

Landslide for the Left

Duncan Brack reports on the Liberal Democrat History Group fringe meeting at the Liberal Democrat conference in September 1996; with John Grigg and Andrew Adonis.

The History Group's latest fringe meeting, taking place at the last Party autumn conference before the 1997 general election, explored the causes and consequences of the greatest Liberal landslide in electoral history: the 1906 election.

John Grigg, the biographer of Lloyd George, concentrated on the election itself. Despite gaining only 300,000 votes more than the Conservatives, the Liberal Party won a total of 400 seats. Largely this was due to the Gladstone-Macdonald (Liberal-Labour) pact, which also helped the new Labour Representation Committee to increase its share of MPs from 2 to 30. The Tories won only 157 seats; all but three of the 1905 cabinet were defeated, including the leader, Balfour.

As well as the pact, the Liberals enjoyed substantial advantages during the campaign. They entered the election as the government, Balfour having resigned as Prime Minister in December 1905 as Chamberlain's tariff reform campaign tore apart his party from the inside. Remembering Liberal splits over Irish Home Rule and the Boer War, the Conservative leader hoped that the strains of government would in turn expose the divisions within the Liberal Party. He was mistaken; the threat to free trade both united the Liberals and gained them much popular support, as candidates stressed the issue repeatedly during the election.

In the circumstances Campbell-Bannerman, the Liberal leader, hardly had to put forward bold new initiatives to attract electoral success – and did not. His opening speech in the campaign concentrated on the favourable economic situation, suggested the possibility of an easing of taxation, vaguely mentioned Ireland (but firmly avoided any pledge to introduce another Home Rule bill), and included no mention whatsoever of old age pensions or reform of the House of Lords. Considered as a guide to what Liberal governments were actually to do during the following eight years, it could hardly have been more wrong.

Here Andrew Adonis, political columnist for the *Observer*, took up the story. For its first two years, the new government stuck to traditional Liberal enthusiasms such as reform of the licensing laws, and the reversal of Conservative legislation, including the Balfour education act. But Liberal bills, frequently of little interest to anyone except Liberal pressure groups, were regularly mutilated by the Lords. As byelection losses mounted, a new agenda was clearly needed.

It came when Campbell-Bannerman's death led to Asquith's elevation to the premiership, in turn opening the

Exchequer to Lloyd George. The new cabinet increasingly adopted New Liberal policies, an evolutionary development of classical Liberalism which had begun in the 1880s with the writings of Green, Hobson and Hobhouse, among others. Whereas classical liberalism looked to the removal of obstacles to liberty, the New Liberalism concentrated on the social conditions which would enable individuals to be truly free: opportunities for employment, income support in old age, good health. 'The New Liberalism', as Hobson, put it, was 'about a fuller appreciation and realisation of individual liberty contained in the provision of equal opportunities for self-development.' The distribution, as well as the creation, of wealth, became an issue, as Liberals attacked the sheer inefficiency of 'idle' wealth such as land-owners' rents.

Hence Lloyd George's 'People's Budget' of 1909, one of the most radical measures of the twentieth century, included old age pensions, a new supertax, land taxes and the creation of a Development Fund. Unsurprisingly, this was rejected out of hand by the Lords. This pushed the government even further in a radical direction and allowed the Liberals to fight and win the two 1910 elections on the slogan 'peers versus people' and to introduce the Parliament Act, establishing the supremacy of the Commons.

The speakers were encouraged to draw parallels between 1906 and 1996. In both cases the Conservative Party suffered from major internal divisions (though with the difference that in 1996 Europe divides the Labour Party as well, whereas in 1906 tariff reform helped to unify the Liberals). The putative new government in 1997 may face the same problem of inertia after a major election victory won mainly on the unpopularity of the outgoing party, and also the difficulty of mobilising a broad reformist social and intellectual coalition out of very diverse elements to persuade an essentially conservative electorate to accept radical policies. But after 1906, the Liberal Government radicalised in office – as Liberal governments had tended to do, often in reaction to Tory obstructionism – and adopted the highly progressive New Liberal agenda of reform. Can New Labour, which hardly possesses a radical approach to politics, do the same? At least one of our speakers believed it could. Arguing that the 1997 election could mark as significant a turning point as did 1906, 1945 or 1979, Andrew Adonis finished by quoting the words of Churchill's 1906 election address: 'Our cause is more than a party cause, and our victory will be truly a national victory'.