The ‘New Liberalism’


 Reviewed by Matthew Roberts

The Edwardian Liberal Party, troubled throughout its entire existence, seems to have found even less peace in death. For the Edwardian Liberal Party can be likened to a corpse that has been subjected to an eternal autopsy with a seemingly infinite number of historians gathered around it, poking and poking it in different places whilst failing to agree on the cause and time of death.

At the same time, some historians have argued that the Liberal Party was showing no sign of decay before the First World War. This is the thesis advanced by Dr Clarke in his book *Lancashire and the New Liberalism*. He has argued that class-based politics had arrived by 1910 and that Liberalism had adapted to this trend in the form of a ‘new liberalism’, an ideology based on radical and collectivist social reform. More importantly, he maintains that this successfully bolstered working-class support for the Liberals, and it was this that was responsible for their success, rather than a temporary revival of nonconformity and free trade. Furthermore, Clarke tells us that most Liberals accepted this reorientation. Above all, this new liberalism provided the basis for a progressive alliance with the newly established Labour Party. This alliance, so the argument went, successfully contained the Labour Party and maintained the Liberals as the dominant party of the left.

With the exception of a few articles, it would be fifteen years before a comprehensive response to Clarke’s work appeared. George Bernstein’s *Liberalism and Liberal Politics in Edwardian England* proved to be that very response. He takes a much more cynical view of the new liberalism and the progressive alliance, arguing that neither offered an effective solution to the party’s problem of attracting working-class votes.

In contradistinction to Clarke, Bernstein rejects the notion that class-based politics had arrived. Indeed, for him, the Liberal Party could not cultivate support on class lines. Since the backbone of its support came from the middle classes, any appeal to the working classes would be tantamount to admitting that they had a distinct interest which needed to be promoted in opposition to the middle classes. Furthermore, this was anathema to the ideology of Liberalism, based as it was on appealing to both the middle and working classes by uniting them against the landed classes. More importantly, he maintains that the Liberals’ success before the war was precisely because class-based politics had not fully arrived, and it was the attack on privilege and wealth that attracted the working classes. If the point came where labour began to see capitalism as the enemy, liberalism would have little appeal to the workers.

One of the most interesting tenets of Bernstein’s thesis is the argument that the new liberalism did not become a priority for the rank and file. Throughout the book the reader is constantly reminded that traditional liberal issues such as land, education and temperance continued to predominate. Nevertheless, Bernstein implicitly accepts that a ‘new liberalism’ existed. For him, it was simply the case that the majority of the rank and file were tepid towards it. Arguably, it would be more appropriate to say that for many Liberals, this was the reality of the new liberalism, i.e. an underlying commitment to traditional liberal issues and remedies, masked by progressive overtones.

Similarly with the progressive alliance: with what Bernstein tells the reader, one feels that he is on the right lines but does not go far enough. He is quick to tells us that the Liberals could never form a successful alliance with Labour since they differed on fundamental issues. The Liberals saw Labour as challenging their most sacred principles – a free market, private property and even individual liberty itself. At the same time, many in the Labour camp were increasingly hostile to the seeming indifference of many Liberals to the plight of the workers. The Liberals could never accept the level of interference in the economy that Labour advocated. What Bernstein misses is that there had never been a progressive alliance. What had existed in some constituencies was a short-term expedient arrangement that benefited the two parties, keeping the Conservatives out – a frequent issue when there was a split on the left. Or as Martin Pugh pertinently states, many of the Liberal rank and file: ‘perceived that Labour stood for the same policies as the Liberal government, which is a more realistic and a more modest claim than the view that they subscribed to a common progressive ideology.’

Perhaps the most rewarding part of *Liberalism and Liberal Politics* is the final chapter on ‘Liberalism and External Affairs’. This is not a subject that usually finds its way into a book concerned with the decline of the Liberal Party. What Bernstein has to say abundantly demonstrates that any account of Liberal eclipse should take note of the party’s approach to foreign and imperial af-
fairs. The chapter is littered with examples of occasions where high-minded Liberal principles conflicted with the everyday reality of world affairs. In many ways, Grey was the epitome of this contradiction. The fundamental objective of liberalism in foreign affairs was the negation of a balance of power, for this implied that nations were inherently hostile to one another and it limited freedom of manouevrability. Yet the threat of Germany forced Grey to make overtures to France and Russia, thereby accepting the notion of a balance of power. The outbreak of war in 1914 seemed to be yet another nail in the coffin for liberalism.

There is little ambiguity in the impression that Bernstein wants his readers to go away with. The final sentence could not be clearer: ‘If class-based politics were coming, so was the decline of the Liberal Party – not imminently, perhaps, but eventually and inevitably.’ The question was, how much longer would traditional liberal issues continue to appeal to the electorate? There were already signs by 1914 that the working classes no longer placed their faith in that Gladstonian relic known as the Liberal Party.

Mill on Limited Liability Partnerships

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The only regulations on the subject of limited partnerships which seem to me desirable, are such as may secure the public from falling into error, by being led to believe that partners who have only a limited responsibility, are liable to the whole extent of their property. For this purposes, it would probably be expedient, that the names of the limited partners, with the amount for which each was responsible, should be recorded in a register, accessible to all persons; and it might also be recorded, whether the whole, or if not, what portion of the amount, had been paid up.

If these particulars were made generally accessible, concerns in which there were limited partners would present in some respects a greater security to the public than private firms now afford; since there are at present no means of ascertaining what portion of the funds with which a firm carries on business may consist of borrowed capital.

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No one, I think, can consistently condemn these partnerships without being prepared to maintain that it is desirable that no one should carry on business with borrowed capital; in other words, that the profit of business should be wholly monopolised by those who had had time to accumulate, or the good fortune to inherit capital; a proposition, in the present state of commerce and industry, evidently absurd.

(signed) J. S. Mill

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