs a great stimulus.... Something must be done to put fresh life into the dry bones. I feel that the land and the agricultural labourer are the

(106) Riddell, op.cit. 71. (107) Asquith to Runciman, 14 Oct. 1911, Runciman MSS WR 302.

root of the whole social evil.' (108) His intimate connection with the Land Inquiry demonstrated his determination to put the issue at the centre of politics and to wring from it the greatest political advantage. His sense that here was an issue, ripe for exploitation in the manner of Limehouse, shone through a letter to Seebohm Rowntree welcoming the final draft of Part I of the Land Inquiry's Report.

'Would it be possible to select a few parishes, where the wages of the Agricultural Labourer are low and his housing bad, but where the landlord lives in a fine house and keeps up a great style? When I come to present the case I am anxious to dwell on the contrast between the condition of the man whose labour produces that wealth and that of the man who receives a larger share of the produce of the soil without toiling and spinning.' (109)

Committed land reformers in the party, like R.L. Outhwaite and Charles Trevelyan, shared this confidence that the party's salvation lay in vigorous exploitation of the land question. They were acutely aware of the implications of the electoral outturn of 1910, the restoration of Conservative fortunes in the rural constituencies of the South and the consolidation of Liberal strength in urban constituencies in the North. In their eyes, this issue provided 'the connecting link between town and country.' (110) The elections had shown the necessity of rescuing the countryside from its feudal deference. 'Now at last it will be seen that the dependent condition of the

<sup>(108)</sup> Riddell, op.cit. 63.

<sup>(109)</sup> Lloyd George to Seebohm Rowntree, 25 Aug 1913, Lloyd George MSS C/2/2/44.

<sup>(110)</sup> Trevelyan to Runciman, 10 Sept 1913, Runciman MSS WR 82.

landless serfs of the villages is going to give the Protectionists their opportunity and that the danger can only be averted by making them independent.' (111) The same issue would continue to invigorate urban Liberals for whom the breaking of the land monopoly had become 'an essential part of their creed.' (112) By 1913 the Cabinet, not without some qualms, had come to share this view. J.A. Pease, in a diary entry covering the paliamentary recess from 8 August to 7 October 1912, reported the Prime Minister as angry at 'Lloyd George running a land campaign of his own' and some general feeling that bye-election losses at Crewe, Midlothian and Oldham should be attributed to him. 'Lloyd George came in for a good deal of abuse owing to attitude on having a private land system inquiry & running a land question campaign through satelites at the bye-elections.' (113)

Whatever the reservations, in the course of 1913 the Cabinet fashioned a comprehensive land programme. The papers circulated to Cabinet showed a substantial grasp of the arguments, canvassed by Land Reformers and New Liberals alike, which justified substantial intervention by government. They envisaged a Land Commission with wide discretionary powers and direct action to establish small-holdings and allotments and to free

(111) Outhwaite to Trevelyan, 1 Jan 1911, Trevelyan MSS CPT 27.
(112) Trevelyan to Lloyd George, 2 Nov. 1913 (draft) Trevelyan MSS CPT 30.
(113) Gainford MSS 39.

the labourer from the tyranny of the tied cottage by public housing programmes. The Liberal government had come a long way when it could embrace the principle that 'the State, either centrally or locally, must have much more drastic powers of purchase, and purchase at a reasonable price' and relate this to a defined social purpose of giving 'the labourer feelings of independence, freedom and self-respect which are rarely to be found south of the Humber.' (114) Lloyd George's memorandum on the National Site Tax, circulated on 13 December 1913, similarly related a specific policy decision to arguments well discussed among Liberal publicists. It offered a comprehensive discussion of the case, in equity and economic efficiency, for taxing socially created values. (115) By December 1913 the Cabinet was also turning its mind to the problems of the urban environment, again looking to wider powers of compulsory purchase, to mandatory town planning and to the deliberate development of public transport, to resolve problems created by rapid urban growth and by the uncontrolled exploitation of urban sites by ground landlords.

The emergence of this comprehensive programme provides a fascinating study; a minister of unusual perception drawing in the resources of wealthy Liberals like George Cadbury and Seebohm Rowntree to mount an intensive inquiry into an acknow-

(114) CAB. 37.116.56 21 Aug 1913; CAB. 37.116.58 13 Sept 1913. (115) CAB 37.117.92.

ledged social problem of great complexity; a policy which would engage the enthusiasms of an important group of backbenchers and of constituency activists, unite the threads of an older popular Radicalism and the New Liberalism, and resolve an acknowledged political dilemma; and at the end a programme at Cabinet level, represented in terms which brought into Cabinet discussion ideas and concepts long current in the organs of progressive Liberal opinion. Here, more than in the legislation of 1908, 1909 and 1911, we can see the infusion of ideas into political practice.

In a rather different way, the outburst of industrial unrest which reverberated across the country from 1908 to the outbreak of the war recalled the capacity of this Cabinet and its civil service advisers to relate immediate and pressing concerns to secular trends and eventually to contemplate radical revisions of the government's role in industrial Obviously ministers found this situation alarming. relations. Asquith wrote to Bryce in Washington of 'the new unrest in the industrial world' which 'presents some very ugly symptoms. If the railway strike had lasted a few days longer, the strain upon the whole social & political machine would have been unprecedently severe.' (116) Passions were aroused. Lewis Harcourt jotted down his impressions during a Cabinet meeting on 16 March 1912, which discussed the Minimum Wages Bill as a

(116) Asquith to Bryce, 8 Sept 1911, Bryce MSS UB1.

means to resolve the miners' strike. He reported Grev as saying 'we are dealing with a condition of Civil War' and Churchill condemning the projected measure as 'our surrender to syndicalism.' (117) Yet behind the fashioning of immediate solutions to successive industrial crises went a genuine attempt, displayed in a series of perceptively analytical Cabinet memoranda written by Sydney Buxton and his advisers at the Board of Trade, to probe the fundamental causation. These recognised the rising aspirations of working people. produced by education and a cheap press and by a greater homogeneity among the working-class and a consciousness of their strength. 'It is a commonplace that the workman of today is better educated and thinks more deeply on social questions than his father.' Like other classes, working people 'are seeking to secure some of the amenities of existence and are becoming more impatient of the bare struggle for a livelia hood.' (118) Moreover new pressures were working upon trade union leaders from the rank and file, particularly in the coal industry. There, but also more generally, novel tactics were being perfected whose essence was 'the determination to make the community suffer so greatly that Parliament would be more than urged to insist upon the owners granting their demands. (119) Any response by government would have to take note of a public opinion more sympathetic to working-class demands than hitherto.

<sup>(117)</sup> Harcourt MSS Dep.442f.227.

<sup>(118)</sup> CAB 37.107.78, 27 July 1911.

<sup>(119)</sup> CAB 37.110.63, 14 Apr 1912.

'The Victorian theories as to capital and labour have become obsolete, but no settled body of doctrine has taken their place. There is therefore a disposition to try to see things from the point-of-view of the workman, and to wonder not that he is discontented but that he has remained patient so long.' (120)

Out of the pressure of events and a brave attempt to define their causation, there emerged a willingness to consider profound changes in the structure of industrial relations. In his Cabinet letter of 16 April 1912, Asquith reported the establishment of a small Cabinet committee to discuss the coal dispute with both sides and to prepare precautionary measures in the event of a stoppage, but this was only 'a useful preliminary to the more general and comprehensive investigation of the whole problem which the Cabinet must shortly under-The futility of continuing ad hoc interventions take.' (121) had been conveyed to the Cabinet two days earlier by Sir George Askwith. They placed an insupportable burden on members of the government and offered 'no relief from the harassment of industry.' (122) His suggestion of a small Commission of Enquiry, including some of the grass-roots leaders, was not taken up; but over the next two years the Cabinet reviewed the possibilities of providing a legislative framework for the more orderly conduct of industrial relations. Once again. Asquith's Cabinet had shown the capacity to do more than respond to the pressures of events in search of immediate solutions.

(122) CAB 37.110.63.

<sup>(120)</sup> CAB 37.107.78.

<sup>(121)</sup> Asquith MSS 6f.114.

An urgent necessity had provoked analysis in some depth and brought them to contemplate another re-definition of the role of the State in its relation to society.

For all this, the strong impression conveyed by political correspondence and by the Cabinet memoranda is of a government whose major concerns lay elsewhere. The dominant issues were, in a specific sense, political: the constitutional conflict with the House of Lords, so early identified as crucial to the fortunes of the government, the response to Germany's naval challenge with all its implications for the course of foreign policy, and, looming over all from 1912, the mounting crisis in Ulster. These were inescapable issues, but they acquired a special urgency because they threatened the unity of the Cabinet and the coherence of its support in the Commons. To read the private papers brings a salutary reminder that the sharp focus was on Downing Street and Westminster: the survival of the government concentrated the Cabinet's collective mind to a degree which the adumbration of social policy did not. The question of naval re-armament, from 1908 the object of shifting alliances within the Cabinet, made this crystal-clear.

The opponents of the Admiralty's programme of naval building argued strenuously that inflated defence spending would seriously threaten the party's unity in Parliament and outside. There was special pleading here, but the element of political calculation was real enough. The question of naval

estimates threatened 'to re-open all the old controversies which rent the party for years and brought us to impotence and contempt.' The prospect was of 'sterile & squalid disruption' with disaffected Liberals moving into open opposition. Failure to implement General Election pledges of economy would deal a blow to party morale severe enough to bring down the government. (123) Six years later, with the Cabinet again embroiled in the discussion of naval estimates, Sir Charles Hobhouse urging on Harcourt the need for concerted opposition to Churchill used essentially the same political arguments:

'Unless I have failed to gauge the temper of the people of this country if we go to them with demands for more money and new taxes in order to meet naval bills we shall alienate completely that section of the artisan class which is wavering between Liberalism and socialism. To lose Churchill might be a parliamentary blow, to lose the electorate I refer to would be to permanently cripple, if not destroy progressive Liberalism.' (124)

The intensity of these feelings is underlined by the fact that the issue brought into correspondence men who did not habitually write to one another. It seems significant that one of a handful of letters which Lloyd George wrote to Crewe was to justify his opposition in the Estimates Committee, once again on the ground that to accept the Admiralty's proposals would disrupt the government and the party. Moreover, the burden of

- (123) Lloyd George to Asquith, 2 Feb 1909, Lloyd George MSS C/6/11/2.
- (124) Hobhouse to Harcourt, 15 Jan 1914, Harcourt MSS Dep.444f.5. He was canvassing support for a memorandum drafted by Beauchamp, McKenna, Runciman, Simon and himself, which was submitted to the Cabinet on 29 Jan 1914. It argued, inter alia, that 'the Labour party will surely be driven to go to any lengths in dissociating itself from such increases; defection by a substantial group on our benches is likely.' The full text is in Asquith MSS 107f.172.

increased naval expenditure in 1912 and 1913 would coincide with the first full charges on the Exchequer of the National Insurance scheme, producing far-reaching political consequences since 'new taxes would then become unavoidable just when the Government will have been seriously weakened by the Home Rule campaign.' (125) One is left to wonder if the acerbity of the letters between Lloyd George and Churchill in January 1914, former allies during McKenna's tenure of the Admiralty, owed something to their awareness that political futures as well as national security were at stake.

The same sense of the attention of politicians being peculiarly engaged when the unity of the government and of the party was felt to be at risk surrounded the weeks which followed the election of January 1910. Asquith and his colleagues were prisoners of their own reluctance to define in advance their approach to the House of Lords. No decision had been taken before the election on the question of guarantees from the Crown nor had any attempt been made to resolve disparate views within the Cabinet on the merits of House of Lords reform as against the simple restriction of the power of veto. These difficulties were compounded by the equivocal result of the election, which made it necessary for the government to carry with it the Labour members and the Irish Nationalists. Again. an issue of great political weight acquired an additional dimension. Facing a divided Cabinet, a party disenchanted

(125) Lloyd George to Crewe, 13 Feb 1911 Crewe MSS C31.

because disappointed of its previous confidence that the Prime Minister had guarantees from the Crown making immediate legislation on the veto entirely practicable, and parliamentary allies pressing for just such legislation, Asquith lost his nerve and the government its direction. Grey's advocacy of a reformed second Chamber with effective powers commanded support in the Cabinet. McKenna, for example, was quite categorical. 'I have but one clear view and settled determination, that if Grey goes out I go too.' (126) Runciman, Crewe and Haldane shared this view. Grey's threat of resignation, conveyed to Asquith on 25 March, might have broken up the government. A backbencher on the right of the party, Sir Joseph West Ridgway, supported this judgment.

'If the Government go to the country on the question of the Veto only, that is, if their policy is merely a mutilative and not a constructive policy, they will lose the support of a great body of Liberals who are strongly in favour of an effective second Chamber, but if the Government were to go to the country on the question of reconstructing the House of Lords and transforming it into an effective and impartial second Chamber, with or without the right of veto, the position would be very different.' (127)

Unfortunately for a divided Cabinet seeking to maintain its unity in ways which would not disrupt the parliamentary party, Ridgway's road to salvation was for others an abject surrender.

Charles Roden Buxton felt that he would be 'ashamed to face my constituents if Asquith receded in the least from the plain declarations made.' (128) Vaughan Nash was close to the

(126) McKenna to Runciman, 28 Mar 1910 Runciman MSS WR 35.

<sup>(127)</sup> Ridgway to Crewe, 16 Feb 1910 Crewe MSS C43.

<sup>(128)</sup> Buxton to Ponsonby, 21 Jan 1910 Ponsonby MSS MS Eng.hist. c.658f.133.

mood of the party when he urged Runciman to stand firm on the Campbell-Bannerman solution. 'Concentration on the destruction of the absolute veto is absolutely essential.... I shudder at the thought of the divisions and suspicions that will begin to. heave and bubble if once it is thought that the Govt. intend to depart from the policy of destroying the absolute veto. (129) In the end, Asquith recovered his assurance and his mastery. but the new-found unity owed something to the recognition that Cabinet divisions were echoed within the party. If Pease. on 20 April, could record in his diary 'a very cheery happy cabinet' it was in part because they had heeded his earlier warnings that the party in the House and the country looked for a strong line. Cabinet disunity had meant that 'instead of a cheering mass behind us, we had a sullen crowd waiting & watching our every word.' If the Cabinet 'showed the white feather' all would be broken up. (130) Survival required the bold and simple course: to press on with the veto proposals and seek guarantees from the Crown.

One other kind of evidence supports the contention that this Cabinet found its own incipient divisions a more compelling source of attention than the forging of social programmes. It is on issues of this kind that those ministers who deliberately sought to engage the press in support of their views moved into

(129) Nash to Runciman, 4 Feb 1910 Runciman MSS WR 35. (130) Diary entries, 20 Apr., 11 Apr 1910 Gainford MSS 38.

C.P. Scott, both as editor of an influential newspaper action. and a power in Lancashire Liberalism, was a prime target for Lloyd George's attention as an ally against Grey in 1910 and against Churchill in 1913-14. In both matters, Scott willingly put his weight behind Lloyd George. He conveyed to Grey and Churchill his anxiety lest the government embarked on the complex task of House of Lords reform instead of the clean simplicity of curtailing the veto. Such a course would be disastrous politically, creating 'a damaging impression of instability of purpose' and bringing the party to 'confusion and despair.' (131) Scott was kept similarly apprised of Cabinet divisions on the naval estimates and tried to stiffen After a conversation the opponents of the Admiralty position. with Lloyd George in London, when he confided that he was considering resignation, Scott recorded that he had told Lloyd George that 'somebody had to make a stand, that the gov<sup>mt</sup> w. have to be attacked as false to Liberal principles and he with the rest if he stood with them.' (132) Again, in January 1914, Scott went frequently to London to meet the opposition group inside the Cabinet and urged Lloyd George to carry his resistance to the point of resignation. For Scott, as for some in the Cabinet, the solidarity of the progressive majority was at stake, the immediate possibility of a Labour and Radical revolt, the

(131) Scott to Grey, 13 Feb 1910 Scott to Churchill, 24 Feb 1910 Scott MSS 128f.142 128f.147.
(132) Diary entry, 16 Feb 1911 Scott MSS Add MSS 50,901f.8.

longer-term certainty that the party would be wrecked. All this stands in marked contrast to the minimal references in Scott's substantial correspondence to the government's social programme, a testimony to Scott's certainty that the ark of the Liberal covenant was loyalty to a Gladstonian tradition in external relations and to the politicians' own priorities.

Given those priorities, it is surprising how rarely Liberal leaders reflected on the more fundamental questions of political management, epitomised by Herbert Samuel - 'the abiding problem of Liberal statesmanship to rouse the enthusiasm of the working-classes without frightening the middleclasses.' (133) The Master of Elibank's concern about Labour aggression in Scotland evoked a sharp response simply because such disturbing thoughts rarely intruded in the higher counsels of the Liberal party. The memorandum prepared in February 1908 on his instructions by officials of the Scottish Liberal Association for the information of the Prime Minister argued that in Scotland the socialists were actively engaged in penetrating the trade unions in order to ensure that Labour candidates were socialists and that more Labour candidates were put forward. The whole emphasis of the Labour movement was changing in ways unfavourable to the Liberal cause.

'Up to within a few years ago, it was really a wing of the Liberal Party, demanding certain social reforms, but as these demands are in process of fulfilment by Liberal legislation, the Labour or Socialist parties,

(133) Samuel to Gladstone, 22 Jan 1910 Gladstone MSS Add MSS 45,992f.236.

if continued on the old lines, would ultimately have become incorporated in the Liberal party. They are therefore striking out a line for themselves, and there can be no possible doubt now what their attitude to Liberalism is. (134)

In November 1906, justifying his attacks on Socialism to Lord Knollys, he had made clear that the Liberal party in Scotland expected a vigorous counter-attack and if this were not mounted 'leading local Liberals will discontinue their subscriptions to the Party Funds.' (135) Not all Liberals, even on the party's right-wing, shared Harold Cox's conviction that 'the conflict between Liberalism & Socialism is inevitable' (136) but in the constituencies many were uneasy at 'the schismatic and selfish attitude of the Labour Party.' (137)

Unfortunately, those policies which might have been appropriate to consolidate working-class support against Labour's challenge were likely to alienate Liberals of an older tradition. Alfred Pease might have been atypical; certainly his outbursts to his nephew, J.A. Pease, were coloured by personal antagonism towards Herbert Samuel, his successor as M.P. for Cleveland. Yet behind his vituperative attacks on the People's Budget and Lloyd George's denunciations of landlords, there was a clear Liberal dilemma, the feeling that old Liberals like himself, 'radical enough, anti-clerical, anti-Tory, Free Traders & Home Rulers,' no longer carried any

<sup>(134)</sup> Memo. Feb 1908 Elibank MSS 8801f.148.

<sup>(135)</sup> Elibank to Knollys, 7 Nov 1906 Elibank MSS 8801f.99. (136) Cox to Pease, 7 Oct 1906 Gainford MSS 81.

<sup>(137)</sup> R.H. Davies to Scott, 4 May 1912 Scott MSS 332f.107.

weight since 'there is no use for moderate men on the Liberal side now & less in years to come.' Protectionism might be anathema, to vote Unionist very much against the grain, but it might come to that and in the end 'the party has to choose between Lloyd Georgism and people like myself.' (138) One of Charles Trevelyan's correspondents, Edgar Sugden, the owner of a cartage business at Brighouse in his Elland constituency, on the specific issue of reversing the Trade Disputes Act of 1906 by restoring Trade Union liability, was in essence stating the same dilemma. 'If you require a few Liberals views on these subjects call sometime at the Liberal Club & discuss the matter. An ex-vice president & others may open your eyes on these These sentiments must have been uncongenial subjects.' (139) to Trevelyan, who shared the awareness of many Liberal M.Ps after 1910 that consolidation of the party's strength in the industrial north was a condition of its survival. Indeed since 1906 many Liberals had seen close co-operation with the Labour party as essential and judged that 'any open or even covert antagonism to the Labour party is unwise and sure to be injurious to the Government.' (140) To them there was no distinct line of cleavage among the Progressive forces: suspicion and antagonism towards the Labour party and the I.L.P.

(139) Sugden to Trevelyan, 3 Apr 1913 Trevelyan MSS CPT 30. (140) Herbert to Ponsonby, 16 Oct 1907 Ponsonby MSS MS Eng.hist. c655f.26.

<sup>(138)</sup> Alfred Pease to J.A. Pease, 11 Dec 1910, 14 Jan. 15 Jan 1911 Gainford MSS 87.

should give way to compromise and conciliation. It was easy to assert that 'the unity of all progressive forces is essential to victory against Toryism.' (141) But to attract working-class support could well mean measures which alienated the Edgar Sugdens of the party caucuses and those, like the South Shields solicitor, C.W. Newlands, who felt that 'the absence from our platform of what are generally termed substantial people is a matter of regret among ourselves.' (142) To push co-operation with Labour too far could well debilitate local Liberal associations who expected a vigorous riposte to any Labour These were questions which might have engaged the challenge. attention of the chieftains. On the evidence, Westminster and Whitehall dulled their sensitivity to the concerns of the constituencies, concerns which held something of menace for the Liberal party's continuing vitality.

On balance, that indifference is at one with the impression conveyed by the private papers. Their world is the world of Westminster, their focus the Cabinet room and the floor of the House of Commons. Lord Snow's judgment, in a later age, seems apposite for Asquith's Cabinet: 'as a rule persons engaged in politics, even in senates such as this, didn't engage in long

 (141) J.A. Pease to Ponsonby, 30 Aug 1908 Ponsonby MSS MS Eng. hist. C657f.158.
 (142) Number do to Remainer 10 Jan 2018 Runsimon MSS WD 60

(142) Newlands to Runciman, 12 Jan 1912 Runciman MSS WR 68.

views.' (143) The more frustrating for those who would discern a precise and organic relationship between New Liberal concepts and political action is the evident capacity of this Cabinet to relate certain immediate problems to more fundamental trends. That capacity was not displayed in relation to social legislation.

## IV

Political correspondence engenders some scepticism towards the bolder assertions of the direct influence of the New Liberalism, yet such scepticism need not be total. This kind of evidence raises important questions for historians. It brings into sharp relief, perhaps misleadingly, one aspect of the complex political process, those occasions when politicians are engrossed by immediate considerations, when their perspective is the preservation of Cabinet unity or the management of their back-benchers. It may be no accident that those historians who have most assiduously used this material represent politics in a largely manipulative way, devoid of longer purpose: Disraeli exploiting a favourable parliamentary situation in 1866-7 to slough off the tag of the stupid party or in 1874 coming into office with no clear legislative programme and constructing one from measures essentially departmental in character; more surprisingly, Gladstone discovering Home Rule, not as an act of reparation for centuries of English mis-rule in Ireland, but as a device

(143) C.P. Snow, In Their Wisdom (1974), 122.

to bind the Liberal party to his leadership. One is left to wonder if political men are not a little more complex than that. Direct evidence of the influence of ideas upon politicians is rare. Hobson's memorandum to Samuel explaining his theories of under-consumption and excessive saving is remarkable because such occasions are so unusual. (144) One can only wonder how far Samuel's judgment about a problem which had long exercised his mind was influenced by this. Political correspondence cannot be taken to reveal everything about political men. From his letters it would be difficult to discern why Sydney Buxton's appointment to the Cabinet should be greeted with enthusiasm by Canon Barnett because he was sure 'that in the counsels of the Government you will bear witness to social needs & their just remedies.' (145)

What is difficult to believe is that politicians were entirely uninfluenced by the talk at London dinner tables or during country week-ends. On 2 July 1905, Samuel wrote to his mother while staying with Richard Stapley in Sussex; the guests included J.A. Hobson, J.M. Robertson, Ramsay MacDonald, Percy Alden, Russell Rea and a number of Liberal back-benchers. The twenty guests discussed many issues, including on one evening 'a great confabulation on the ultimate economic reasons for the existence of a class of unemployed.' (146)

<sup>(144)</sup> Memo., undated, Samuel MSS A155 III f.59. (145) Barnett to Buxton, 11 Dec 1905, Buxton MSS. (146) Samuel MSS A157 209-244f.814.

Beatrice Webb's diaries raise the same questions. She was inclined to exaggerate the influence of Sidney Webb and herself, but she could not have been entirely astray, when after a series of dinners with Asquith, Haldane, Churchill, Buxton and Masterman as guests, she recorded: 'the net impression left on our minds is the scramble for new constructive ideas.... Every politician one meets wants to be coached.... all alike have become mendicants for practicable proposals.' Eight months later, she wrote, a little patronisingly, that she was pleased with Churchill's response because he was 'definitely casting in his lot with the constructive state action.' (147) All along there is the impression that talk was a good deal more illuminating than letters. Shaw Lefevre made this quite explicit in replying to Lewis Harcourt's request for a sight of any interesting letters from his father. In explaining the paucity of the correspondence, he commented that 'it was my habit with all my colleagues to talk over matters with them rather than to write.' (148) Time and again, there is this impression of Lloyd George, writing after a conabundant conversation. ference of the principals in the land campaign at Gaddesby Hall, Baron de Forest's house near Leicester, enthused that 'Gaddesby was just like the old days, when you and I used to interchange freely views as to how the universe ought to be put

<sup>(147)</sup> Diary entries, 10 Feb, 16 Oct 1908, Passfield MSS Diary Transcripts Vol xxvi 402, 417.

<sup>(148)</sup> Shaw Lefevre to Harcourt, 21 Oct 1905, Harcourt MSS Dep 438f.136.

right.' (149) One might well agree with Henry Manning, writing his duty letter to Mrs. Walter Runciman after staying at Doxford and still relishing the conversation and argument; 'I begin to fancy that the foundations of Liberalism are laid in love of argument.' (150)

Little of this is reflected in the political correspondence, so often focussed on specific matters requiring immediate mediation. The general problem of assessing this kind of evidence is made more severe by the particular habits of leading figures in this administration. Asquith, to say the least, was laconic and Lloyd George wrote little and perhaps read less. Only Churchill was much given to opening his mind on paper. Viscount Simon recalled Sir Desmond McCarthy's comment on Asquith: 'his habit was to express the results of his own reflection but not to explain the preliminary processes by which he had arrived at them.' (151) The letters of such a man are unlikely to be entirely revealing. Lloyd George, on all the evidence, preferred conversation and urged this approach on others. J.A. Pease recorded in his diary a letter from Lloyd George after the break-down of the Constitutional Conference. He urged a direct. personal approach on the grounds that 'you can't rely on a memo.

(149) Lloyd George to A.H.D. Acland, 8 Oct 1912, Lloyd George MSS C/2/1/51.
(150) Manning to Mrs. Runciman, 11 Sep 1910, Runciman MSS WR 35.
(151) Simon, op.cit. 269.

written, he would take up the silliest point, writing thoughts are no use, there is such a difference between talking & reading.' (152) Churchill recognised a profound change in style; he recalled, in conversation with Riddell, that Salisbury and his father exchanged long letters on political matters, but now 'if I were to write frequent letters to Asquith, he would think me mad and would soon want to be rid of me. (153) The contrast with Austen Chamberlain's letters to his father is For the historian, it is a pity that no Liberal marked. politician had an invalid father, eager to be informed of every nuance in the political world. The filial piety of Haldane and Samuel exacted regular correspondence, but their letters to their mothers were retrospective appointments diaries rather than profound political commentaries.

Yet politicians could hardly remain immune from the intellectual climate in which they moved. They were not always as frank as Churchill, when he asked Sidney Webb to keep him informed of the work of the Poor Law Commission. 'Now let me say that you will always find the door of my room open whenever you care to come & I hope you will feed me generously from your store of information.' (154) Even Asquith could seek advice; Beatrice Webb wrote of 'a long and satisfactory talk - more

(152)	Diary ent	ry,	8 Nov	19	10,	Gainf	ford	MSS	38	•				
(153)	Riddell,	op.c	it., :	132	, 2	l Mar	1913	3.						
(154)	Churchill	to	Webb,	6	Ĵul	1908,	, Pas	sfie	ld	MSS	II	4	d	f.21.

intimate than I have ever had, about P.L. reform & unemployment. She was confident that 'we have been pushing our ideas among the politicians of late.' (155) How deeply that influence extended and how directly it affected legislative action remains elusive.

These considerations suggest the need for caution in approaching an important body of evidence, but the impression conveyed by that evidence still requires explanation. Most obviously, that explanation might be sought in this quality of the two prime ministers, so different in many ways but alike in not possessing that creative political intelligence, which sensed profound movement within society and grasped the relevance of ideas within the political process. Campbell-Bannerman deserved well of his party for the patient good humour, the refusal to be stampeded which had enabled him to hold it together without irreparable splits in the difficult days between 1899 and 1903. Even after 1906 it was still felt that it was 'CB who had kept everything together and gained the respect & obedience of this rather unwieldy mass of strong opinion.' (156) Once in office he acquired an authority in Cabinet and the House which many contemporaries found surprising. Yet he was as John Burns wrote on the day of his funeral 'a kindly homely man the greatest of our official Radicals.' (157) That Radicalism had an old-fashioned tinge, more of the heart than the mind.

(155) Beatrice Webb to Mary Playne, 2 Feb 1908, Passfield Papers II 4 d.2.
(156) Diary entry, 16 Apr 1906, Ponsonby MSS MS Eng. hist. c653 f.11.
(157) Diary entry, 27 Apr 1908, Burns MSS Add MSS 46,326f.18.

'His Radicalism is not so much an intellectual possession, a philosophy or a passion as a habit of regarding political and social problems, joined, perhaps, with a distinct dislike of the aristocracy and its ways, and a certain large, charitable and very humane view of life.' (158)

It is doubtful if he had any clear political philosophy or, indeed, felt the need for one. <u>The Times</u>, admittedly no friend of Liberal prime ministers, emphasised his failure to give his government direction. On 7 April, the day after his resignation, its leader stigmatized his government for 'its want of coherence and aim.' Many policies had been pursued but the government as a whole had none. These strictures were not wholly deserved, but they pointed to a prime minister unlikely to define new directions for this party of progress at the behest of some re-appraisal of the Liberal creed.

Asquith had more obvious intellectual force. Lord Esher thought 'there has never been a Prime Minister with a more brilliant and incisive mind.' (159) He deployed a formidable authority in debate and on the public platform, His regard for constitutional forms and a sure political touch, lost briefly in the early spring of 1910, brought his government through the turmoil of the conflict with the House of Lords and in his relations with successive sovereigns he displayed a remarkable combination of resource, patience and delicacy. Yet he appeared as a prime minister mainly concerned with holding his Cabinet together, with synthesing the ideas of others, in order

(158) <u>The Speaker</u>, 18 Aug 1906, vol xiv 459. (159) Esher to Haldane, 6 Sep 1910, Haldane MSS 5909 f.45. to reduce the areas of disagreement and to extend the concensus among his colleagues. By so doing, he kept in balance the creative forces within his Cabinet. Stephen McKenna, no doubt reflecting the judgment of his father, represented Asquith presiding over the Cabinet as if it were a board of directors.

'He presided over meetings of the Cabinet, presented the agenda, invited expressions of opinion, resolved discords, summed up the majority view and pacified any members of the minority who might feel disposed to resign because they could not get their own way.' (160)

He was more likely to be open to a good case than offer bold innovations himself. Contemporaries, in retrospect, emphasised this weakness. G.P. Gooch found him 'too uncreative, unimaginative and undynamic for a place among the Immortals.' In his judgment, 'no leading statesman of our time had less claim to be enrolled among the prophets and pioneers.' (161) Haldane paid tribute to his judgment and intellectual apparatus, but maintained that 'he was not a man of imagination' and that he 'did not originate much.' (162) Those organs of contemporary Liberal opinion most closely identified with the New Liberalism shared these reservations. The Daily News, commenting on his succession on 6 April 1908, wrote warmly of his eminence in dialectic and debate' but doubted whether he would evoke any

(160)	Stephen McKenna, Reginald McKenna (1948), 176.
(161)	Gooch, op.cit., 107,150.
	Notes on the Liberal Cabinet, in Sir F.P. Maurice, Haldane.
	The Life of Viscount Haldane of Cloan (2 vols, 1937), I, 164.

passionate concern for reform because of 'a failure rightly to comprehend the forces and ideals which men think of supreme The Nation, when Asquith had led the government importance.' for nearly four years, observed that 'Mr. Asquith has not always suggested to friendly critics that larger kind of intellectual resource which yokes the device of the hour to long views of policy.' (163)

It was not only that Asquith did not possess an original mind; at root he was conservative without any great sympathy with working-class aspirations or with the new currents running through his party. Riddell saw him as 'an old-fashioned Radical of the Manchester school, who is leading a heterogeneous band of followers in which the more active groups are bent on breaking up the traditions of his party.' (164) Russell Rea, from the perspective of May 1913, when so much had been done, saw Asquith in a different light. the prime minister who had brought the party out of the trough of 1908 by directing it firmly towards social reform. 'To no one was it more clear than to the Prime Minister that a great social reconstruction, a great readjustment of national income and resources, an amelioration of the life of the people, was the great and inevitable task to be accomplished.' (165) The editor of the Liberal Magazine discerned a clarity of purpose, evident only after the event and when the Liberal

<sup>(163)</sup> Nation, 27 Jan. 1912, vol. x, 688.

<sup>(164)</sup> Riddell, op.cit., 48, 24 Mar. 1912. (165) Liberal Magazine, May 1913, vol. xxi, 230.

party needed its confidence re-asserted as the government became ever more deeply involved in the Ulster imbroglio. It is hard to share Professor Koss's confidence that Asquith's advent marked a watershed in the history of the Liberal party and of modern British politics. (166) He was more likely to harness the ideas of others than to mark out new directions himself; better equipped to dominate his Cabinet than to lead it.

If successive prime ministers were unlikely to give the government clear direction, the omission was not readily repaired by the Cabinet collectively. The overwhelming impression conveyed by the private papers is of ministers so engrossed by the business of their departments as to have neither time, energy nor will to discuss general issues of policy. McKenna's papers might serve as an example of both the weight and the trivia of the departmental burden. Caught between the breezy, adamantine, self-confident determination of his First Sea Lord and the opposition of the Economists in the Cabinet, McKenna was also bombarded by colleagues seeking Admiralty patronage on behalf of relatives, friends and constituents. Churchill hoped for McKenna's support for his brother-in-law's ambition to become a naval interpreter; Sydney Buxton urged the claims of his brother-in-law, Lieutenant Humphrey Hugh Smith, to promotion; Haldane wrote on behalf of

(166) Stephen Koss, Asquith (1976), 89.

Lieutenant Gathorne-Hardy, son of Lord Cranbrook, who deserved consideration since he 'has been giving great help with the Territorial Force organisation.' (167) John Sinclair wished McKenna to see John Dickinson, partner in a firm of inshore fishermen, who was worried about the effects on the lobster and crab fisheries of the proposed stationing of the Portsmouth torpedo flotilla in the Hamble river. Admiralty contracts prompted the interest of Liberal M.Ps like Sir Christopher Furness and Cabinet colleagues, alert to the electoral prospects in their constituencies. Sydney Buxton, for example, urged McKenna to receive a deputation from Poplar Council with a view to giving Admiralty work to declining Thames ship-builders and warned that it would be 'rather damaging to us if you refused.' (168)

Everywhere there is testimony to this dual burden of departmental matters of substance and of the small change of appointments, patronage and honours. There is Haldane's zest at the challenge of the War Office; 'I am enjoying myself hugely.... Now I know what it is to live!.... If I could only get three years here I could do something.' (169) There is Crewe's fear, when invited by Asquith to assume the leadership of the government in the House of Lords, that the parliamentary role might well conflict with his responsibilities at

(167) Haldane to McKenna, 8 July 1908, McKenna MSS McKN3/3/3/A.
(168) Buxton to McKenna, 4 Oct. 1909, McKenna MSS McKN3/3/10.
(169) Haldane to Edmund Gosse, 17 Dec. 1905, Gosse MSS.

the Colonial Office. 'I dread the effect on my department, which I imagine is pretty exacting and the work of which I have to learn.' (170) Weighed down by departmental business, ministers were little inclined to indulge in the direction of general policy. The intensity of the departmental focus was observed from outside, even of ministers who might, at first sight, have been absorbed by giving the government a powerful thrust. Beatrice Webb found Haldane 'completely absorbed in his office.' (171) Churchill's abounding energy became totally directed towards Admiralty affairs. Masterman, in conversation with Riddell, reported that 'since he has been there he has lost all touch with Liberalism and has become a man of one idea.' (172)

Beyond the work of the department loomed the parliamentary and party aspects of the minister's role, equally demanding of time and energy. Herbert Samuel's regular letters to his wife and to his mother convey the variegated pressures bearing down on the minister: the departmental routine, attendance in the Commons, participation in Cabinet and Cabinet committees, speechmaking in the country, bed in the small hours. The competing demands could not readily be harmonised. Margot Asquith was meeting criticism of her husband but making an entirely genuine point when she defended his somewhat infrequent appearances in the

(170) Crewe to Asquith, 8 Apr. 1908, Crewe MSS C40.

(171) Diary Entry, 21 Nov. 1906, Passfield MSS Diary Transcripts vol. 26, 24.

(172) Riddell, <u>op.cit</u>., 191, <sup>D</sup>ec. 1913.

House.

'He is one of those men who want to get a complete grip of any new office & he worked day & night at it - the worst of this is the rank & file don't know this & I think they missed him a little. He feels that when he is not actually wanted he is wasting time sitting there when he might be mastering the needs of every office.' (173)

Constituents could be as demanding as backbenchers, as J.A. Pease found in his Rotherham constituency, when the threat of Labour intervention caused the local association to urge their member to be more regular in his visits and to bring the heavy-weights among his colleagues to speak. In self-defence, he outlined his working week: Cabinets on Monday, Tuesday, Wednesday and Thursday, two vital divisions in the House, daily appointments with representatives of local education authorities and Board of Education officials, files to read and decisions to take, interviews with M.Ps, questions in the House, Cabinet committees, meetings with Cabinet colleagues, responsibility for the coming Education Bill, and for the Plural Voting Bill and departmental legislation already before the House. (174) It is hardly surprising that ministers appeared to assign a low priority to their role of participating in the collective direction of the government.

The result was not far to seek: essentially a government of departments. As <u>The Times</u> saw it, the weakness of both Liberal administrations lay 'in the singular want of homogeneity

<sup>(173)</sup> Margot Asquith to Spender, 8 Aug. 1906, Spender MSS Add MSS 46,388 f.147.
(174) Pease to Alderman D.L. Winter, 9 Apr. 1914, Gainford MSS 91.

in the policy of the Cabinet and the absence of any discoverable central principles.' (175) Beatrice Webb gathered from a conversation with Sir Robert Morant that 'the Cabinet is an incoherent body - intensely individualistic - each man for himself.' (176) If this was so, we are hardly looking at men who shared the New Liberal concern to forge a coherent programme of social action, firmly founded on a coherent restatement of the Liberal creed. Birrell's confession to the Bradford Liberal Association could quite properly have been made by any of his colleagues.

'He did not know that he was quite in a frame of mind to approach Liberal questions and Liberal policy as a whole in a philosophic spirit. For the last few months he had been completely absorbed in the administration of the Department with which he was now connected.' (177)

What was true of the Chief Secretary for Ireland was true of any other departmental chief. Here we are confronted with a style of government which takes us beyond the influence of the New Liberalism on decision-taking. It suggests a weakness at the centre of the structure of government, which inhibited the definition of objectives in a long term. The <u>Manchester</u> <u>Guardian</u>, reiterating on 27 October 1908 its view that tackling unemployment required a degree of deliberate planning, recognised that its demand was out of phase with the practice of governments since 'it is a tradition of English governments to live

(175) 16 Feb. 1909.

(176) Diary Entry, 3 May 1907, Passfield MSS Diary Transcripts vol. 25, 59.
(177) The Times, 29 Apr. 1907.

largely from hand to mouth, and not to give priority to difficult measures in the order of their importance and The establishment of the Committee of permanent utility. Imperial Defence was in part motivated by a recognition that not only the Cabinet, but the departments too, were so absorbed in administrative detail that they could not fashion coherent policy in the long term. Yet nearly a decade later the prospect of colonial representatives attending the Committee of Imperial Defence prompted a memorandum, which indicated that even in the crucial areas of grand strategy government was still locked in the Departmental embrace. The most fundamental questions of defence planning and Imperial strategy were 'considered in some one department and from the comparatively narrow view of their Department.' Only the Secretariat could stir the machinery of government into taking cognisance of broader issues.

'Experience has shown that it is useless to rely on Departmental Officers to raise them; absorbed in Departmental work, and generally over-loaded with routine, the permanent heads of the great Departments have not time to refer such questions to the Committee of Imperial defence, and such action rarely occurs to them.' (178)

The system itself rather than the proclivities of this particular team of ministers turned the Cabinet into a forum in which ministers fought their Departmental corner in the battle for parliamentary time and money. Moreover, the Cabinet formed, then as now, the collective leadership of the majority

(178) Memo., 22 Nov. 1912, Asquith MSS 108 f.150, f.153.

party in the House of Commons, necessarily alert to those issues which were politically sensitive. Between the two, that other putative function of the Cabinet, to bring departmental views into a unified Government policy which all ministers actively help to formulate, was too easily crowded When Sir Charles Hobhouse assessed the abilities of his out. colleagues in his diary on 13 August 1912, he had nothing to To him say about their creative abilities as policy-makers. the essential qualities of a Cabinet minister were ability to master a brief, to carry weight in Cabinet, to be an acceptable colleague. (179) His views chimed exactly with those of a great civil servant, Sir Robert Morant, who asked of a minister only that he should be 'a hard & careful worker & a brainy handler of parliament.' (180) In both cases, the omissions were more significant than the positive criteria of judgment. Against the massive inertia of the structure of government, the appeal for larger view from the Hobsons and the Hobhouses, the Gardiners and Massinghams, even the Samuels and Mastermans, beat

(179) Edward David (ed), Inside Asquith's Cabinet. From the Diaries of Charles Hobhouse (1977), 120, 121. (180) Morant to Ponsonby, undated c. Jan. 1907, Ponsonby MSS

MS Eng. hist. c645 f.4.

in vain. (181)

(181) Later Cabinets appear no different. Leo Amery, one of the assistant political secretaries in the Cabinet secretariat set up in 1916 and a member of successive Conservative governments up to 1945, maintained that general policy was rarely discussed in Cabinet because ministers were absorbed in their departments.

'The result is that there is very little Cabinet policy, as such, on any subject. No one has time to think it out, to discuss it, to co-ordinate its various elements or to see to its prompt and consistent enforcement. There are only departmental policies. (Thoughts on the Constitution, (1946), 87)

A recent judgment on Sir Harold Wilson's government convey the same impression.

'By no means all the Cabinet shared Mr. Wilson's aims, but they tended to be too busily engaged in their departmental activities to give thought to the general direction which the government might take.'

The judgment of a member of that Cabinet, quoted in support of this view, could well serve as an epitaph for the last Liberal governments.

'The real weakness lay (in the fact that) the Government did not operate politically at the centre. It accepted the pattern of departmental structure and advice and never really provided the central strategic thinking that was necessary on a whole host of issues .... Labour Ministers, with a few exceptions,

locked themselves up in Departments.' (David Butler and Michael Pinto-Duschinsky, The British General Election of 1970 (1971), 1.

The confident proponents of New Liberal influence upon government overlook another political reality, the presence within the Cabinet of active opponents of social reform and progressive taxation. In Asquith's Cabinet, there was that mix of personal animus and policy differences which had proved so destructive between 1895 and 1903, though on a less dramatic Significantly, the most acid comments were directed at scale. Lloyd George and Churchill, the driving forces behind the government's productive period between 1909 and 1911. Even when prompted by a specific occasion, such comments had an edge indicating a deeper dislike and distrust. Crewe, for example, reacted to Churchill's speech in Edinburgh in July 1909 (maintaining that Parliament would be dissolved if the Upper House dared to touch the Budget) in a letter to Asquith. The Cabinet had not discussed the matter, so 'the statement was made without a vestige of authority.' Such disregard of accepted conventions could destroy the government. 'Frankly I do not think that the cohesion of the Government will stand an indefinite number of shocks of this kind.' (182) Others saw Churchill as a disruptive force whose 'introduction into the Cabinet has been followed by the disappearance of that harmony which its members all tell me has been its marked Hobhouse also conveyed some tension between Asquith feature.' and Lloyd George. 'It is difficult to say whether he is helping

(182) Crewe to Asquith, 19 July 1909, Crewe MSS C40.

LIG ride for a fall, or whether he is afraid of his influence with the press and of his popularity.' (183) Certainly Asquith shared the resentment of other ministers at what they conceived to be manipulation of the press by Lloyd George and Churchill to secure support in Cabinet battles. As he confided to Crewe; 'some of our colleagues still write & talk too much.' (184) Colleagues were not entirely rapturous about their ministerial capacity and again the criticism had a peculiar edge. In his diary after a Cabinet meeting (one of fourteen on Lloyd George's Budget proposals) Burns described the Chancellor as 'very much out of his depth and but for his friends would have been sub-His enemies and he has provoked them have corrected merged. his vagaries and in so doing helped him and themselves.' After the final Cabinet meeting, he wrote of the Budget as 'the most kaleidoscopic budget ever planned and but for revision and pruning would have made us a laughing stock of Parliament. (185) There is a relish in Burns's reporting of Lloyd George's problems which suggests an active dislike. McKenna conveyed a similar animus when he criticised Churchill's capacity in a conversation with Pease. 'His powers of expression were not associated with collective ability & helpful criticism. In fact his presence was obviously distasteful to all his colleagues in the Cabinet.' (186) Creative political intelligences were

(186) Diary Entry, 29 Mar 1909, Gainford MSS 88.

<sup>(183) 27</sup> July 1908, 17 June 1909, David (ed), op.cit., 73,78.

<sup>(184)</sup> Asquith to Crewe, 29 Oct. 1910, Crewe MSS C40. (185) Diary Entries, 1 Apr., 28 Apr 1909, Burns MSS Add MSS

<sup>46,327</sup> f.14, f.17.

somewhat at a discount in Asquith's Cabinet.

Within the personal antagonism lay hostility to the very concept of using the Budget to initiate policy and to redistribute the national income by progressive taxation and social services. In the Cabinet, Liberals of an older tradition like Morley and Eryce clung to an individualism which interpreted freedom in terms of the absence of privilege and artificial restriction. A belief in organic change prompted a deep scepticism about the effectiveness of political action. Bryce saw the House of Lords as central and considered that the government had lost the initiative because it had not offered an immediate challenge. In his opinion, 'the horse ought to have been put at a high fence while he was still fresh.' (187) That he was referring to the Licensing Bill suggested a predilection for old Liberal causes as well as a large misapprehension of what would provide a fighting issue. When he went to Washington, Morley remained to exude a deep disenchantment with certain of the government measures. Burns had described him as 'discerning the long arm of Social Revolution in the Wages Boards Bill' (188) and as he sat in Cabinet on 25 June 1913 he passed Harcourt a note which said it all. 'I sit here with a slightly grim irony in my gizzard \_ seeing rag after rag of decent political clothing vanishing

(187) Bryce to Spender, 29 May 1908, Spender MSS Add MSS 46,391 f.247.

(188) Diary Entry, 19 Feb. 1908, Burns MSS Add MSS 46,326 f.8.

down the wind.' (189) Harcourt was an apt repository for such thoughts; with Runciman, McKenna and Simon - 'an individualist liberal of the Morley type without Morley's idealism' as Beatrice Webb described him - (190) he was, among the younger men, a convinced opponent of new directions for Liberalism.

Even modest proposals of a collectivist kind could arouse this opposition's anger. Runciman protested to Asquith about the Workmen's Compensation Act and the Miners' Eight Hours Bill. The latter's 'careless and amateur work has already done the Liberal party great harm, and equally incompetent work will simply kill the Party in scores of constituencies.' (191) McKenna replied with a chilling non possumus to proposals by Lloyd George and Churchill that parts of the Admiralty's building programme should be advanced to combat unemployment on the Clyde and the Tyne, which would 'produce a grave unrest among the artisan classes greatly to the prejudice of all the Churchill was most essential interests of the government.' angry at McKenna's unco-operative response. 'I am afraid that your suspicions have prevented you from doing justice either to the proposal or to the anxiety of your colleagues which has His anger at McKenna's insistence given rise to it.' (192) that the proprieties over the Estimates took precedence over . the relief of unemployment perhaps reflected his sense that yet bolder schemes burgeoning in his mind would evoke more

<sup>(189)</sup> Harcourt MSS Dep 427 f.253.

<sup>(190)</sup> Diary Entry, 22 Feb. 1906, Passfield MSS Diary Transcripts vol 25, 70.

<sup>(191)</sup> Runciman to Asquith, 27 Feb 1908, Runciman MSS WR 21.

<sup>(192)</sup> Churchill to McKenna, 19 Sept. 1908, McKenna MSS McKN 3/20/8.

strenuous opposition. By the spring of 1909 he was sure as he made clear to his wife.

'My Unemployment Insurance Plan encountered much opposition from that old ruffian Burns & that little goose Runciman & I could not get any decision yesterday from the Cabinet.' (193)

Churchill rightly recognised Burns as an unyielding opponent. The latter's diaries make abundantly clear his distaste for novel initiatives towards social problems. Not only his colleagues were objects of his blunt rejection, but even more Liberal publicists like Massingham who advocated them as the proper priority for the Liberal government. In a letter to Gardiner, whose Daily News provided a platform for such views, he dismissed these publicists as 'Feminist, Fabian, Faddy, unstable as water' and in another letter added, 'this Govt. has been hopelessly handicapped by its Press friends and by them ruined at the next election. (194) To Burns the New Liberalism and those in government who heeded its drift were alike anathema. 'My office brings me into contact with superficial sentiment and pandering politicians who are obsessed with the idea of pauperising and degrading palliatives.' (195) His self-appointed task was dogged resistance to these influences. A Cabinet containing such men was hardly the New Liberalism in action.

The People's Budget provided one substantial battleground.

46,299f.7l.

<sup>(193)</sup> Churchill to his wife, 27 Apr. 1909, in <u>Winston S</u>. <u>Churchill</u>, vol II, Companion vol ii, 886.

<sup>(194)</sup> Burns to Gardiner, 23 June, 4 July 1908, Gardiner MSS 1/5. (195) Burns to George Cadbury, 23 Mar 1906, Burns MSS Add MSS

Here opponents in the Cabinet found willing allies in the Treasury, from its Permanent Secretary, Sir George Murray, downwards. Memoranda and letters from the parliamentary counsel, Arthur Thring, to Harcourt in February 1909 discussing the anomalies and administrative difficulties of the proposed land taxes suggest that Harcourt was using a Treasury official to provide substance for his opposition to these proposals in Cabinet. Certainly Lloyd George thought these exchanges, in advance of Cabinet meetings, were improper.

'I had not meant the Bill to be circulated until I had had an opportunity of doing this (informing Cab) & I confess that I have been surprised to find that in the meantime a copy has reached you. As a matter of fact, I had not even seen the draft when I received your memorandum; so you have the advantage of me.' (196)

Harcourt lobbied colleagues against what he conceived to be the savagery of the proposed taxes and showed his opposition by refusing to support the Budget in the House or in the country. When Pease discussed with Asquith who on the frontbench might support Lloyd George, the former suggested Harcourt who had been working hard on finance. Asquith replied: 'Yes, but he does not agree with all we are doing & had asked me to excuse him defending the Budget. His criticisms are points of substance.' (197) The fact that Pease in June 1909 circulated ministers urging them to support the Budget League actively by speaking at its rallies suggests a tepid enthusiasm among some.

<sup>(196)</sup> Lloyd George to Harcourt, 16 Apr. 1909, Harcourt MSS Dep 510 f.83.
(197) Diary Entry, 19 Apr. 1909, Gainford MSS 88.

Harcourt, at any rate, was forthright in his rejection of the request. 'I do not admit the right of anyone to dictate to me when or where or for whom I shall appear or on what subject I shall speak.' (198) Runciman appealed to the Prime Minister to throw his weight against the proposals. In challenging the Budget figures he used language Gladstone might have thought appropriate, expressing his conviction that there was 'no justification for taking from the taxpayer more than is really This suspicion of what moderate Liberals necessary.' (199) regarded as the socialistic implications of the Budget ran strongly through the diaries of Sir Charles Hobhouse, since April 1908 Financial Secretary to the Treasury. To him, as to those he sought to energise in the Cabinet, the whole exercise of profligate expenditure, financing the dynamic drive of Lloyd George and Churchill towards social reform through redistributive taxation, was an improper betrayal of financial rectitude and a recipe for political disaster. Nothing could be further from the thrust of New Liberal thinking than his observation on 30 June 1910.

'What will eventually ruin the reputation of this Govt. is its absolute contempt for economical administration. Its Govt. is good and pure, but most of the Cabinet, save McKenna & Runciman, seem to think you can, and ought to, buy political gratitude by largesse to this and that class of people.' (200)

His largesse was, for New Liberals, necessary expenditure to

(198) Harcourt to Pease, 30 June 1909, Harcourt MSS Dep 510 f.83. (199) Runciman to Asquith, 7 Apr. 1909, Asquith MSS 22 f.134. (200) David (ed), <u>op.cit</u>., 94.

resolve urgent social problems within an inequitable society.

Cabinet divisions revealed fundamental differences about the future direction of Liberalism and what course could best sustain its vigour. To Harcourt, Lloyd George and Churchill were electoral liabilities whose speeches 'had done so much harm with advanced men of the lower middle-class: they excited alarm in some minds and disgust in others, and probably account for our heavy losses in the South.' (201) This assessment, made as the election of January 1910 was drawing to its close, was totally at variance with Lloyd George's conviction that the Budget, particularly the land taxes, had invigorated the party, whose morale had hitherto been at a low ebb. When in the summer of 1909 the Westminster Gazette floated the suggestion that the land taxes should be dropped, he wrote to J.A. Spender arguing that to abandon them would engender deep frustration among many Liberals, who would say that 'the Party in its present form is perfectly hopeless as an effective machine for progress, and that it is high time either to form, or to federate with another.' (202) Lloyd George was no doubt alarmed that an influential Liberal paper might align itself with his opponents, just as Harcourt was seeking Asquith's support in future Cabinet battles. Yet both were also revealing deep convictions about their party's future. Perhaps both were

<sup>(201)</sup> Harcourt to Asquith, 26 Jan 1910, Asquith MSS 12 f.79.
(202) Lloyd George to Spender, 16 July 1909, Spender MSS Add MSS 46,388f.204.

right in their political assessments, each discerning that element in the broad Liberal spectrum most likely to respond to his view of the party's course. Divisions in the Cabinet were reflected in the parliamentary party and the country. The <u>Nation</u> discerned in the former a solid centre, lacking passion and principle, well-to-do men whose interest in social reform was tempered by fears of high taxation, of interference with profitable enterprise, of socialism and by an old-style individualism. In its judgment this element within the party must be carried forward by the social radical wing, so strongly reinforced in 1906.

'This Parliament contains some scores of men passionately moved by a sense of social wrong, of undeserved poverty and riches, of baneful waste in the resources of the commonwealth, and eager to apply large organic remedies.' (203)

It was for such men to leaven the solid centre. That the leavening was judged necessary prompts again the question of how deeply the New Liberal impulse ran.

V

Given the departmental involvement of ministers and a Cabinet and party not of one mind on the merits of taking Liberalism in new directions, the role of individual ministers in giving the government its social radical thrust becomes decisive. To emphasise the role of government departments in policy-making or to assert the contribution of the New Liberalism

(203) Nation, 12 Oct. 1907, vol. II, 37.

to the government's achievement without examining too closely the relationship between ideas and political action undervalues the contribution of two creative political intelligences. More than any of their colleagues Lloyd George and Churchill appear sensitive to fundamental changes within their society and capable of discerning appropriate legislative responses. They found in the New Liberalism ideas and concepts which could be transmuted through their rhetoric into effective instruments for delineating new political directions. Contemporaries had little doubt that here were rare political Massingham paid tribute to Lloyd George's resource, talents. his power of improvisation, his quickness in applying his mind to the problems of political action; his instinctive grasp of possibilities, his indifference to the traditional side of politics - above all, an imaginative sympathy which kept him in touch with ordinary folk and enabled him to communicate with them.

'Nor is he specially a man of ideas. He is rather a great and not always calculable natural force, thrown into a medium where his mental swiftness often yields him easy victories. He is wholly attached by birth and feeling to popular causes.'

Here was a politician capable of drawing upon many sources of political inspiration and moulding them into effective policies by 'his adaptive and energetic spirit and his unequalled capacity for action.' (204) Similarly, Massingham found in

(204) Nation, 6 Jan. 1912, vol. x, 579.

Churchill 'a mind of incessant activity and great acquisitive and receptive power.' (205) Beatrice Webb wrote of his 'capacity for the quick appreciation and rapid execution of new ideas - whilst hardly comprehending the philosophy behind them.' (206) She recognised Lloyd George and Churchill as dominating advanced politics, taking the limelight from their colleagues and the Labour party. (207) Energy, drive, flair, an imaginative rather than an intellectual grasp, these Lloyd George and Churchill had in common. Their political insight enabled them to cut through the traditional concerns of radical politics, to discern appropriate responses to new aspirations, new concerns, new intellectual fashions. Riddell caught exactly this dimension of Lloyd George's political art.

'All other leading politicians deal with the stock political commodities, such as Home Rule, Disestablishment etc. They do not deal with the really vital issues privilege and the division of the profits of industry. LG says what the mass of the people feel but cannot express.' (208)

Without that insight neither the prescriptions of intellectuals nor the advice of civil servants could pass into political currency.

Both were conscious that the measures for which they were responsible were more than individual pieces of legislation specific to some single problem. Rather they were part of a systematic attack on a nexus of related social ills, a coherent

(205)	Nation, 13 Jan.	1913, vol.	xi 617.	
(206)	Diary Entry, 11	Mar. 1908,	Passfield MSS Diary Transcripts	
	vol. 26, 102.			

(208) Riddell, op.cit., 65, 27 May 1912.

<sup>(207)</sup> Diary Entry, 30 Nov. 1910, Passfield MSS Diary Transcripts vol. 27, 465.

programme translating into legislative and administrative forms new perceptions of social solidarity. With Lloyd George, as reluctant to write as he was to read, this is more apparent in his rhetoric, but there were occasional revealing comments In a jotting made during a Cabinet meeting dison paper. cussing the Budget of 1914, in which he was proposing to give more Exchequer support to local authorities, to institute a national system of valuation and make the taxation of site values an integral part of the system of local rating, he wrote that the purpose was to stimulate local authorities because nowwas 'the time to take definite step forward in state action to promote national efficiency & well-being. (209) There was a revealing passage in a memorandum, written admittedly to persuade his civil service advisers that the dividing out principle was preferable to an actuarially sound accumulating insurance fund and to that degree a piece of special pleading directed at their preferred solution, but the sense of a grand design was clear.

'Insurance necessary temporary expedient. At no distant date hope State will acknowledge full responsibility in the matter of making provision for sickness breakdown and unemployment.... Gradually the obligation of the State to find labour or sustenance will be honourably interpreted. Insurance will then be unnecessary, and a great accumulated fund would tempt to extravagant and futile progress of expenditure.' (210)

(209) Undated, Lloyd George MSS C/12/13.
(210) Quoted in Sir Henry Bunbury (ed), Lloyd George's Ambulance Wagon. The Memoirs of W.J. Braithwaite (1957), 121, 122.

In Churchill's memoranda and letters from the Board of Trade. the ability to relate particular measures to a considered strategy was even more evident. They lacked nothing in detailed discussion of immediate policies: labour exchanges, insurance, decasualisation, the constructive treatment of the residuum, the education and training of young people, a coordinated programme of anti-cyclical spending by government. All were discussed by him in 1908-9, all were related to the supreme objective: the caring State offering a measure of security to all its people. The administrative implications were examined, too. He argued that 'we should produce for the defence of this country against poverty and unemployment, the sort of machinery that we have in the Committee of Imperial Defence to protect us against aggression.' (211) A Committee of National Organisation, composed of ministers and officials, would bring together the detailed surveys of the Board of Trade and the intentions of the spending departments, including the projected Development Commission, in a deliberate unemployment strategy. This was the programme he had offered Asquith. 'Bold and concerted plans' for the next two years which would 'dignify and justify our retention of office.' Such a course offered real political advantages: a quiescent House of Lords. apprised of the futility of opposing such measures and an eventual electoral triumph as the nation felt the 'momentum of

<sup>(211)</sup> Churchill to Lloyd George, 20 June 1909, in Winston S. Churchill, vol. II, Companion Volume II, 893.

these large designs' and ranged itself 'at first with breathless interest & afterwards in solid support behind the government. (212) Churchill made effective use of the new perspectives on social problems. His contribution to the Nation, 'The Untrodden Field in Politics,' not only set out a programme but related it to the great re-appraisal of Liberalism currently going forward.

'It has not abandoned in any respect its historic championship of Liberty, in all its forms under every sky; but it has become acutely conscious of the fact that political freedom, however precious, is utterly incomplete without a measure at least of social and economic independence.! (213)

That was the authentic voice of the New Liberalism, striking because so rarely heard among politicians.

Churchill felt that together he and Lloyd George could dominate the administration and direct its course. After visiting Lloyd George and discussing such co-operation he wrote that 'if we stood together we ought to be strong enough either to impart a progressive character to policy, or by with\_ drawal to terminate an administration wh. had failed in its purpose.' (214) Of course, there were strains. When, in 1911. Lloyd George sought to engross the whole administration of National Insurance within the Treasury to the exclusion of the Board of Trade and lobbied Elibank for support in Cabinet. he roundly accused Churchill of stealing his clothes in 1909. He claimed entire responsibility for the genesis of insurance.

<sup>(212)</sup> Churchill to Asquith, 26 Dec, 29 Dec. 1908, <u>ibid</u>., 861, 863. (213) <u>Nation</u>, 7 Feb. 1908, vol II, 812.

<sup>(214)</sup> Churchill to Lloyd George, 6 Oct. 1910, Lloyd George MSS 03/15/1.

devising a plan free from the defects revealed by his close study of continental systems. Then 'in a weak moment I revealed my plan to Winston. He walked off with them to the Board of Trade; got the Prime Minister's consent to introduce a Bill on those lines himself. When I discovered that, I took no further interest in the matter and left it entirely to the Board of Trade.' Churchill's refusal to involve himself in detailed planning left the Unemployment Insurance Bill 'a hopeless, undefensible muddle,' which the Treasury must repair by assuming responsibility for the entire insurance scheme.(215) Churchill's transfer from the Home Office to the Admiralty soon produced more substantial disagreements, but none of this detracted from the vigorous impulse their partnership imparted to the government at a crucial time. What was ominous for the Liberal party was that these two creative figures were not readily confined within the limits of party politics.

Lord Riddell observed that Lloyd George's background and his political commitment set him somewhat apart.

'He has come to his political and social work untrammelled by association with a great commercial community, with its traditional respect for wealth and fear to injure the money-making machine. It is evident that LG, with his training and temperament is just the man to make social experiments and advances which others would fear to make.' (216)

Churchill. so recent a convert to Liberalism, remained something

(215) Lloyd George to Elibank, 7 Apr. 1911, Elibank MSS 8802 f.211.
(216) Riddell, op.cit., 155, 26 May 1913.

of a Tory Democrat. Both shared an abounding energy, a capacity for total involvement in the matter in hand, which made them impatient of constraints, as Massingham recognised in Churchill, whom he characterised as 'a man of high political talent and brilliant capacities for work and speech which he is a little apt to devote without measure to the special activity in which he is interested.' (217) Both held the burning conviction that they had the capacity to do great things. When Churchill urged a bold course of social reform on Asquith, he argued that it would leave 'an abiding mark on our national history' and endow his administration with 'a memorial which time will not deface.' (218) Colleagues noticed that neither was entirely devoted to Liberal principles. When Lloyd George, in a modest way, in the Merchant Shipping Act and the Patents Act of 1908, gave some countenance to the advice of Liberal industrialists like Brunner, Mond and Crosfield. that in more competitive circumstances where Great Britain's economic paramountcy was drawing to an end, her economy might require some stimulus, and recognised the political dangers of allowing the Conservatives alone to be identified with government assistance to the business community, his actions provoked protest from orthodox Liberals. Runciman complained

(217) <u>Daily News</u>, 28 Apr. 1913.
(218) Churchill to Asquith, 26 Dec, 29 Dec. 1908, <u>Companion</u> Volume II, 861, 863.

that 'our friend Lloyd George has gone sadly astray over shipping subsidies.... It is strange that we should have to fight for Free Trade within our own party.' (219) McKenna made his view of Lloyd George clear to Arthur Balfour at a City dinner. Austen Chamberlain, reporting Balfour's account of the conversation, recorded McKenna's distaste for the suggestion that Lloyd George might become Chancellor of the Exchequer.

'He would be a very unsound one. Of course, you disagree with us, but you can understand our principles. Lloyd George doesn't understand them and we can't make himl' (220)

On the other side, Lloyd George and Churchill expressed growing impatience with the reluctance of colleagues to define clear objectives. Lloyd George was reported by Masterman as being increasingly at odds with his colleagues because they did not share his sympathy with the people. (221) He complained to Churchill that the government was likely to drift along without any clear policy or purpose.

'I am perfectly certain that our more important associates have no plan of operation in their minds. This aimlessness if persevered in means utter disaster. It is not too late to pull ourselves together.... I have some ideas, and I think they are winning ones.' (222)

The lukewarm response of some Liberals to the Land Campaign

(219)	Runciman	to <sup>G</sup> a	rdiner,	6 May	· 1907,	, Gard	iner MS	S 1/30.
(220)	Austen to	Jose	ph Cham	berlai	n, 14	May 1	907, in	Austen
_	Chamberla	in, <u>P</u>	olitics	from	the Ir	nside	(1936),	87.

- (221) Riddell, op.cit., 71, 15 June 1912.
- (222) Lloyd George to Churchill, 25 Sept. 1910, Companion Volume II, 1023.

provoked a similar outburst to C.P. Scott, condemning those in the party 'who in their hearts hate all reforms' and failed to recognise the overwhelming political reality that 'for Liberalism stagnation meant death.' (223) Lloyd George was certain that he knew how to give a continuing impulse to the party of movement. His frustrations may indicate that his vision was not widely shared.

His advocacy of coalition in 1910, which equally attracted Churchill, provides a final demonstration that the government's two most creative members were not entirely at home. It is not necessary to endorse Professor R.J. Scally's contention that official party designations had largely lost meaning in Edwardian England, that the real lines of division lay between the old party establishments and what he describes as a successor elite, to find significance in the episode. (224) No doubt the proposal had the attraction of taking divisive issues out of party politics, but it cut more deeply than that. When Lloyd George sent Crewe a copy of his memorandum, he urged 'the desirability of co-operation with the Unionist leaders on a wide programme of National reconstruction.' (225) Churchill urged on Asquith 'une politique d' apaisement,' the pursuit of 'a national & not a sectional policy.' (226) The scope of that

	Diary Entry, 16 Jan. 1913, Scott MSS Add MSS 50,901 f.79.
	R.J. Scally, Origins of the Lloyd George Coalition
	(Princeton, 1975), passim.
	Lloyd George to Crewe, 20 Oct. 1910, Crewe MSS C 31.
(226)	Churchill to Asquith, 3 Jan. 1911, Asquith MSS 13 f.3.

policy was a remarkable demonstration of another political insight, the urgent need for Great Britain to adjust to the new realities of power. Social reconstruction, national defence, imperial consolidation, state assistance for economic development came together as a coherent response to the perceived challenge to national supremacy, a response requiring direction from the centre, efficiency, and expert planning. As with social policy, there was a sensitivity to fundamental trends and a willingness to fashion comprehensive policies in reply. The grasp and the adventure eluded most of their colleagues.

The qualities of the two ministers most responsible for the development of the government's social policy suggest reservations about applying to this administration those interpretations which emphasise the creative role of government departments. Lloyd George's somewhat idiosyncratic method of working, if nothing else, would seem to make him the minister least equipped to heed bureaucratic advice. His marked reluctance to read written memoranda, his preference for informal gatherings of advisers, drawn from across the civil service and from outside, his delight in animated conversations affronted civil servants and his more staid colleagues alike. Sir Charles Hobhouse remarked that 'Lloyd George will look at no papers and do no office work.' He recognised that he had 'an extraordinary power of picking up the essential details of

a question by conversation.... But his absolute contempt for detail and ignorance of common facts of life make him a bad official.' (227) The genesis of National Insurance, as conveyed by W.J. Braithwaite, seemed to owe little to official advice, much to Lloyd George's personal commitment, his passionate concern for the under-privileged classes of the community and his political sense that a public opinion, increasingly uneasy about the problem of destitution, would be with him. The decisive moment appears to have been in November and December 1908 when, on his return from Germany, he set in train a series of consultations with interested parties. From these consultations a scheme emerged in general terms, drafted by Bradbury, on 21st March 1910, which was subsequently costed by government actuaries. Braithwaite conveys Lloyd George's personal contribution.

'He by himself invited and received deputations and had a scheme prepared, and got as far as to say in public that he would do it through the Friendly Societies.' (228)

Thereafter, the Bill developed in the most informal way, the crucial decisions being taken, not in Cabinet or Departmental Committee, but in a series of consultations over breakfast and lunch with Masterman and Rufus Isaacs, Bradbury and Braithwaite, and Lloyd George's private secretaries, R.H. Hawtrey and John Rowland.

(227) 10 July, 5 Aug. 1908 in David (ed), <u>op.cit.</u>, 72. (228) Bunbury (ed), <u>op.cit.</u>, 72.

One of the remarkable aspects of the National Insurance Act was the improvisation of an administrative structure, capable of clothing a new principle of social action, for which there were few precedents, in effective instruments of administration and control. Lord Salter, then a young civil servant brought into the new administrative apparatus, first as private secretary to Masterman, then as Assistant Secretary in charge of Approved Societies, found the whole process of launching a new enterprise in the face of sustained opposition stimulating, because it liberated him, as it did others, from the stifling routine of their departments. Nor was Lloyd George the prisoner of outside experts. His sensitivity to the art of the possible led him to reject the Minority Report whose implementation would have involved the complex issues of local taxation and local finance in relation to central government. Beatrice Webb's anger was a testimony to his independence. She damned the Act as 'a method of provision which is provoctive of immoral motives' yet recognised Lloyd George's political mastery, since, in her eyes, its reception provided 'a curious testimony to the heroic demagogy of the man.' (229)

No one doubts the devotion of contemporary civil servants. Sir George Newman, Chief Medical Officer to the Board of Education, declined promotion to the Home Office on the ground

(229) Diary Entries, 6 Mar, 13 May 1911, Passfield MSS Diary Transcripts vol. 28, 1, 12.

that 'my work for the Board has wholly absorbed my time and strength since 1907.... mere promotion is unattractive to me.... I want to do a firm & solid piece of building which those living & those coming after us may be better for.' (230) Sir Robert Morant, about to move to new responsibilities in the administration of National Insurance, wrote of his 'care for this Education Office & the organisation it embodies, & the development of the people's education in all grades that this office has brought about in the last ten years. (231) The strong commitment did not necessarily require an initiatory Even the Board of Trade, and particularly its Labour role. Department under Llewellyn Smith, did not campaign for particular solutions to the problems its inquiries delineated. Its investigations into the causes, effects and possible remedies for unemployment pioneered modern analysis of the problem. By summarising information in digestible form, the Labour Department contributed to an increasingly active public opinion and indicated the most fruitful lines of advance. It provided a basis for informed debate and for the formulation of policy. Consequently, the Board of Trade was well equipped to make creative responses to a growing demand for social reform and to support legislative initiatives by government. But that it is not to say it provided those initiatives.

(230) Newman to Pease, 1 Jan. 1914, Gainford MSS 91. (231) Morant to Pease, 5 Dec. 1911, Gainford MSS 89.

Llewellyn Smith, absorbing the temper of Oxford in the 1880s, working at Toynbee Hall and on Charles Booth's inquiry, sympathetic to the New Unionism, involved in London politics on the Radical wing of the Liberal party as A.H.D. Acland's protege, was himself a microcosm of the varied pressures, political, social and intellectual, bearing down on civil servants and politicians alike. Dr. Davidson's admirable study represents him as the archetype of a new species of public official, 'a hybrid of professional administrator and expert of strategic importance in the inception of the collectivist state.' (232) The Labour Department's statistical inquiries generated a continuing momentum in public policy of a collectivist kind, but these investigations only 'clarified the issues and options open for public discussion and It was never Llewellyn Smith's intention decision.' (233) that investigation should serve predetermined ends. Moreover. Dr. Davidson recognises the importance of political factors in shaping the decisions of government. The legislative outburst of 1909 sprang from 'a worsening trade situation, the refocusing of power within the government and the need to revitalise the Liberal image in the likelihood of obstruction by the Lords occasioning an appeal to the electorate.' (234)

(232) R. Davidson, 'Sir Hubert Llewellyn Smith and Labour Policy 1886-1914,' Unpub. Ph.D. dissertation, University of Cambridge (1971), 2.
(233) <u>Ibid</u>., 112.

(234) Ibid., 245.

He emphasises, too, the role of two outstanding political chiefs who encouraged Llewellyn Smith's participation in policy-making and whose dynamism was decisive in initiating reform. Significantly, he sees the creative partnership of two politicians with bold vision and a brilliant functionary as enhanced by the inability of the Cabinet to formulate any coherent social policy. 'The lack of discussion and direction at Cabinet level' (235) left the initiative to departmental chiefs. But such initiatives were not generated only by the continuing impetus within a government department, however ably served. Their thrust came from politicians of unusual vision, drive and grasp.

VI

To move towards the centre of the political stage is to recognise that the New Liberal impulse ran somewhat feebly. For the most part, ministers showed no great interest in social legislation nor did they relate that legislation to a perceived need for adaptation by the Liberal party to profound social change and new intellectual currents. Some were overtly hostile; others locked in their departments. They were too often engrossed by the pressures of inescapable political problems to reflect on their party's future, most strongly moved by considerations of party management at Westminster and Downing Street. Theirs was a narrowly political world. The

(235) Ibid., 302.

strictures of the <u>Daily Chronicle</u> on 5 October 1895 on the failures of an earlier Liberal leadership to mobilise workingclass voters by neglecting programmes relevant to a complex society, by preferring the small change of politics to the study of ideas and the fruits of social research, could have applied to some of Asquith's colleagues.

'The trouble about most of our leaders is that they spend their energies in phrase-making, in the small talk of the lobby, in the banalities of the caucus, in the petty detail of party "management." They do not study questions from first principles or with the ample wealth of material which modern research has provided.'

The astringency of Beatrice Webb's comments on the Liberal leadership in 1910 owed something to the disappointed hopes of influence entertained four years earlier, to anger that ministers were not bewitched by the beautiful symmetry of the Minority Report. Yet she was right to see them as somewhat remote from the concerns of ordinary folk, 'their lives so rounded off by culture & charm, comfort & power, that the misery of the destitute is as far off as the savagery of central Africa.'(236) As she wrote to Lady Betty Balfour, 'Between us & the Asquiths & Greys & even Haldanes, there is a chasm of mutual indifference if not boredom. They do not find us "stimulating" & we find them most unilluminating.' (237) Apparently there was more interest in the Minority Report at Whittinghame and Stanway

(236) Diary Entry, 9 Oct. 1910, vol. 27, 78.
(237) Beatrice Webb to Lady Betty Balfour, 12 Apr. 1910, Passfield MSS II 4 d 70.

than there was at Auchterarder. More ominously for the Liberal cause, if the reaction was widely shared, was Beatrice Webb's growing conviction, after years of indifference, that a Socialist party with a consciously collectivist programme would prove a more effective instrument than a reluctant Liberal party.

A certain scepticism about the influence of the New Liberalism does not, however, force the historian back on those interpretations which represent the Liberal government as passive recipients of bureaucratic advice, organised pressure groups and the concensus of informed opinion. After all, bureaucratic advice came from Sir Samuel Provis as well as Sir Hubert Llewellyn Smith; informed opinion included Charles Loch Mowat and the Charity Organisation Society as well as John Hobson and Leonard Hobhouse. To read The Times is hardly to receive the impression of a public opinion unanimous in its support of collectivism. Even the modest Land bills of 1907 were condemned as destructive of the very fabric of society because they rested on 'a conception of the rights and duties of the State hitherto foreign to our accepted views.' (238) Old Age Pensions were socialist in character, their introduction 'characterised by extraordinary levity and indifference to the economic maxims in which the Liberal party has been accustomed to believe.' (239)

(238) 10 Aug. 1907. (239) 15 June, 1908.

But purpose and will cannot be removed from political Some ministers did discern substantial objectives action. and clothed them in legislative and administrative forms. They found the concepts of the New Liberalism serviceable in their rhetoric and made them part of their dialogue with the electorate. They sensed that Liberalism must adapt if it were to survive. Lloyd George and Churchill, Samuel and Masterman were in this government as well as McKenna and Runciman, Burns and Simon, just as Percy Alden sat on the Backbenches alongside Sir West Ridgeway. That this was so suggests that categorical characterisations of Edwardian Liberalism at either extreme are equally misplaced. It was neither the moribund repository of outmoded Radical causes nor the vigorous vehicle of a new-found social radicalism predicated upon the prescriptions of the New Liberalism.

## CONCLUSION

The thinking of the New Liberals was at once analytical and prescriptive. Social analysis, often profound and always invigorating, was directly related to the examination of This conjunction led them to offer specific problems. It prescriptions for the renaissance of the Liberal party. was right to moderate the inequities of contemporary society; it was also, for the Liberal cause, expedient. Consequently, the study of the New Liberalism directs attention to a fascinating, if elusive, relationship: the impact of ideas upon political action. One shares the view of a recent historian of the history of ideas that 'it is no longer fashionable to suppose that ideas have much influence upon events, ' that many historians 'find it fascinating to uncover the intricate and subtle workings of political institutions, the complexities of social structure and of social change, the inner mechanisms and the widespread ramifications of class interest, the dayto-day manoeuvrings of pressure groups within the corridors of power.' (1) Yet it is not entirely clear how the choice between objectives, even in the shortest term, can be made without some principles which shape the scale of values. Legislators and administrators cannot be entirely impervious to the ideas and the modes of thinking flowing through their society. To a degree, these indicate the problems to be solved

(1) Christopher Morris, <u>Western Political Thought</u> (1967), vol I 2.

and contribute to the definition of what is politically possible. Ideas help the formulation of political ends and values; those who handle them seek to comprehend their society and its political, social and economic structures, but they also assess and criticize. Generated by an intellectual minority, ideas stimulate a critical awareness among articulate and politically conscious people. The generation before the First World War was marked by intense debate about the fundamentals of social action. The New Liberalism made a positive contribution to that debate with its peculiar admixture of theorising with passionate involvement. It is difficult to believe that Liberal politicians were uninfluenced either by the general drift of opinion or by the currents flowing powerfully through their own party.

To argue the case for the relationship as an attractive hypothesis is easy enough; to demonstrate that the relationship exists is much more difficult. The beauties of the carburettor and the cylinders at one end can be lovingly displayed, the circular motion of the wheels at the other can be observed, but to maintain that the one causes the other, without reference to the transmission, seems somewhat perverse. Instead of making assertions about a direct and explicit relationship, it might be better to accept that the relationship is subtle, elusive and complex, involving connections which are implicit and unadmitted. The political process does include John Hobson at one end, but it embraces the Master of Elibank and

Jack Pease worrying about keeping a House and Asquith seeking to mediate between fractions colleagues at the other. Historians come to the part of that continuum for which they feel some temperamental affinity.

The evidence they use seems often to confirm their own assumptions about the political process. The private papers convey a world narrowly confined to Westminster and Whitehall; the perspectives are short, the concerns are political in a special sense, purpose is at a discount. The leadership of the Edwardian Liberal party, with two notable exceptions, seems little different from that of another generation, delineated by Professor Vincent and Mr. Cooke, operating 'in a parliamentary system where high politics is an arcane and esoteric craft. (2) The Cabinet memoranda and the Blue Books convey another impression; ministers respond to expert advice from inside and This is not the world of the lobby outside the public service. and the Cabinet room, dinners and political week-ends, but of the Government department and the social observer, of Sir Hubert Llewellyn Smith and Sir George Askwith, of the Webbs and Beveridge. To read the New Liberal publicists and the columns of the Daily News and the Nation is to enter a third world, where Liberalism is equipped to handle pressing social problems because it has been transformed by new insights, alert to the reciprocity of individual liberty and social well-being.

(2) The Governing Passion, 161.

accepting social action through the State as the proper instrument for ensuring individual human ends. All were facets of Edwardian Liberalism, yet its historians too often represent one facet as if it were the whole finely cut diamond.

Lloyd George and Winston Churchill bestrode the three Both were ambitious, both could exploit issues in worlds. the ambience of high politics as Gladstone is recently represented as having used Home Rule, but both were sensitive to more fundamental trends within their society, capable of harnessing ideas to enrich their dialogue with the nation and Their ability to do so, in contrast to formulate policies. with their Cabinet colleagues, indicates another dimension in the assessment of the New Liberalism. The Victorian Liberal party was, indeed, the party of movement, the political vehicle for those who, for whatever reason, sought change The Edwardian Liberal party needed to within their society. It needed to respond to that thrust harness that same impulse. of progressive opinion concerned about social problems and increasingly doubtful of the prescriptions of an older individualism. Lady Betty Balfour's enthusiastic response to the Minority Report of the Poor Law Commission indicated how widely disseminated such sentiments had become. (3) The wife of a former Conservative minister, himself the brother of the Conservative leader, shared Hobson's conviction that the

(3) Lady Betty Balfour to Beatrice Webb, 24 Apr 1910 Passfield MSS II 4 d f.71.

nation's most urgent task was to end 'the pressure of poverty as a painful social disease' (4) and Shaw's passionate cry for the redemption of the whole nation from its vicious, lazy. competitive anarchy.' (5) Equally urgent was the party's need to respond to working-class aspirations, no longer contained within the desire of mid-Victorian artisans to be accepted within the political nation and so responsive to Gladstonian rhetoric. Ramsay MacDonald, in 1913, saw 'a widening of working-class horizons owing to education, the spread of scientific thought and the teaching of Socialist economics. (6) A better instructed and more assertive working-class began to challenge conventional economic notions about the production and distribution of wealth and the relative value of different classes within the community. Beatrice Webb caught this change of mood. 'The workingmen, now beginning at last to be conscious of their strength are not going to tolerate the present state of insecurity in which even the best of them lives from day to day.' (7)

Opinions of this kind give weight to the judgment of Dr. McKibbin that whatever was happening in Parliament and even in elections there was steady attrition of the Liberal party's working-class constituency, whose electoral consequences were only fully manifested with the complete enfranchisement of the

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(6) The Social Unrest, 34.
(7) Beatrice Webb to Lady Betty Balfour, 30 Nov 1910, Passfield

     MSS II 4 d f.88.
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<sup>(4)</sup> J.A. Hobson, Problems of Poverty (1893), 1.

<sup>(5)</sup> G.B. Shaw, Preface to Major Barbara, xvi.

industrial working-class in 1918. (8) Certainly the Liberal press came to regard adjustment to working-class aspirations as an imperative. As the Westminster Gazette argued, on 18 October 1910, Liberalism could only survive if it recognised 'the growing self-consciousness among the masses of the people which results in criticism of existing institutions and in the demand for something more and better from life.' The new found power of the democracy had become the great political reality and 'the politics of the twentieth century will be as much dominated by the ideas of the working-classes, as those of the eighteenth century were by the ideas of the aristocracy and those of the nineteenth century after 1832 by the ideas of the newly enfranchised middle-class.' (9) The elections of 1910 only served to emphasise the Liberal party's need to reinforce its position in working-class constituencies.

Beatrice Webb recorded the geographical and social divisions revealed in January 1910.

'What is remarkable is the dividing of England into two distinct halves, each having its own large majority for its own cause - the South country, the suburban, agricultural, residential England going Tory and Tariff Reform, and the North country and dense industrial populations (excluding Birmingham area) going radical socialist - a self-conscious radical socialist.' (10)

C.P. Trevelyan was not alone in drawing out the corollary, the

(8)	McKibbin,	Evolution	of	the	Labour	Party	r (1974),	Introduction
	passim.				_			

- (9) An Obscure Liberal, The Times, 31 Jan 1906.
  (10) Diary Entry, 27 Jan 1910; Passfield MSS Diary Transcripts Vol xxvii 45.

need to cultivate those constituencies which provided 'the phalanx of northern Liberal and Labour men, far the best fighting force there has ever been in Parliament.' (11) If. as some historians have suggested, group politics was giving way to class politics, then the Liberal party did, indeed, need to strengthen its appeal to working-class voters, for more than electoral majorities were at risk. At the heart of Liberalism lay the concept of an harmonious society. J.A. Spender made this the central theme of his speech at the dinner given to celebrate the twenty-fifth anniversary of the founding of the Westminster Gazette. The benevolent function of the Liberal party was to be a mediator between classes; were Liberalism crushed there would be naked class politics. fatal to steady progress.

'The most dangerous condition for British politics would be if all you gentlemen in the City and all others throughout the country who imagine they have anything to lose were ranged agst. masses of people who imagined that they have everything to gain by your overthrow.'(12)

John Galsworthy, from outside the arena of party politics, recognised the same awesome prospect. Once, 'politics were a gentlemanly scuffle between materialists and idealists of the same class.... I await the day - not far off - when Labour and Capital will stand pretty squarely face to face.' In his judgment, when politics became dominated by class interest,

(11) Trevelyan to Runciman, 2 Feb 1910, Runciman MSS WR 35.
(12) Notes for speech, 31 Jan 1914, Spender MSS Add MSS 46,392 f.123.

Labour would enter into its inheritance. (13)

The New Liberalism spoke to this dilemma. Its exponents were greatly exercised by the potential gulf between classes created by extreme differences of wealth, income and opportunity - and of values, too. Part of their thrust towards positive state action was to heal those divisions by creating a more equitable society. Yet they did not represent this as a ransom owed to the working-class. The interventions of government would create a society not only more equitable but also more efficient, whose beneficiaries would be all its The market economy was still the generator of wealth members. and differential incentives remained necessary to call forth the varying talents and the investment required by a complex industrial society. Here, at least in intellectual terms, was the basis for a restored harmony and so of a vigorous Liberalism. Liberal intellectuals could only point the way. Narrow Liberal caucuses might frustrate the attempt by an unyielding suspicion of Labour and of working people. An anonymous correspondent of the Manchester Guardian, writing to deplore the local party's decision to contest Clitheroe against a Labour candidate, commented that too many Liberals preferred to be represented by a Conservative rather than a Labour member, a preference arising 'partly from snobbishness and partly from an innate fear and distrust of Labour which seems to be inherent in narrow-minded

(13) Galsworthy to Gilbert Murray, 5 Jan 1913, Murray MSS GM 20.

capitalists.' (14) Another of the <u>Manchester Guardian</u>'s correspondents expressed a similar anxiety rather differently.

'When such divergent politicians as Mr. Harold Cox and Mr. Chiozza Money can find shelter under the Liberal banner the "honest seeker after truth" can hardly be blamed if he is sorely puzzled.' (15)

The Liberal press had little doubt that the party's future lay with Chiozza Money. On 25 October 1910, the <u>Westminster</u> <u>Gazette</u> argued powerfully that Liberalism must be 'a living and developing creed for our time.' The very changes in the political structure wrought by the Liberal party in the nineteenth century had created a new political context in which 'the issue changes from the purely political questions which interested the old Liberals to the mixture of politics and economics which occupies the present generation.' Nor could the primacy of market forces be asserted when grave social ills manifestly required the intervention of government. The <u>Daily</u> <u>Chronicle</u>, on 6 May 1911, related the National Insurance Bill to a broad movement of opinion to which the Liberal party must continue to respond.

'The ideal of a co-operative commonwealth makes way. The spirit of social justice gathers strength; and as it does so the doctrine of blind competition gives way to that of regulated help. The conviction that the resources of all must be used for the active promotion of the good of all gains fresh impetus.'

That assertion of a new conception of the State and its duties, the authentic voice of the New Liberalism, was more consistently

(14) 23 Aug 1912. (15) 15 June 1908.

heard in the <u>Daily News</u> and the <u>Nation</u> and with it the conviction that here lay the party's future. Unless it proved capable of 'expressing the older Liberal principles in the new positive forms of economic liberty and equality along the lines indicated by its advance guard, it is doomed to the same sort of impotence as has already befallen Liberalism in most of the continental countries.' (16) x

What remains doubtful is how far that confident assertion of the prophylactic against the onset of a debilitating malady commended itself to a majority of Asquith's Cabinet. If they did not perceive the disease they could hardly embrace the cure. Absorbed in the affairs of Westminster and Whitehall, they were insensitive to profound shifts within their society and not greatly aware of the need for fundamental reappraisals of the Liberal creed. Perhaps that insensitivity was one part of the

(1) The importance of ideas in relation to policies seems the special concern of parties which represent themselves as parties of change. The political correspondent of The Times, discussing the battle within the Labour party, has recently argued that if the Right is to meet the challenge of the Left it must 'engage fully in the battle of ideas' and 'propound themes and broad policies that will kindle enthusiasm for what it wants to do.' This is necessary because 'a self-consciously radical party must by its very nature attach especial importance to policy.' He also points to a difficulty for a radical party which is also a party of government. In office, its leaders have little time to replenish their store of ideas. 'The pressure of day-to-day problems is such that speculative thought on the future of society is something of a luxury for over-burdened ministers.' Geoffrey Smith, 'The Battle Labour's Right Must Fight.' Times, 18 Jan 1980.

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road which led from the electoral triumph of 1906 and the substantial achievement in office to the party's eclipse in the post-war years, though the Liberal Yellow Book and We Can Conquer Unemployment provided salutary reminders that to be a party of ideas, detached from powerful interest groups, did not ensure political success. But what was at stake was more than the continuing vigour of a political party. The study of the New Liberalism suggests appraisal of a whole style of government, progressively out of tune with the needs of the nation as British economic and political paramountcy came to an end. The generation of the New Liberals saw the rapid economic advance of competitors, innovations to which the British economy responded sluggishly, so that it was becoming by 1914, in Corelli Barnett's compelling phrase, 'a working museum of industrial archeology.' (17) It was a generation in which the realities of power pressed in on policy-makers, who came to recognise that to maintain existing commitments alone would impose on Great Britain a fiscal burden politically unacceptable. Both processes required a response, predicated upon searching analysis of long-term trends, leading to policies consistently pursued in the longer term, just as the New Liberals related profound social analysis to the definition of specific problems and so to the elaboration of legislative and administrative solutions. It was not the peculiarities of Asquith's Cabinet which precluded this strategic approach. Rather was it a deeply embedded style of government, which

(17) Corelli Barnett, The Collapse of British Power (1972), 88.

focussed upon the political, the departmental and the immediate.

There was a more profound weakness here than the absence of an agenda or order of business or effective preparation for Cabinet discussion or procedures for recording decisions, though the absence of method disturbed some of Asquith's colleagues. Writing from Chicago, Samuel asked Pease to send him a brief note of what was decided in Cabinet during his absence. He added the significant comment - 'in so far as the vague proceedings of that body can be summarised in writing at all.' (18) Pease himself recorded a conversation with the Prime Minister in which he urged the early circulation of information in order to promote more business-like discussion on the contentious naval estimates. (19) Lord Esher's description of the role of the Secretary of the Committee of Imperial Defence indicated the lack of method in Cabinet discussion. His preparation of material would benefit the Prime Minister and his colleagues, the service chiefs and their staffs, since 'instead of laying their plans before an uninstructed and unprepared Prime Minister, who must often now have to collect beforehand, as best he may, facts upon which to base his judgment, they will find him posted in all the material conditions of the problem under discussion.' (20)

(19) Diary Entry, 14 Feb. 1911; Gainford MSS 39.

<sup>(18)</sup> Samuel to Pease, 2 Oct 1913. Gainford MSS 90.

<sup>(20)</sup> Esher, Journals and Letters (4 vols., 1934-1938), II, 37.

These were weaknesses which, in the end, the pressures of war would repair. Beyond them lay more sericus weaknesses, springing from the Cabinet's dual role as a political directorate and a meeting of departmental chiefs, absorbed in the routine of their departments and seeking Cabinet support for departmental proposals.

Neither role was entirely compatible with the coherent planning of policy as a whole nor with the effective, consistent execution of policy. As the demands made upon government increased in range and complexity, the inadequacies of that political directorate became more apparent. In 1904. Sir Sidney Low recognised that 'the incessant and multitudinous activity of the State will grow, with the growing complexity of the social system, with the new wants, the new duties, the new dangers which are constantly arising.' (21) Imperial questions, commercial policy, industrial organisation, education. scientific research, public health, transport, the social welfare of the people, more complex international relationships: all these would press in on government. Indeed, the whole context of government would change.

'Reform has a different meaning at different periods. It is no longer the concession of political power to the body of the people, the abolition of class and religious privileges, the freeing of industry from fetters and the emancipation of trade.' (22)

(21) Low, <u>op.cit.</u>, 200. (22) Ibid., 307.

A structure of government well enough suited to be the instrument of one kind of adjustment could well founder as it was confronted with more complex demands upon itself and upon the nation. The <u>Manchester Guardian</u> thought that it was 'the tradition of English governments to live largely from hand to mouth, and not to give priority to difficult measures in the order of their importance and permanent utility.' (23) Asquith and his colleagues, in the field of social policy, did not substantially break out of that tradition. Between the Liberal Cabinet and Liberal intellectuals there was a gulf set; in part it was set by profoundly different perceptions of the manner in which government could best be conducted.

The indifference of the Liberal Cabinet as a whole to the prescriptions of the New Liberalism reflected a particular style of government, deeply entrenched in Great Britain. In 1836, Sir Henry Taylor, then an official in the Colonial Office, observed:

'It is one business to do what must be done, another to devise what ought to be done. It is the spirit of British Government, as hitherto existing, to transact only the former business; and the reform which it requires is to enlarge that spirit so as to include the latter.'

A minister may be adept at the discharge of current business 'but as to the inventive and suggestive portions of a Statesman's

(23) 27 Oct. 1908.

functions he would think himself an Utopian dreamer if he undertook them.' Yet that reluctance to reflect upon the development of policy constituted 'some mortal apathy at what should be the very centre and seat of life in a country.' (24) That judgment, somewhat ominously, is little different from Sir Ian Gilmour's view that 'British government is a good. diligent and reliable horse, nearly always obedient to the direction of its rider. It is very seldom a jockey.' (25) All is well if peaceful and hopeful travel is preferred to arrival at the post. The New Liberalism offered direction; its proponents indicated what ought to be done. They indicated that the resolution of acknowledged social evils would, in sum, effect a comprehensive social reconstruction, whose legislative and administrative means would rest upon acknowledged principles of social action, whose essence was social solidarity and mutual responsibility. The State, translating those principles into action, would release the individual into an enlarged freedom. It would retain the market economy as an efficient engine for the creation of wealth, while purging it of those abemations which had hitherto disfigured it. By embracing this re-statement of the Liberal creed, the Liberal party itself would be re-invigorated; the party of movement, adapting to a changed context, would again become the fitting instrument of

<sup>(24)</sup> Sir Henry Taylor, <u>The Statesman</u>, Quoted in Amery, <u>op.cit</u>. 89, 90.
(25) I. Gilmour, <u>The Body politic</u> (1969), 18.

progress. The central contemporary challenge was 'to use democracy to construct a better life for Englishmen.' (26) The New Liberalism offered the party the means to meet that challenge.

Both in opposition and in government, the Liberal leadership showed little consciousness of these matters. Its world was Westminster, its perspective the mediation of tensions arising in that context. In office, there was the demanding fascination of the department. Yet enough was done for the comment of the Daily News that 'a new Liberal party has arisen, at once more ideal and more practical, with the centre of its interest shifted to social questions and the problem of poverty', to appear as a realistic assessment, not optimistic self-deception. (27) That this was so owed much to two creative intelligences within the government, alert to profound change within their society, capable of harnessing experts to fashion policies and of bringing novel ideas into the language of political debate. Their breadth of vision throwsinto relief the more limited perceptions of their colleagues. Those limitations suggest a certain scepticism about the direct influence of the New Liberalism on policymaking. That influence might best be seen as part of the whole nexus of ideas, values, novel perceptions, re-appraisals passing from Edwardian intellectuals to politicians. Politicians might not reveal themselves entire in their corres-

(26) C.P. Trevelyan, Notes for speech, 'The New Liberalism and Socialism,' (No date cl910) Trevelyan MSS CPT.34.
(27) 13 Dec 1910.

pondence, but the overwhelming impression is of men not greatly given to reflection nor to the fashioning of coherent programmes of social action. To a degree insulated in the ambience of high politics, they were insensitive not only to the play of ideas but to those movements within their society which might endanger the Liberal party if it made no effective response. They retained their certainty not only that the stage of high politics would survive, but that Liberal politicians would continue to play leading roles upon it.

Yet they were of the Liberal party, as were men of a conservative cast of mind on the Liberal back-benches and the narrowly-based party organisations in the constituencies. It was also the party of Dr. Emy's social radicals, of Dr. Freeden's Liberal intellectuals re-fashioning the Liberal creed as the pre-requisite of the party's renewed vigour in action, of Liberal journalists giving wider currency to those prescriptions. At that level, it was a party of undeniable energy: at the level where policies were framed the impressions become more enigmatic, the relationship between ideas and practice blurred. The New Liberalism as a body of ideas was a refreshing reality; as the basis for a party and a government in action its influence remains uncertain. Given the range and diversity of Edwardian Liberalism and the complexities of the political process, historians might do well to hold to Fernand's Braudel's

dictum that History is the sum of all possible histories and remember that 'the question to ask is not whether an argument is right enough to exclude all others, but how right it is, how much it tells us that we did not know already.' (28) Those at ease with ideas engage in an activity at once tougher and more simple than those who seek electoral support, ensure the loyalty of their activists, devise legislation, seek to control the unhelpful obduracy of events. For the latter the play of ideas is but one element in a desperately multifarious calculation; and at the centre of the Liberal party, the influence of a 'new Liberalism' in the twenty years before the First World War remains open to question.

(28) Eugen Weber, Peasants into Frenchmen (1977), 493.

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