Politics and Progress

A Survey of the Problems of Today

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PREFACE

THE purpose of this little book is to give a coherent view of the political and social aims of Liberalism; to show that it represents a distinctive attitude, sharply contrasted with that of Conservatism and with that of Socialism; to analyse the reasons for the Liberal's dissatisfaction with the existing order of things; to describe the kind of society which he would desire to create, and the immediate steps towards this goal which he would advocate; and to show that these aims are in accord with the traditions and the great achievements of British Liberalism.

More than two years ago, after profitable discussions with a group of Manchester friends, I wrote a little book called "Liberalism and Industry." In a modest way I believe that it helped to stimulate an active discussion among the younger Liberals, which has gone forward without interruption during these two years. From this discussion I have learnt much; and in the present volume some of the conclusions which I tentatively put forward in the earlier book have been considerably modified. But this book is not meant in any sense as a new edition of "Liberalism and Industry." Most of the subjects dealt with in that book, and especially in its first half, are here dealt with very lightly, or not at all; and the ground covered by this volume is much wider than the ground covered by its predecessor.

Nor is this little book to be regarded in any sense

as a pronouncement on behalf of a group or clique within the Liberal party. I am proud to be associated with a body of men who have been giving much of their time and thought to the co-operative discussion of some of the most difficult of political problems. But their aim has throughout been primarily investigative and educative. They repudiate the suggestion that they form a clique or school within the Liberal party. And, in any case, what I have here written, though it has been deeply influenced by what I have learnt in these discussions, is issued solely on my own responsibility.

RAMSAY MUIR

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THE ALIGNMENT OF PARTIES

I. THE POLITICAL SITUATION IN 1923

THE General Election of 1922 will probably be regarded, by future historians, as marking the definite beginning of a new era in British politics. Throughout the century of strenuous political activity which preceded the Great War, both Parliament and the country were broadly divided between two great political forces—a party of Conservation and a party of Progress. In the party of Progress there were always—as was natural—various and even conflicting elements. But on the whole they held together, and combined to maintain successive ministries in power. Even when a distinct Labour party was organized in 1900, it was content for a number of years to act as a wing of the Liberal party, which could count upon its steady support during the sharp conflicts of 1910–1914. The division of the political forces of the country into two main armies was so well established that it seemed to be almost part of the order of Nature. Our whole machinery of government took it for granted, and seemed to be

workable only on the assumption that this division continued. The very arrangement of the seats in the House of Commons implied it.

But the Great War, which has changed so many things, brought to an end this traditional alignment of political forces. During the war community of purpose almost obliterated party distinctions. After the war a large section of the Liberal party joined with the Conservatives to continue the device of Coalition Government, which had been adopted for war purposes; and used all the prestige of victory, and all the devices of electioneering, to destroy that section of the Liberal party which strove to maintain its independent existence Ruling for four years with an overwhelming majority in Parliament, the Coalition drove into the minds of a great part of the electorate, and especially into the minds of the younger voters whose political memory did not extend beyond the war, a belief that there was no fundamental difference between Liberalism and Conservatism. The small remnant of Liberals who stood aloof from the Coalition did little to weaken this belief. Their numbers in Parliament were insignificant, and wholly disproportionate to the support which they could count upon in the country. They were bereft of most of their leaders, and had few spokesmen who could command the ear of the country. They devoted themselves rather to criticism of the Government than to the promulgation of an inspiring policy of constructive reform; and even the criticism of so small a body was not very effective. It seemed that the once powerful Liberal party had sunk to impotence, and was on the verge of annihilation.

The young Labour party, which, having never faced the difficult task of government, was not handicapped by any record of imperfect achievement,

naturally drew immense advantage from these circumstances. It had obtained control, for political purposes, of the powerful organization of trade unions and co-operative societies. It drew into its ranks multitudes of the younger and more progressive Liberals, who had lost patience with the policy of mere negation and criticism to which the shattered Liberal party seemed to be committed. It could appeal to all that vague yearning for a new heaven and a new earth, which inspired many men after the horrors of the war. It had a vision of a wholly new order—a vague and ill-thought-out vision, but still a vision ; and it could promulgate large promises all the more easily because its leaders had little experience of the difficulties of practical politics, and because there was no immediate prospect of their being called upon to translate their promises into facts.

It was in these circumstances that the election of 1922 took place. After four years peace had not been attained and Europe was threatened with bankruptcy. Trade was very bad, and unemployment more rife than it had been in living memory. The promises of a happier era, which had been given and accepted at the end of the war, had been bitterly disappointed. There was even a threat of a new war. The Coalition was discredited, and the Conservatives, who had been its main support, seized the opportunity to throw over the Liberals with whom they had acted, leaving them to bear the responsibility for all that had gone wrong, and came forward as the apostles of tranquillity. This skilful electioneering move left both wings of the Liberal party in a sad quandary. The Coalition Liberals were in a helpless predicament —deserted by their recent allies, and on bad terms with their former friends. The Independent Liberals were in an equally unhappy plight. Having given

all their energy to fulminating against the Coalition, they found themselves deprived of their expected target; and they had no clearly defined constructive programme to advocate. The Labour party, on the other hand, welcomed and used a heaven-sent opportunity. They could contend that both of the traditional parties had failed, and that there was nothing to choose between them; they declared war against both alike, but more especially against the Liberals, hoping to achieve the final destruction of that historic party, and to take its place as the sole alternative to the Conservative party. As for the Liberals, cleft by bitter dissensions, deprived of their plans of campaign, and lacking any clear grounds on which to appeal to the electors, they were exposed to attack on both sides. It would not have been surprising if they had been wiped out, especially as the electoral system told against them with peculiar severity. They lost heavily to both of their opponents; for many advanced Liberals voted for Labour candidates in despair, and many voted Conservative lest the Labour party should triumph.

Yet even in these circumstances the result showed that the country was not unevenly divided between the three political parties. In so confused a battle as this election, totals of votes are apt to be misleading. But, for what they were worth, they showed that the Conservatives had obtained about five and a half millions of votes, against four and a quarter millions cast for the Labour party, and over four millions cast for the divided sections of the Liberal party. In other words, the two-party system had definitely disappeared. Henceforth we have to do with three parties, if not with four; and it has become a primary duty of every citizen to determine in which of these competing arrays he is to enrol himself.

For this reason it has become a matter of the first moment that not merely the immediate programmes, but the permanent attitudes and outlooks of these three parties should be clearly defined. The need is greatest in the case of the Liberal party, both because of the confusion into which it has been thrown by the events we have summarized, and also because it is no longer sufficient to describe Liberalism as " the party of progress," since that title is equally claimed by the Labour party. It has become essential to define the principles and aims of Liberalism in such a way as to make it plain either that Liberalism represents a quite distinctive attitude, differing equally from that of Conservatism and from that of the Labour party, or that it is merely a sort of compromise or half-way house, a " middle party " of " moderate men " with no characteristic or definable standpoint of its own.

II. THE TRIANGLE OF PARTIES

If we are driven to the second conclusion, then it is safe to say that there is no future for Liberalism. A " middle party "—even several " middle parties "—may exist under the political systems of Continental Europe ; but the pressure of all our traditions, and of all our methods of Government, will be against the continued existence of such a party in this country. After a brief period of painful struggle against the inevitable, the Liberal party, if this is to be its character, will disappear, shedding one half of its members on the one side, and the other half on the other. That is the conclusion which the Labour party desires and is working for ; and if Liberalism is now to be regarded merely as a compromise, and not as a positive faith, the Labour party is right in

its aim, and the sooner the process is consummated, the sooner clarity will return to our politics.

It is the purpose of this book to show that this is a false conclusion, and that the three parties to which our political fortunes are henceforward committed do not stand to one another like three sections of the same straight line, with Liberalism in the central position, insensibly shading off into its neighbours; but that their relation is rather that of the three angles of a triangle, each definitely opposed to the other two, yet each linked with the other two, and having some points of sympathy with both.

So sharply defined are these three attitudes that it is almost possible to define each of them in a single word. The ideal of Conservatism is Stability, the ideal of Labourism is Equality, and the ideal of Liberalism is Liberty. And it needs little reflection to show that these ideals are essentially incompatible one with another. In particular, the devotee of Liberty will not accept the idea of Stability in a world where real freedom for all has not yet been realized; nor will he admit that Equality in any complete sense can be realized, or would bring happiness, among men who vary infinitely in their gifts of mind and will.

Conservatism stands, on the whole, as its name suggests, for the defence of things as they are, with only such changes as may be necessary for security. In this it is opposed both by Liberalism and by Labourism, which are alike dissatisfied with things as they are, and alike desire change, though in divergent directions.

Labourism stands, as its professed creed proclaims, for a radical reconstruction of human society as a whole, according to plans woven from the brain-stuff of theorists. It conceives of human society in the

similitude of a building which can be demolished and rebuilt once you have agreed upon a building plan. In this it is opposed both by Liberalism and Conservatism : by Conservatism because it desires the minimum of change ; by Liberalism because it conceives of human society as a living and growing thing, which cannot with impunity be carved into totally new forms like the hapless creatures in Wells's *Island of Dr. Moreau*, but which is suffering from many maladies that need the attention of a skilled and patient doctor who will know how to call the laws of Nature to his aid.

Finally, Liberalism stands, as its name implies, for the progressive emancipation of all human individualities from the restraints which forbid the development of their full potentialities ; because it believes that individual character, energy and inventiveness are the mainspring of human progress. To this aim it finds obstacles both in Conservatism and in Labourism ; in Conservatism because it is chary of interfering with existing rights and privileges, which often form the chief restraints upon the full development of suppressed personalities ; in Labourism because it is apt to pin its faith to regimentation and mechanical organization, and believes in equality and uniformity more than in liberty and variety.

Between each two of these opposed creeds there are links of sympathy. Labourism and Conservatism are both instinctively authoritarian, and the extreme wings of both are prone to resort to force instead of persuasion. Liberalism and Labourism are linked by an instinctive dislike of entrenched privilege, and an instinctive sympathy with the under-dog. Liberalism and Conservatism are united in their distrust of mechanical reconstruction, and in their belief that private enterprise must, in the future as in the past, provide the main driving force in the economic sphere,

though the Liberal takes a broader and the Conservative a narrower view of the modes and the spheres in which such enterprise should be encouraged to display itself.

Now our primary concern, in this book, is with the creed, the past achievements, and the future tasks of Liberalism. But that creed, and those achievements and tasks, stand forth all the more clearly by contrast with the two opposing standpoints; and it will therefore be helpful, before embarking upon our main theme, to dwell a little more fully upon the triangular antithesis which we have just described in very general terms. It would be possible to illustrate this antithesis in many spheres; to show how it would display itself in foreign policy, in practical administration, in local government, in education, in political organization. But the field in which the antithesis is most sharp is the field of social and industrial organization. Here, in truth, will be found, in the future, the main lines of demarcation between the three policies; and therefore, at the risk of anticipating in some degree what will be said later on these themes, we shall endeavour to define the attitudes of the three parties primarily in regard to the problems of social organization, so far as it is possible to do so in the nebulous condition of contemporary thought on these subjects.

III. CONSERVATISM AND LABOURISM

Conservatism stands for the defence of the existing economic order in all its main features. It will strive to uphold the existing rights and powers of land owners, mine owners, factory owners, financiers. There are, it is true, more generous elements among the Conservative party, who feel a certain uneasiness when they

contemplate some aspects and consequences of the condition of industry to-day. But some of these are merely hereditary Conservatives, whose true place is either in the Liberal party or in the Labour party; whilst others instinctively hold a sort of feudal view of the relations of classes, and, while they desire that the workers should be humanely treated, hold that their well-being must depend upon the beneficence of the master-class, rather than upon law and established right. In any case, the dominant and controlling interests in the Conservative party are, and always will be, the powerful vested interests which see nothing gravely wrong in the present economic order. They stand for the defence of "private enterprise," but when they use that phrase, they think almost exclusively of the enterprise that is practised by the controlling interests in business, by the master-class; they do not stop to ask themselves whether the existing order gives full vent to the enterprise of men and women of every type, or whether it supplies the conditions which will enable and encourage every man to use his powers to the utmost, both for his own and the community's advantage. Moreover, there are in the Conservative party large elements which are continually tempted to trample down all movements of unrest or opposition, and to use force rather than persuasion as the easiest weapon for dealing with any sign of revolt against the established order. This temper is not at the moment predominant in Conservatism. But it is always present. It expresses itself in unbridled denunciation of trade unions and all their works, or even of the working class as a whole. It may at any moment get the upper hand, and persuade a Conservative government that "firm action" and "a fight to a finish" are the true remedies for industrial unrest.

Over against Conservatism stands the Labour party, whose declared aim is a complete and fundamental reconstruction of the whole existing economic order. It definitely intends to put an end to " private enterprise " as the driving force in our industrial system, and to substitute for it some form of organization of all industrial activity under the ownership of the community, and under the control either of the State or of the workers in each industry. True that when, at a bye-election in 1922, Mr. Arthur Henderson, the secretary of the party, indiscreetly blurted out the fact that his party aimed at abolishing " what is called private enterprise," there was an outcry of protest from many of his supporters. But Mr. Henderson was entirely right. He was expounding the central article of his party's creed ; his critics were men who had been guilty of the intellectual dishonesty of joining the party without stopping to consider whether they accepted its creed. For the Labour party is definitely and unmistakably a Socialistic party. At a party conference at Nottingham in 1918, at which its organization was revised, it passed, *nemine contradicente*, a resolution declaring that its aim was " the nationalization of *all* the means of production, distribution and exchange " ; and as this resolution has never been withdrawn or qualified, every adherent of the Labour party must be held to be committed to it. There are, no doubt, many thousands of members or supporters of the Labour party who have swallowed this formula without having grasped what it means—many who have joined the party out of sheer impatience with the evils of the existing order. And there are also many thousands more who give the party their allegiance merely because it is a class party, without having seriously analysed its doctrines. For a class party it quite definitely and predominantly is. It

draws its strength mainly from the trade unions, and its funds almost wholly from trade union levies. A large part of its representation in parliament consists of trade union officials who feel themselves to be there not primarily for the purpose of representing their constituents, but primarily for the purpose of upholding the interests of the union which pays their expenses; and for many of these men the formulæ which their party has adopted have just as much, and just as little, meaning as the formula of Divine Right and Passive Obedience had for the Tory squires of the seventeenth century who ultimately drove out James II. But when all these qualifications are made, the Labour party remains definitely a Socialistic party, and its whole social and industrial policy, its attitude upon every proposal as it arises, must be coloured by its ultimate aims. Any project which would improve, and by improving strengthen, the system which rests upon private enterprise, must be suspiciously regarded by the sincere Socialist.

The Labour party is therefore pledged to a policy of wholesale demolition and reconstruction, but it has no clear view as to how the reconstruction is to be carried out. It has, indeed, definitely declared against Communism and the confiscation of all privately owned capital. The owners of capital are to be bought out, receiving government scrip at a fixed rate of interest in exchange for their holdings. This means that those of them who now render important services of management in return for their profits would cease to do so, and would have to be replaced by salaried officers. It also means that instead of receiving a high remuneration when trade is good, and a low remuneration when trade is bad, and thus bearing part of the brunt of bad trade, the owners of capital would, in the Socialist State, receive a steady