

“A Dynamic Force Is a Terrible Thing” (Baldwin)

Book Review
by *Tony Little*

Martin Pugh:

(Longmans, 1988)

Lloyd George

Lloyd George entered Campbell Bannerman's Liberal Cabinet in 1905 and held office continuously until 1922, rising to Prime Minister in a complex coup in 1916. Ditched by the Tories in 1922, he never held office again but remained a *bête noire* of all three parties until well into the 1930s. He was even half heartedly considered for office in Churchill's wartime government.

By Edwardian standards, Lloyd George's origins were modest and his early reputation was built on the championship of Welsh causes. As Pugh demonstrates, he achieved prominence in British politics through his challenge to Joe Chamberlain during the Boer War and through representation of the non-conformist cause in the fight against the 1902 Education Act - mirroring Joe's own rise to fame.

Today, LG is probably best known for his part in the foundation of the welfare state. The People's Budget, which introduced old age pensions, funded from graduated income tax, and a now forgotten Land Tax, was as much a masterpiece of propaganda as of economics or social policy. It was followed by a national insurance bill in 1911.

The extreme Conservative reaction to the People's Budget led directly to the reform of the House of Lords, also in 1911. It is generally thought that LG's provocative speeches and the Land Tax proposals were the principal factors in the Lords' unprecedented rejection of the budget but Pugh argues cogently that the Liberal budget had cleverly undercut the Tory case for protectionism - LG shot their fox.

As a minister LG's methods were unorthodox, relying on his intuitive feel for a solution and absorbing a case though face to face argument rather than ploughing through the red boxes. His problem-solving approach made him a bad 'party' man but a high achiever and during the First World War he became the inevitable successor to Asquith.

LG's dynamic innovative approach to the premiership and his determination to succeed were instrumental in Britain's ability to win the war but cost much of his Liberal support. His liberal instincts inclined him to a more generous peace settlement than he had the courage or support to deliver. Increasingly the prisoner of the Tories and unable to achieve a 'fit country for heroes to live in', he was forced from office.

The quarrel between LG and Asquith was never really healed and, by the time LG achieved full leadership of the Liberal Party in 1926, Labour had already experienced its first spell in

government. Yet LG had one last major contribution to make. He funded the inquiry into Britain's Industrial Future (the Yellow Book) which popularised Keynesian solutions for British economic problems, though other parties were eventually to reap the benefits.

Lloyd George's was a controversial career. Despite, or perhaps because of, immense charm and oratorical power, he was never trusted. His private life encompassed mistresses, failed mining projects and unwise stock exchange dealings. He formalised the sale of honours in a manner which outraged the establishment. His coup against Asquith, his wartime methods and his settlement of the Irish question in 1922 are still heatedly discussed.

Pugh's short profile sets out the background and career with sympathy and vision. In the space available he cannot offer the full range of evidence on the major disputes but the judgements he reaches are a sound introduction to the last Liberal PM. For those wishing to pursue the subject further he gives an annotated bibliography.

I have only one bone to pick. In his conclusion, Pugh suggests that LG is part of a centrist tradition in British politics combining a nationalistic foreign policy with a radical domestic agenda, which has not suited the normal two party structure but has popular appeal. Standard bearers include Joe Chamberlain, Lloyd George and ... *David Owen* (which dates the book). While none of these were good party men, it requires more than a few such mavericks to establish a tradition and more space than Pugh had available to demonstrate the case - but read the book anyway.

What is Liberal Democracy? The Importance of History

by James Lund

What has impeded the Liberal Democrats in their search for an effective identity in politics at the national level?

The search involves a fundamental difficulty, which was touched upon by the Campaigns & Communications Committee in its report to the Party Conference at Cardiff in March. The Committee observed that, whereas the Conservative and Labour parties were identified by the electorate with rich and poor, respectively, the Liberal Democrats were represented as a party of 'the centre', 'of compromise', of 'neither one thing nor the other'.

What went unrecognised in this simply and crudely stated contrast was the fact that the Liberal Democrats have inescapably, as the name suggests, an identity that is grounded in the fact that society is a political and not an economic entity. The electorate, however, and, for the most part, the other two parties, believe, or profess to believe, otherwise.

But if this is so, why does the Party not seek to turn an inescapable fact to political advantage?