

What Influences Liberal Democrats?

John Stuart Mill, Jo Grimond, green economists and the Suez crisis, according to this Liberal Democrat History Group survey of formative influences on leading Liberal Democrat politicians; **by Duncan Brack**

In 1906 the Liberal journalist WT Stead wrote to the newly elected Labour MPs to discover the influence of books and religious affiliations on their political beliefs. His findings, that the Bible ranked second behind the works of Ruskin, while only two of the 45 who replied had read Marx, was the basis of the frequently repeated aphorism that the Labour Party owed more to Methodism than to Marx.

In 1962, 1975 and 1994 *New Society/New Statesman & Society* repeated the exercise with both Labour and Conservative MPs, widening the questions to include, last year, the influence of other forms of art or entertainment and of contemporary figures and events; one question covered the influence of intellectuals on the MP's party. The Labour response showed a decline in the influence of the classic intellectuals of the left and a resurgence of interest in the older forms of ethical socialism (and in the Bible). Conservatives revealed a lower level of interest in books and authors and a tendency to cite influences from within their own ranks and domestic experiences.

Liberal Democrat MPs were included in the survey, but too few responded to make an analysis worthwhile - hardly surprising, out of a total of only 23. Therefore, with permission from the NSS, the Liberal Democrat History Group repeated the survey in June and July this year, widening the sample to include Liberal Democrat MEPs, peers and members of the Federal Executive and Federal Policy Committee, the Party's top two decision-making bodies. This gave a total sample size of 117, of whom 47 responded (40%, compared to 31% and 24% amongst Labour and Conservatives; 11 MPs and MEPs

Has the reading of books played a significant part in influencing your political beliefs and actions?

	Lib Dem	Labour	Cons	
Yes	83%	86%	67%	

(44% response rate), 17 peers (34%) and 19 committee members (45%)). The age range was probably rather wider than those of the MP-based samples in the other two parties. (Compared to the Liberal Democrat *membership* as a whole, women were under-represented and former Liberals (who dominate the Parliamentary Parties) over-represented; the regional and age spreads were probably about right.)

Books, Journals and Authors

Liberal Democrats are almost as likely as Labour MPs, and more so than Conservatives, to derive political influences from books or authors. But their selection is strikingly different. Over a third of all respondents mentioned the greatest of the Victorian Liberal philosophers, John Stuart Mill, usually for his essay *On Liberty*. This is a far higher proportion for a single author than any listed by Conservative or Labour MPs.



Which books or authors have had the greatest influence on your political beliefs?

Liberal Democ	rat	Labour		Conservative	
Mill	34%	Tressell	20%	Disraeli	16%
The Bible	13%	Tawney	13%	Burke	14%
Keynes	13%	The Bible	11%	'The Classics'	14%
Schumacher	13%	Marx	9%	The Bible	10%
Orwell	11%	Steinbeck	9%	Hayek	10%
Paine	11%	Foot	8%	Churchill	8%
Marx	9 %	Galbraith	8%	Popper	8%
Tressell	9 %	Orwell	8%	Orwell	8%
Hobhouse	6%	Bevan	8%	Hailsham	6%
Locke	6%	Shaw	8%	Macmillan	6%
Popper	6%				
Bertrand Russell	6%				

Others listed by more than one respondent (Liberal Democrats):

Berlin, Bethelheim, Chomsky, Crosland, Dahrendorf, Galbraith, Gladstone, Alexander Hamilton, Hegel, Harper Lee, Lloyd George, Rawls, James Robertson, Tawney, Tolstoy, Donald Wade.

Other Liberal thinkers are also well represented. Amongst the New Liberal philosophers, LT Hobhouse makes the top twelve, while Green, Hammond and Hobson also feature. Probably the most influential Liberal of the twentieth century, John Maynard Keynes, rates equal second place (Beveridge achieved a single citation). Tom Paine (perhaps surprisingly, completely absent from Labour MPs' influences) is mentioned by 11% of Liberal Democrats, Locke by 6%; Bentham and Smiles also warrant a mention, though Adam Smith does not. Socialist or social democratic writers - Crosland, Durbin, Tawney - are mostly, but not exclusively, mentioned by former SDP members; Marx and Robert Tressell (author of *The Ragged Trousered Philanthropists*) both make the top twelve.

Books on or by Liberal and Liberal Democrat politicians feature rather less strongly. Unsurprisingly, books by or about Gladstone and Lloyd George are most commonly mentioned, with Roy Jenkins, Shirley Williams and Paddy Ashdown achieving one citation apiece; Donald (Lord) Wade's 1960s promotion of the Liberal cause, *Our Aim and Purpose*, managed two.

All this seems to add up to a fairly traditional set of Liberal philosophers as major influences (reinforced by the relative absence of novelists, with the exception of Orwell, clearly an important influence on politicians of all three parties). There is, however, one outstanding exception: the influence of green economists. EF Schumacher, mainly for his *Small is Beautiful*, ranks second alongside Keynes and the Bible; James Robertson, Murray Bookchin, Herman Daly, James Lovelock (originator of the Gaia hypothesis), Jonathan Porritt, and the Club of Rome are also mentioned. The much-vaunted environmental credentials of the Liberal Democrats would seem to have their roots firmly based. None of these writers were listed by Labour or Conservative MPs.

In common with Labour and Conservative MPs, very few books published in the last five years were deemed worthy of mention. Only David Selbourne's *The Principle of Duty* received three mentions; others listed by two respondents were Galbraith's *The Culture of Contentment,* Charles Handy's *The Empty Raincoat,* Will Hutton's *The State We're In,* Roy Jenkins' *A Life at the Centre,* Nelson Mandela's autobiography and Skidelsky's biography of Keynes.

Religion and the Arts

Although the Bible ranks second equal in Liberal Democrats' influential books, religion has by and large not had a major impact. Only a minority of respondents - 40%, compared to 48% for Labour and 65% for the Conservatives - believed that religion had had a positive impact on their political beliefs, while 44%

currently professed a religious denomination (38% for Labour, 54% for Conservatives). No particular creed stood out; while nonconformists had a major role to play in the Liberal Party of the nineteenth century, only 8% identified themselves as such now (marginally higher than Labour); 10% are C of E, 8% non-denominational Christian, 6% Roman Catholic and 6% Church of Scotland. The decline in importance of religion in politics over the century has affected the Liberal Democrats as much as it has the other parties.

Arts and entertainment similarly do not account for major influences on Liberal Democrats' beliefs. 47% believed that they had experienced no influence from this direction (67% Conservatives, 25% Labour). Of those that did, theatre (26%), film (17%) and music (11%) scored most highly, the same as Labour MPs' top three and almost the same as Conservatives'. The green influence is still detectable, however; one respondent cited 'wildlife documentaries on TV'!

Figures and events

It is in the choice of influential figures and events where Liberal Democrats again show themselves distinct from the other two parties. In common with Conservatives and Labour, the contemporary personalities of greatest influence are mostly of the same political faith - Jo Grimond (mentioned by a massive 45% of respondents, underlining his key role in the postwar Liberal revival), and the architects of the Alliance, David Steel and Roy Jenkins.

The other two figures in the top five are both Labour politicians, Hugh Gaitskell and Harold Wilson; but the latter is remembered with loathing rather than admiration - three out of the four who named him specifically referred to him as a negative influence for his lack of radicalism and principle. Several other Labour politicians - Benn, Callaghan, Crosland, Foot - also feature lower down the list. Interestingly, Benn and Foot are generally cited by former Liberals, while the less left wing Labour figures appeal to the SDP element in the respondents. The rather greater age range of the Lib Dem sample is revealed in the personal memories of some of them of John Maynard Keynes and David Lloyd George.

Figures admired outside the Liberal Democrats (or Liberal Party or SDP) again include a number of Labour politicians: Benn, Callaghan, Frank Field and Healey were all mentioned by two or more. Three Conservative MPs - Gilmour, Heath (for taking Britain into Europe) and Hurd - also made the list. Otherwise the personalities were all nonWhat event during your lifetime has had the greatest effect on your political beliefs?

Liberal Democr	at	Labour		Conservative
Suez	17%	Upbringing	14%	Labour Govt 74-9 27%
World War Two	13%	Suez	9%	Winter discontent 12%
Entry into Europe	11%	The 1960s	9%	World War Two 12%
Assassination of JF	K 6%	Vietnam	7%	Cold War 10%
Collapse of USSR	6%	Starting work	6%	Advent of Thatcher10%
No event	6%	Hungary 1956	6%	Entry into Europe 6%
				Deprived childhood 6%
,		respondent (Liberal Den	,	
			es' in Northe	ern Ireland, the foundation of th
SDP, the depression				

British, including the top two, Nelson Mandela (mentioned by 11% of respondents) and John F Kennedy (9%); Aung San Suu Kyi, Jimmy Carter, Vaclav Havel, Lyndon Johnson and the Irish President Mary Robinson were cited more than once. In contrast to the Tories, non-British influences are more important; in contrast to Labour, virtually no British nonpoliticians are mentioned. The largest response, however (15%) was for statements such as *"I don't have heroes"* or *"I do not like hero-worship"*.

In common with the Labour and Conservative MPs, Liberal Democrats tended not to cite intellectuals as people they admired. However, 74% of them agreed with the question 'do you feel that intellectuals have made a significant contribution to the Liberal Democrats (or Liberal Party or SDP)?' One respondent went so far as to state that "all significant contributions to the Lib Dems have come from intellectuals". Only 17% gave a definite negative, and one added "this must be rectified!". This compares to 63% yes and 21% no for Labour, and 67% yes and 21% no for Conservatives. Liberal Democrats seem to see themselves as the most intellectual of the three parties. Given the Party's composition (the most middle class, and the mostly highly educated, of the three), this is hardly surprising, but the differences are not large. Furthermore, some respondents believed that while intellectuals had influenced the Liberal Party - Keynes and Beveridge were most frequently mentioned - they were largely absent in the Lib Dems. While one respondent believed that intellectuals themselves probably thought they had influenced the Party, "I am not one, so could not possibly comment!"

Liberal Democrats like to think of themselves as internationalist in outlook, and the events they cite as influencing their political beliefs bear this out. Five out of the top six cited - Suez (top with 17%), the second world war (13%), British entry into Europe (11%), the assassination of Kennedy (6%) and the collapse of the Soviet Union (6%) are all to do with events overseas or British foreign policy. Others cited by more than one respondent include more domestic events, but the personal experiences quoted by Labour and Conservative MPs ('upbringing', mentioned by 14% of Labour; 'deprived childhood', mentioned by 6% of Conservatives) are absent. The Suez crisis, which helped to underpin the postwar Liberal revival, shattering the myth that the Conservative Party had incorporated Liberal values, was clearly of key importance.

In general, Liberal Democrats' political beliefs are highly influenced by books and authors, and by events outside the personal and domestic. Compared to the other two parties, the Labour pattern of responses tends to be rather closer to the Lib Dems than is the Conservative. This is not unexpected; unlike the Conservatives both parties are and have been throughout their history progressive and reformist. But the

In the early stages of your political life did any particular contemporary figure(s) stand out as an influence on you?

22%

17%

16%

13%

7%

Liberal Democrat				
Jo Grimond	45%			
Hugh Gaitskell	11%			
Roy Jenkins	11%			
David Steel	9 %			
Harold Wilson *	9%			

Labour Nye Bevan Harold Wilson None Tony Benn Michael Foot ConservativeMargaret Thatcher 28%lain Macleod28%Winston Churchill24%Harold Macmillan18%Edward Heath10%Enoch Powell10%

(* but 7% specifically mentioned Wilson as a negative influence!)

Others listed by more than one respondent (Liberal Democrats):

Tony Benn, Jim Callaghan, Anthony Crosland, Michael Foot, Edward Heath, John F Kennedy, John Maynard Keynes, Martin Luther King, Nelson Mandela, Margaret Thatcher, Shirley Williams, none.

involved are quite different. The influence of Victorian and New Liberalism, of green economics and of recent Liberal and Social Democrat politicians define and separate Liberal Democrat political thought from other traditions on the left of British politics. Throughout most of the twentieth century it has been a less popular and successful ideology than its competitors - which perhaps accounts for the more consistent influence of Mill and Grimond; the range from which to choose is narrower - but it is distinctive and thriving.

people, books and events

Education - Back to Our Roots

Policy Retrospective By Tony Little and Duncan Brack

Recent Liberal Democrat education campaigns rest on a long history. This year celebrates the 125th anniversary of the passing of Forster's Education Act of 1870, the first to provide for compulsory primary education and the first to authorise mainstream education via the state.

Until 1870, education was largely a matter of the higgledy piggledy growth of charitable foundations, church schools and the sort of private enterprises satirised in Dickens' Dotheboys Hall. In the 1851 Census, while there were over 10,000 church schools educating more than 1 million children, and more than 29,000 private schools with nearly 700,000 pupils, there were only 610 schools supported by taxation. Of these, 523, with over 38,000, pupils were attached to workhouses.

Liberals were in the forefront of those promoting a voluntary approach to education. It was education which first brought Cobden and Bright together and Cobden was one of the first to push for state involvement on the American model. The movement for state education made little progress at first but in 1861 a commission chaired by the Peelite Duke of Newcastle reported that in important areas of the country, particularly the fast growing industrial areas, schools were not reaching large numbers of children and were not providing an adequate education. The immediate result was a move to payments by results (sounds familiar?). Schools were paid 4/- (20p) per child in attendance, and 2/8d (13p) per pupil per subject for passing annual examinations in reading, writing and arithmetic.

Further reform was hindered by the resistance of parents. In poor families, children were expected to work and therefore needed little education, effectively condemning them to perpetuate their poverty. For such parents the burden of school fees was too high. Nevertheless, political interest in education was strengthened by the widening of the franchise to a portion of the working classes in 1867 and by a growing awareness of the superiority of German industrial and educational processes. Religious disputes were important too: Anglicans were anxious to ensure that teaching continued to reflect the established religion, while Nonconformists wanted such religious teaching to be separated from schools supported by taxpayers.

W. E. Forster, Vice President of the Council in Gladstone's first government, appeared the right man for the job. Of a Quaker background, he was the son-in-law of Thomas Arnold, the reforming head of Rugby, and the brother-in-law of the author Matthew Arnold, one of the first school inspectors. Forster's Education Act of 1870 accepted the church schools but authorised local authorities to establish elected school boards where voluntary schools were inadequate. The boards had the power to levy school fees, and to use government

grants and levy rates to cover the cost for families unable to afford fees. The boards could pass by-laws making school attendance compulsory between the ages of 5 and 13. Campaigning for election to school board places lies at the root of the formal organisation of the Liberal Party and its successors.

Forster's compromise, as modified by the 1902 and 1944 Education Acts, provided the foundations of the modern system of state education. It had important implications for the Liberal Party. In the short run, the principle of state support for church schools angered its Nonconformist supporters, and Nonconformist abstentions were an important factor in the defeat of the Liberal Government in 1874. In the longer run, however, the pressure group formed to fight for a secular system of state education, the National Education League, helped to bring Joseph Chamberlain into national politics, and in 1877 evolved into the National Liberal Federation, the organisation of Liberals outside Parliament.

The Balfour Education Act of 1902 had a similar impact on the Nonconformist conscience to that of the Forster Act; but this time it was Conservative legislation which was objectionable. In providing rate aid to church schools, the Act drove thousands of Nonconformists back to the Liberal Party and provided an important milestone in the career of David Lloyd George, who became the leading spokesman for Welsh Nonconformist opposition to the legislation. George White, Liberal MP for North West Norfolk, organised a movement of passive resistance in which dissenters refused to pay their rates; by 1906 over 70,000 summonses had been issued and 176 Nonconformists sent to gaol.

In 1906, outrage over the Balfour Act helped to sweep the Liberals back into power in one of the greatest electoral landslides this century. The Education Act of 1906 removed the most obnoxious elements of the Balfour Act. (It still, however, retained provision for the public funding of church schools in urban areas where 80% of parents petitioned for it - an attempt to curry favour with the Irish Nationalists which in the long run undermined Nonconformist enthusiasm for the Liberals.) In 1918, Lloyd George, the last Liberal Prime Minister, finally abolished school fees.

This is the first in a series of 'policy retrospective' articles, examining the historical roots of major areas of current Party policy. The articles are also published in Liberal Democrat News; their space constraints may lead to some editing. The next issue will include an article on international trade.

Archive Sources

The Liberal Democrat History Group aims to provide a guide to archive sources for students of the history of the Party and its predecessors. Liberal Democrat archives are stored in the LSE Library, which also contains much Liberal Party material; SDP archives are kept at Essex University. We would like to hear from anyone knowing the whereabouts of any relevant archive material, including the records of local and regional parties, internal groups, and so on. Please write to Duncan Brack at the address on the back page.

Gladstone, Marx and Modern Progressives

Andrew Adonis examines the relationship between Karl Marx and William Ewart Gladstone, between revolutionary Marxism and reformist Gladstonian Liberalism.

Karl Marx's funeral at Highgate in March 1883 was attended by Engels and some ten others. Fourteen years later William Ewart Gladstone, Queen Victoria's longest serving Liberal prime minister, lay in state for four days in Westminster Hall so that vast crowds could pay their respects. Yet, claimed EH Carr in his 1934 biography of Marx, the future lay in Highgate. *"Marx could see - as hardly anyone else of his time could see - that not only Metternich and Bismarck, but Bright and Gladstone, belonged to an outworn epoch ... Marx proclaimed the coming of the new age. He knew that its leaders and heroes would be men of another mould, of other traditions and of other methods."*

Now that Marx has joined the outworn epoch, new age liberals in search of traditions and methods for guidance might do well to exhume Gladstone, the pre-eminent liberal leader in modern British politics. Marx himself would not have been surprised by the quest, for he never regarded Gladstone as yesterday's man. On the contrary, from his arrival in England in 1849 - when Gladstone was a leading Peelite in transition from the Tories to the evolving Liberal coalition - until his death 34 years later, during Gladstone's second government, the German socialist was obsessed by the character and methods of Britain's political colossus. Gladstone features on 307 pages of the Lawrence & Wishart edition of the Marx/ Engels collected works, mostly in Marx's letters and journalism.. Even in illness, the Liberal leader was a preoccupation. "He is still very, very unwell," Jenny Marx told Engels when Karl was laid up in May 1854. "There can be no question of writing. He labours over Gladstone's long speeches and is very annoyed at not being able to write just now when he's got enough material on Mr Gladstone and his SCHEMES."

Gladstone is not short of biographers. Another two studies join the shelf this year, one by Roy Jenkins, the other by Colin Matthew, whose edition of the Gladstone diaries was recently completed at 14 volumes. Yet the essence of the Gladstonian method needs to be distilled from the mass of a political life spanning 65 years, nearly 30 of them spent in government. An illuminating - but curiously neglected - perspective is to be gained by examining the Gladstone/Marx relationship over its three decades, setting the revolutionary and the liberal reformer in apposition.

Gladstone and Marx shared a parallel parentage, education, and approach. The Liverpool merchant was far richer than the Trier lawyer, yet their offspring were both sons of the early 19th century's rising bourgeoisie. Both were classical scholars with a journalistic bent and a political mission; both were intellectuals in politics, concerned to establish the first principles of collective action; both radicalised with age, roused to passion by injustice, alienation, and imperialism - with plenty of *"honest idiocy of flight"* in both cases. But for the suppression of his *Rheinische Zeitung* (1843), and the reactionary governance it symbolised, Marx might never have ended up a Marxist. For his part, although ignorant of Hegel's dialectic, Gladstone held an optimistic conception of political progress leading to freedom, and was remarkably dialectical in method. Marx once compared his method with Gladstone's:

I am a machine, condemned to devour them books and, then, throw them, in changed form, on the dunghill of history. A rather dreary task, too, but still better than that of Gladstone's, who is obliged, at a day's notice, to work himself into 'states of mind', yclept 'earnestness.'

In reality, Marx was far more akin to Gladstone than he cared to admit. Gladstone's great departures invariably followed the relentless amassing of facts, books, opinions, and a subtle perception of the balancing action needed to right the status quo towards an attainable liberal mean. Marx noted in *Kapital* that the investigation of social and economic statistics, critical to his work, was a prime British trait not followed on the Continent. It was a Gladstonian trait *par excellence*.

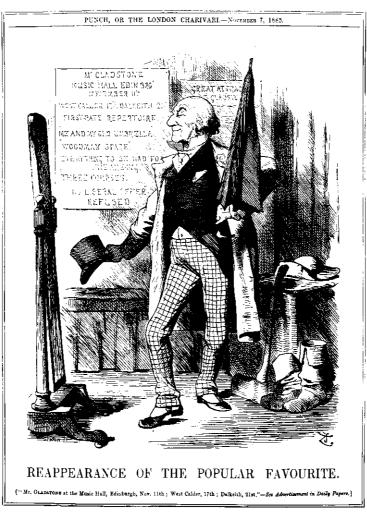
Gladstone's view of Marx can be stated simply. He had none - at least, none is recorded. The index to the 21,000 books and pamphlets noted in Gladstone's diary, which covers a remarkable range of political and historical literature, contains no entry for Marx. Gladstone's German reading consisted mainly of theology and the classics. *Das Kapital* appeared in English only a few years before his death: although based largely on British sources, it attracted minimal notice in Britain. An 1881 article in the *Contemporary Review* noted the "curious and not unmeaning circumstance" that for all their impact on the Continent "the writings of Marx are hardly better known in this country than those of Confucius."

The Contemporary Review believed the explanation for this ignorance to be "obvious". Marxism was rooted in the "long Continental struggle for political emancipation." In Britain, by contrast, "the course of politics has long run very smooth; none of the questions of the day have forced the fundamental principles of the existing system into popular debate ... and the working classes are preoccupied with the development of trade unions." Marxism could only flourish "either by the injudicious obstinacy of those in power, or by the direct teaching of influential thinkers." Gladstone was insufficiently obstinate for the purpose: he even refused to ban the socialists. When in 1871 the German ambassador asked Downing Street to follow Continental governments and denounce the First International, foreign secretary Granville, in a letter seen by Gladstone, firmly declined. "It is thought that here, at least, the best mode of meeting any danger which may be feared from the proceedings of the association is to encourage their publicity," he responded.

Gladstone's ignorance of Marx flowed - ironically - from his acute sensitivity to the causes of social strife and his relentless struggle to address them by liberal methods. To Gladstone, the only means to achieve social peace and communal growth was government commanding wide consent, deeply rooted in its local and national society. His entire career, from darling of the *"stern unbending"* Tories in the 1830s to *bête noire* of the aristocratic Establishment in the 1880s and '90s, was a struggle to reconcile first himself, and then the political class, to the incremental reforms necessary to promote class harmony, broadly based economic growth, and self-government in its widest conception. Like Tocqueville, whom he had read, Gladstone founded liberal principles of toleration, inclusion, compassion and duty on the Gospels: unlike the French liberal,

he wore his faith on his sleeve, infuriating Marx ("*pietistic casuistry*" is a recurring phrase) and Disraeli in equal measure.

Yet for the mature Gladstone, faith dictated principles not policies. When it came to public policy, he retained into old age an extraordinary suppleness of mind and action, a flexibility exhibited not so much in pragmatism, an art at which he did not always excel, but rather in his conception of ripeness - the notion that in applying principles, reform should be incremental and attempted only when circumstances and public opinion are sufficiently ripe for it to secure general acceptance. Ripeness is readily enough the cry of the weak-willed and nakedly populist. But not for Gladstone, who never doubted that the politician's duty was to aid the ripening process; and who never supposed that the



a long "period of corruption" during which the workers "finally reached the stage of being no more than an appendage of the great Liberal Party - ie of its oppressors, the capitalists".

In his inaugural address to the First International (1864), Marx seized on Gladstone's 1863 budget speech for the purpose. Gladstone had lauded the 20 per cent rise in Britain's taxable income between 1853 and 1861 as an *"intoxicating augmentation of wealth and power"*. But, Marx alleged, he went on to note that this augmentation was *"entirely confined to the classes of property."* When repeated in *Kapital*, these last words were furiously denied by Gladstonians, who cited their non-appearance in *Hansard*.

The riddle of the missing words says much about the Gladstonian method. The report of the budget speech in *The Times* unambiguously supports Marx, although the key sentence needs to be read with the ensuing remarks on the labouring masses:

The augmentation I have described, and which is founded, I think, upon accurate returns, is an augmentation entirely confined to the classes possessed of property. Now, the augmentation of capital is of indirect benefit to the labourer, because it cheapens the commodity which in the business of production comes into direct conflict with labour.

In the *Hansard* report of the speech, the first sentence is radically recast to omit the crude reference to the *"classes possessed of property"* and to extend property to the labourers, while the second sentence

implementation of reform would be uncontroversial, however ripe the time.

Marx's own observation of Gladstone bears this out. It takes the form practically of a dialogue between the two men, in which the liberal politician responds to the revolutionary polemicist in terms of action.

In his letters and journalism, four themes run through Marx's diatribes on Gladstone: the poor, foreign policy, Ireland, and the futility of parliamentary politics. It was, of course, central to Marx's economics that England's working classes were exploited and getting poorer, and to Marx's politics that Gladstonian liberals were their chief persecutors. As he wrote in 1878, the collapse of Chartism in the late 1840s inaugurated

is reworded to magnify the *"indirect benefit"* to the poor of the rich getting richer:

The figures I have quoted take little or no cognizance of the condition of those who do not pay income tax; or in other words, significantly accurate for general truth, they do not take cognizance of the property of the labouring population, or the increase of its income. Indirectly, indeed, the mere augmentation of capital is of the utmost advantage to the labouring class, because that augmentation cheapens the commodity which in the whole business of production comes into direct competition with labour.

The Times' report is a verbatim transcript, whereas speeches were 'corrected' by MPs before their appearance in *Hansard*. It is clear enough that Gladstone rewrote the passage to remove

the implication that the labouring masses, unpropertied, had gained only a few crumbs from a boom for the rich. The time was not ripe for such an admission.

However, Gladstone did not delude himself as to the scale of distress in industrial Britain and the need for an effective response. His response was two-pronged. The first involved modest reforms - such as extending the use of the new Post Office Savings Banks to trade unions - to make the free trade and minimal government regime, which he believed to be fundamentally sound, more immediately palatable to the working classes. (His confidence was to be supported by the return of growth in the late 1860s.) The second, and more important, was a rhetorical offensive aimed at redefining the notion of political community so as to include most of the male unenfranchised, deploying an elevated picture of the fortitude of industrial workers during the cotton famine of the American civil war years to justify their admission within the "pale of the constitution". The result was the 1866 Reform Bill to extend the franchise in urban districts, including the typically Gladstonian flourish of a vote to holders of savings accounts of £50 for two years. Limited to the towns, the 1866-67 reform settlement ultimately enacted by Disraeli in a stroke of brilliant opportunism was inherently unstable, and the great work of Gladstone's second government was to extend the vote to rural workers, after a rhetorical offensive reminiscent of the early 1860s.

For the mature Gladstone, faith dictated principles not policies.

Gladstone's economic strategy exhibited the two characteristic strands noted above: an incremental policy backed by a rhetorical offensive of far more ambitious dimensions. The rhetoric was a prolonged course of public education in the virtues of personal and governmental thrift and fiscal responsibility; the policy consisted of assiduous budgetary fine tuning to reduce borrowing, improve efficiency and achieve a fairer balance between direct taxation and the indirect taxes bearing hard on the middling and lower-income classes.

Marx despised and avoided public debate, and was scathing of Gladstone the "financial alchemist". "There exists, perhaps, in general, no greater humbug than the so-called finance", he snapped after Gladstone's sweeping 1853 Budget. "The public understanding is quite bamboozled by these detestable stock-jobbing scholastics and the frightful complexity in details." Yet the alchemy and scholastics delivered political and economic 'material' on an enviable scale. Governments were perceived as holding the ring honestly between competing interests; confidence in executive competence remained high; while for the public at large, politics was sport between competing idols Gladstonian memorabilia still haunts the antique shops and not warfare between class enemies. Instead of stoking anti-regime riots and passing anti-socialist laws, ministers and union leaders in general bargained with mutual respect, seeking to reach accommodations and to maximise their autonomy vis-à-vis their less disciplined followers. There was no shortage of industrial disputes, but as Marx put it of Britain in 1879: "strikes take place which, victorious or otherwise, do not advance the movement by one single step." Up-and-coming late-Victorian working class leaders spent their leisure in such activities as imitating the speechifying Gladstone in 'mini-Parliaments' across the land. Parliament and the party system possessed an ideological strength which steadily increased throughout the 19th century. As Ross McKibbin puts it: *"The demand for the vote, the emphasis on the instrumentality of enfranchisement, made it difficult to conceive of any other form of political action as legitimate, or indeed, of any other form of political action."* Marx told the First International that *"the great duty of the working classes"* was *"to conquer political power"*. In Britain Gladstone was their chief ally in the conquest, and in the process he earned their conditional trust for an institutional and ideological framework which disabled them from transforming numerical dominance into executive arrogance, let alone class dictatorship.

In international affairs Gladstone, like Marx, recognised that harmony required justice and consensus on norms, not just a 'balance of power' or a superpower policeman. In the succession of crises he confronted over the disintegration of the Ottoman Empire, Gladstone evolved notions of collective security and the 'Concert of Europe' which, as Henry Kissinger recognises in his recent Diplomacy, laid the foundations in statecraft for Woodrow Wilson's subsequent efforts to reconcile national autonomy with peaceful co-existence. Gladstone's thinking evolved through heated experience. In his 1851 campaign against the brutalities of the Neapolitan government, he appealed to the conscience of the Bourbon regime and spoke as a Tory "compelled to remember that that party stands in virtual and real, though perhaps unconscious, alliance" with established governments. By 1876, he was appealing to the conscience of the British masses to uphold the rights of Bulgarians to revolt against oppression, urging the eviction of their Turkish rulers "bag and baggage". As one historian remarks, by the mid-1860s Gladstone's "mature European sense" had "fused with his new democratic sympathies. They formed a highly combustible compound" - one much apparent in the ambiguous western response to today's Balkan atrocities.

It is in relation to the Irish question that the Marx-Gladstone dialogue is most striking. For Marx, exploitation of the nationalist and economic grievances of the Irish was the key to - indeed the only likely cause of - an early social revolution in Britain. "*After studying the Irish question for years*," he wrote in April 1870, "*I have come to the conclusion that the decisive blow against the ruling classes in England* … *cannot be struck in England but only in Ireland*." Gladstone concurred. Hence his preoccupation with Irish policy, which grew with each passing year after the mid-1860s until by 1887 he was confessing to his diary: "*Now one prayer absorbs all others: Ireland, Ireland, Ireland.*"

In 1868 Marx saw controversy over the future of the established Anglican Church of Ireland as the likely ignition for social upheaval, because of its status as *"the outpost of the Established Church in England ... as a landowner."* So did Gladstone. After his election victory later in the year, he promptly disestablished the Church of Ireland, in the teeth of bitter Church and landowner resistance in England. Next came the agricultural land question. Gladstone's 1870 Land Bill, with its tentative safeguards for tenants, did little to contain the Land War. But Marx lighted on the real problem, writing to Engels when the bill was before the Commons: The best bit of Gladstone's speech is the long introduction, where he states that even the 'BENEFICENT' laws of the English always have the opposite effect in practice. What better proof does the fellow want that England is not fit to be lawgiver and administrator of Ireland!

On this premise, Marx urged that England's working class "not only make common cause with the Irish, but even take the initiative in dissolving the Union ... substituting a free federal relationship for it." Gladstone proposed just such a "free federal relationship" three years after Marx's death, believing the time ripe for admission that "England is not fit to be lawgiver and administrator of Ireland." Immersed in the literature of federalism and Irish nationalism, he saw the rise of a conservative Nationalist elite under Parnell, and the failure over decades of disestablishment and successive coercion and land acts to quell Irish discontent, as evidence that Home Rule was both prudent and necessary. In the event, lamentable party management - particularly the maladroit handling of Chamberlain - defeated his first Home Rule bid (1886), and his second was wrecked beforehand by the Parnell affair; but it is hard to fault Gladstone's judgement on other than narrow tactical grounds.

What separated Gladstone and Marx was the notion of class struggle and experience of working political institutions. An "out and out inequalitarian," Gladstone nonetheless worked himself into his most "yclept earnestness" in denouncing national and international oppression, not least (as the Whigs deserted him) the 'upper ten thousand' at home. Indeed, he shared with Marx a conception of class division and evolution which was altogether too static and coloured by recent history - witness his romantic attachment to the Whig aristocracy and his curious inability to grasp the social potential of stateprovided education. Yet the notion of endemic conflict, between classes or nations, aroused his profound repugnance. In part this reflected a Christian view of conciliation and the 'bonds of mutual sympathy' transcending classes and nations. Equally important was his faith in the power of sound institutions and well-trained politicians to yield a government sufficiently class neutral to promote the interests of all classes. Contemptuous of parliamentary politics, Marx was supremely unconcerned about institutional design. By contrast, Gladstone summed up his political life as "greatly absorbed in working the institutions of his country."

Marx was an acute, as well as caustic, critic of the Gladstonian style. Here he is on *"Gladstone's eloquence"* in 1855:

Polished blandness, empty profundity, unction not without poisonous ingredients, the velvet paw not without the claws, scholastic distinctions both grandiose and petty, quaestiones and quaestiuniculae [minor questions], the entire arsenal of probabilism with its casuistic scruples and unscrupulous reservations, its hesitating motives and motivated hesitation, its humble pretensions of superiority, virtuous intrigue, intricate simplicity, Byzantium and Liverpool.

Yet such invective, for all its telling thrusts, failed utterly to make the connection between Gladstone's style and his



phenomenal success in uniting and inspiring social coalitions broader than virtually any other in modern British politics. For Gladstone, the art of politics was as much process as policy. He set high store by the processes of professional politics rhetoric, debate, suasion, electoral and parliamentary procedure - and was a past master of them all.

Procedure, it has been said, is the only constitution the poor English have. Gladstone was a procedural bore, yet he never confused the respect due to established form with the need to ensure that the substance was in harmony with contemporary needs. Indeed, his profound empathy with old forms and new exigencies - "Byzantium and Liverpool" - may be counted his greatest strength. His ruling conviction, he told his mentor Sir Robert Peel in 1841, was "that it is possible to adjust the noble and ancient institutions of this country to the wants and necessities of this unquiet time." This made him at once Britain's greatest constitutional reformer since Cromwell, yet a great stickler for time-honoured forms and institutions. The extension of the vote, the modern Treasury, parliamentary scrutiny committees, company and university reform, civil service recruitment by merit, the abolition of payment for army commissions: all these exhibit the Gladstonian dualism.. To take just the first, the 1867 and 1884 extensions of the franchise turned Britain into what contemporaries considered a fullyfledged democracy; yet at every stage Gladstone worked to safeguard the historic link between MPs and constituencies one of the most effective curbs on the pretensions of party machines then and now - and actually enhanced it by his creation of single-member seats in 1885.

What of Gladstone's legacy to modern progressives? Foremost is the method - being "greatly absorbed in working the institutions of the country". It means resisting the belief - the bane of modern left and right alike - that the destruction of institutions (county councils, grammar and independent schools, the BBC, the NHS, the House of Lords) is a canon of reformist wisdom.. It means talking up, not down, to the electorate; putting political parties in their place; respecting the notion of ripeness, even in pursuit of goals (a federal Europe? an end to welfare dependency?) passionately supported. It means the cultivation of professional politicians - in the sense of politicians who are professional at the job of working institutions, deliberating on policy, and inter-acting with elites, interest groups and voters. Not least, it means government by discussion and consideration, not government by soundbite and reflex, however democratic the age.

Less definite is the legacy of Gladstone to the realm of policy - within this framework. There can be no transplant of Home Rule, "peace, retrenchment and reform" or the Concert of Europe, just as no liberal could regard Himmelfarb's "Victorian virtues" - exemplified by Gladstone - as a prescription for social health in the 1990s. Any message lies, rather, in Gladstone's drive to leave his society more democratic, internationalist, prosperous and socially cohesive than he found it. Motivated by no Utopian vision of democracy, or of social and international harmony, he nonetheless had an ambitious view of the progress which could be made in all three directions in his lifetime and by his exertions. As he put it to the Commons, introducing the 1884 Reform Bill:

Ideal perfection is not the true basis of English legislation. We look at the attainable; we look at the practicable; and we have too much of

English sense to be drawn away by those sanguine delineations of what might possibly be attained in Utopia, from a path which promises to enable us to effect great good for the people of England.

Moreover, Gladstone understood that without passion there is little motivation in politics; yet, to a degree perhaps unique in modern peacetime politics, he mobilised passion behind immediate goals, not only attainable without civil strife, but themselves likely to reduce that strife once achieved. Above all he stood for greater self-government, for individuals, communities and nations.

Which takes us back, full circle, to EH Carr on Karl Marx in 1934. "In the epoch of humanism," Carr wrote, "there had been individual liberty - except for the despised and unimportant masses who lay outside the pale." In the Marxist epoch of mass rule, individual liberty would of necessity either be meaningless (as automatic acceptance of the mass will) or noxious (as a revolt against it). But, Carr concluded wistfully, the time would come for a new revolution in human thought. "The inveterate tendency of man to individualise himself will ultimately reappear; and unless all historical analogies are false, a new differentiation of the mass will lead to a new renaissance of humanism." Individualism has reappeared with a vengeance. Gladstone's heirs might see the issue of the age as whether it leads to a new humanism, or a new barbarism.

Andrew Adonis is Public Policy Editor of the Financial Times. His books include Making Aristocracy Work: The Peerage and the Political System in Britain 1884-1914 (1993). This article will also be published in the Times Literary Supplement.

Research in Progress

This column aims to assist the progress of research projects currently being undertaken, at graduate, postgraduate or similar level. If you think you can help any of the individuals listed below with their thesis - or if you know anyone who can - please get in touch with them to pass on details of sources, contacts, or any other helpful information.

The Young Liberals 1970-79: their philosophy and political strategy. MA thesis. Ruth Fox, 9 Chapel Terrace, Headingley, Leeds LS6 3JA.

The grass roots organisation of the Liberal Party 1945-64; the role of local activists in the late 1950s revival of the Liberal Party. Ph.D thesis. Mark Egan, University College, Oxford OX1 4BH. (See full article in this Newsletter.)

The Liberal Party in Southampton 1890-1945 (particularly 1890-1918). Sources needed for Ph.D thesis on the development of labour politics in Southampton. Graham Heaney, 132 Hayling Avenue, Copnor, Portsmouth, PO3 6ED.

If you know of any other research project in progress for inclusion in this column, please send details to Duncan Brack at the address on the back page.

Jo Grimond's Liberalism

Book Review by Malcolm Baines

Peter Joyce:

: Giving Politics a Good Name: a Tribute to Jo and Laura Grimond (Liberal Democrat Publications, 1995)

Apart from the possibility of reading Grimond's own memoirs, published as long ago as 1979, the life and career of Jo Grimond has remained relatively obscured from most latterday Liberal Democrats until the publication of this slim volume earlier this year.

Peter Joyce, a lecturer at Manchester Metropolitan University, has given a handy summary of Grimond's political life and views. The latter in particular are emphasised by his stylistic quirk of quoting Grimond frequently and placing the great man's words in italics. However there is very little here which is not better and more interestingly expressed in Grimond's own memoirs. The historical part of this work is not its main strength; though it is useful in providing a potted summary of Liberal history since 1950. Joyce does not capture anything of either Jo or Laura's personal contribution and the book is rather dry as a result. The chapter dealing with Grimond's ideological beliefs is more interesting. This is partly because his views were quintessentially Liberal, particularly in terms of worker participation, the importance of the individual and the diffusion of economic and political power. These are interests deeply unfashionable in the modern Liberal Democrats and to read them expounded in such a coherent way is refreshing.

Joyce is also interesting in the final chapter, almost an afterthought, on the Grimonds and Scottish politics. In the light of more recent coverage, Grimond's views on the devolution debate in the 1970s are worth revisiting. In particular, their emphasis on starting with the wishes of the people rather then Westminster is a salutary reminder that government is made for people, not people for the government.

In conclusion, Joyce's book is a valuable contribution to Liberal history not because of its rather tired summary of the party's disappointments over the last forty years but because it provides a platform for Grimond's Liberal philosophy to be aired. Nowhere is this more welcome than in the area of economic debate and ownership where the Liberal Democrats have so far failed to do more than echo the prevailing consensus.

A copy of the new History Group publication, The Liberal Party and the 1945 General Election, by Peter Joyce, accompanies this Newsletter for all History Group members. Additional copies are available, price £2.50.

Membership Services

The History Group is pleased to make the following listings available to its members.

Mediawatch: a bibliography of major articles on the Liberal Democrats appearing in the broadsheet papers and major magazines and academic journals (all those listed in the British Humanities Index, published by Bowker-Saur). Starting in 1988, this now extends to September 1994.

Thesiswatch: all higher degree theses listed in the Bulletin of the Institute of Historical Research under the titles 'Liberal Party' or 'liberalism' (none yet under SDP or Liberal Democrats!)

Any History Group member is entitled to receive a copy of either of these free of charge; send an A4 SSAE to Duncan Brack at the address on the back page.

Mediawatch:

Liberal Democrat Journals

This is a new column extending the service provided by the History Group in its 'Mediawatch' listing. Each issue of the Newsletter will list articles of historical interest appearing in the previous three months in the three main Liberal Democrat journals: Liberal Democrat News, Liberator and The Reformer. The items will also be added to the full Mediawatch listing. This first listing covers the period March - August 1995.

Ever so staunch in Scarborough! (on Osbert Sitwell's Parliamentary campaign in 1918) (Jonathan Fryer, *Liberator* 227, March 1995)

Lloyd George 100 years ago (Cllr W. George (Lloyd George's nephew), *Liberator 227*, March 1995)

Liberals, Labour, and social liberalism in modern Britain (Andrew Adonis, The Reformer 2:3, spring 1995)

25 years on: the birth of funded focus (Martin Kyrle, Liberal Democrat News 355, 7 April 1995)

Propaganda secrets which beat Goebbels (on the Liberal Noel Newsome, in charge of BBC broadcasts to Europe 1939-45) (David Boyle, *Liberal Democrat News* 359, 5 May 1995

Why education takes us back to our roots (Tony Little and Duncan Brack, *Liberal Democrat News* 364, 9 June 1995)

A very Liberal coup (on the London Liberal Party in the 1980s) (Mark Smulian, *Liberator* 229, June 1995)

Sir John Bowring (George Bartle, Liberator 230, July/August 1995)

Oligarchy and Empiricism

Book Review by James Lund

Will Hutton

The State We're In (Jonathan Cape, 1995)

This important book has been widely reviewed. Rather than reduplicate what has been better done elsewhere, I simply propose to consider something said by RW Johnson in the *London Review of Books* (9 March 1995) in review of Hutton's book under the heading 'Megalo'. Of the economic arguments, Johnson said, "not that Hutton is wrong but that he is overconfident, has taken on far too much and wants, megalo style, to connect everything up with everything else."

Whatever the deficiencies of Hutton's book, what it offers is an intelligible explanation of the relative economic decline of Great Britain worldwide in the course of the twentieth century. Johnson summarised this side of Hutton's account as follows: "The historic yield on British equities is over 4.5 per cent, which is a lot higher than anyone else pays (the East Asian markets pay under one per cent). In effect this means that British investors vote for immediate income rather than capital growth; indeed that they heavily discount capital growth. This in turn dooms companies to distribute to shareholders capital they ought to keep and reinvest, so the prophecy of slow growth becomes self-fulfilling. The net result is that we consume too much, and invest and produce too little."

What makes Hutton's book important as an essay in political economy is his grasp of the relation between such 'gentlemanly capitalism', as he calls it, and the oligarchical structure of government in the name of the Crown, as it has developed throughout the past century, culminating in the Thatcherite years. Of the Bank of England, first set up in the aftermath of the Glorious Revolution, which first established that structure, Hutton states: *"The Bank's overwhelming objective is to sustain London's position as an international financial centre - and its history, internal organisation, culture and recruitment policy all reinforce that mission. Although it was nationalised by the Labour Government in 1946 it has never felt any need to qualify its basic credo that the promotion of the City of London's financial markets is synonymous with the public interest."*

Behind the Bank of England stands the Treasury, which also identifies the common good with the prosperity of London's money markets. It is the principal obstacle within central government to any reform of its structure that would create a state which rules for the people of the country rather than over them. As things are, we have what Hutton calls an "unwritten constitution organised around the principle that the law is whatever the monarch assents to in a Parliament that has no clear democratic rules". This is what Lord Hailsham called an 'elective dictatorship', in which the power of the Crown has passed to the majority party, which, as the Thatcher-Major years have shown, is in a position to dominate the whole public realm without serious opposition.

Johnson's review of Hutton's book under this characterisation of 'megalo', as wanting 'to connect everything else', may be understood as a response to the danger of the oligarchical system of government in Britain today which is inherent in Hutton's book. The danger lies in the relative precision and comprehensiveness of Hutton's review of the way in which such government, in a carefully informal, unadvertised kind of process, has had a hold upon the major institutions of British public life and directed them in its main interests, particularly in relation to whatever developments were thought to threaten its continued dominance of the state in the actual conduct of affairs. In its heyday, this system was able to establish a remarkable uniformity of attitude and disposition within what has become its own section of the political class.

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The charge of 'megalo' confuses the rational reflections of Hutton's book with action whilst at the same time appealing to the prejudices of the empiricist outlook, which maintains that what we come to know and understand is the outcome of an existentially piecemeal process, grounded in particular encounters and sensations. Empiricism was and is the British philosophy, with which the oligarchical system had generally identified itself since the late seventeenth century. It is a philosophy that has in many ways served to conceal the system of government of which Hutton has given so thorough an account, one which points to the need for thorough-going action, comparable to the Glorious Revolution in the scale of its political and economic reform.s.

The way in which the oligarchical system has done so is by exercising a control over systematic reflection, urging or ordaining that political and economic experience be thought out piecemeal in the way dictated by the primacy assigned in empiricism to the physical thinking of an experimental and mathematical kind, fundamental to the natural sciences. In fact, neither the organic nor the actual in our experience is intelligible in this way. This is particularly true of the actual, sometimes called the historical, when it is thoroughly and systematically conceived in the comprehensive way representative of British oligarchical government at its most powerful. Johnson's charge of 'megalo' against Hutton, insofar as it is intelligible at all, looks like an expression of the realisation that the empiricist cloak over large designs and strategies no longer serves its purpose.

I have to add that no dissenting voice has yet been raised in the busy correspondence columns of the LRB, concerning Johnson's review.

Liberal Democrat Historical Publications

Available from Liberal Democrat Publications, 8 Fordington Green, Dorchester DT1 1GB (add 20% P&P):

Peter Joyce, *Towards the Sound of Gunfire: a history of the Liberal Democrats* (second edition, 1994; £2.50)

Lord Jenkins of Hillhead, *Learning the Lessons of History: Hung Parliaments and Coalition Governments* (lecture given to Liberal Democrat History Group fringe meeting; 1992; £2.95)

Geoffrey Thomas, *Liberal Democracy: The Radical Tradition* (1994; £3.95)

Peter Joyce, *Giving Politics a Good Name: A Tribute to Jo and Laura Grimond* (1995; £3.50)

Available from other sources:

Manchester Liberal Democrats, *Manchester Liberal Federation* (reprint of booklet originally produced in 1906 to mark the Liberal triumph in the election of that year) (contact North West Liberal Democrats, Room 50, Clayton House, 59 Piccadilly, Manchester M1 2AQ)

Duncan Brack, *The Myth of the Social Democrats: A Critique of Owenite Economics* (LINk Publications, 1989; now available from Liberal Democrat History Group, Flat 9, 6 Hopton Road, London SW16 2EQ; £1.50 + 20% P&P)

Also contact Tony Greaves, 3 Hartington Street, Winewall, Colne, Lancashire BB8 8BD for a comprehensive catalogue of second hand political and election books.

A Liberal Democrat History Group fringe meeting

Does New Labour leave room for New Liberals?

Martin Kettle (Assistant Editor, the Guardian)

John Curtice (Department of Politics, Strathclyde University)

The reforming Liberal Governments of 1906-14 helped lay the foundations of the British welfare state; amongst other achievements, they introduced old age pensions, national insurance and the principle of graduated taxation. Underpinning these political achievements lay the school of thought known as the 'New Liberalism'.

New Liberal writers such as Green, Hobhouse and Hobson advanced the philosophical underpinnings of the Liberal Party onwards from Gladstonian individualism, developing the concept of community and drawing attention to the need for positive action to redress social and economic inequalities. Yet theirs was still identifiably a liberal and non-collectivist approach, stressing the need for participative reformism, rather than seeking to impose reforms from above.

Is Tony Blair's 'new Labour' Party adopting this agenda? Or are the Liberal Democrats the true inheritors of the New Liberalism?

5.15pm - 6.45pm Sunday 17 September; Argyll III room, Moat House Hotel, Glasgow

The Liberal Democrat History Group aims to promote the discussion and research of historical topics, particularly those relating to the histories of the Liberal Party and the SDP. We aim to fulfil this objective by organising discussion meetings, by spreading knowledge of historical reference sources, by assisting in the publication of studies of the Liberal Democrats and its predecessor parties, and by publishing this Newsletter.

Membership of the History Group costs £5.00 (£3.00 unwaged rate); cheques should be made payable to 'Liberal Democrat History Group' and sent to Patrick Mitchell, 6 Palfrey Place, London SW8 1PA.

Contributions to the Newsletter - letters, articles, and book reviews - are invited. Please type them and if possible enclose a computer file on 3.5" disc. The deadline for the next issue is **2** November 1995; contributions should be sent to Duncan Brack at the address below.

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