Report

Old Liberals, New Liberals and Social Democrats: the Liberal Democrats' political heritage

Evening meeting, July 2002 , with Earl (Conrad) Russell, Baroness (Shirley) Williams and Professor Michael Freeden

Report by **Ian Hunter**

Conrad Russell opened the meeting by stressing the party's commitment to pluralism. He observed that both the Social Democratic and Liberal wings of the party had significant philosophical roots in common and that as many good Liberal ideas came into the party from the SDP as from its traditional Liberal roots.

The seventeenth-century roots of Liberalism had been built around a common tradition of giant-killing. During 1679–88 and the attempt to exclude James II and VII from the throne, the forebears of the Liberal Party had been motivated by a commitment to an ascending theory of power. This asserted that power comes up from the people to those they elect, rather than coming down, like an avalanche, the other way. Although this was a seventeenth-century idea it remained a vital one. With it came a commitment to intellectual pluralism and the theories of Locke. Locke distinguished between religion, which he thought was not the state's business, and the enforcement of a common code of morality, which he thought was exactly the state's business.

In Russell's opinion it was not until J. S. Mill that political thought went beyond that. And it was not until Roy Jenkins became Home Secretary in the mid-1960s that the country had a Home Secretary who was fully committed to Mill's principles. Russell argued that the party's commitment to Mill's principles was not complete until the policy paper on civil liberties at the Liberal Democrat conference in spring 2001 closed the circle by incorporating the far-reaching idea that the only reason for which a state may interfere with the liberty of one of its number was to prevent harm to others. Concern about what would be best for the individual's own physical or moral good was not sufficient justification. 'Now with the Liberal Democrats' commitment to pluralism goes a long-standing commitment to the rule of law, and the 1689 commitment to the security of judges and the independence of the judiciary remain among our key beliefs.'

Russell went on to argue that the Liberal Democrats are most regularly misunderstood or misrepresented by their political opponents as being a party that believes in a singular *laissez faire* approach to the economy. He quoted Mill's statement that 'trade is a social act; whoever undertakes to sell any description of goods to the public does but affect the interest of other persons and of society in general, and thus his conduct in principle comes within the jurisdiction of society. Accordingly, it was once held to be the duty of governments in all cases considered to be of importance to fix prices and regulate the process of manufacture. But it is now recognised, though not until after a long struggle, that the cheapness and good quality of commodities are most effectively provided for by leaving the producers and sellers perfectly free, under the sole check of equal freedom for the buyers to supply themselves elsewhere.' By this statement Mill showed that his commitment to liberty and free trade were not logically interdependent, and that his commitment to free trade only went as far as was practical. This distinction opened the door to the rise of New Liberalism at the start of the twentieth century. Russell stressed that it is the party's commitment to ensuring the level playing field in economic policy between buyers and sellers that separates it from its political competitors.

Professor Michael Freeden, who spoke next, began with Hobhouse, one of the principal philosophers of New Liberalism. In 1911 Hobhouse argued in *Liberalism* that freedom was only one side of social life, and that mutual aid was not less important than mutual forbearance. Freeden argued that there is no such thing as Liberalism; rather, that there were many liberalisms – variations on a set of themes that may contain family resemblances but which can mutate over time and space into different patterns. Individuality, liberty, progress, well-being and reason may be contained within any liberal text, but not necessarily in the same order in each one. The core of Liberalism is constantly reinterpreted and reapplied to changing circumstances.

Freeden views the New Liberalism as part of a seismic shift in Western European thought from the eighteenth century onwards, which occurred as freedom came to mean removing the barriers to natural growth and the opening up of individual choice. Individuals came to be seen as not being solely responsible for obstacles such as ill health and poverty and it was recognised that people would need help from friends and strangers to overcome such obstacles to growth.

Freeden argued that the New Liberalism was a response to the sudden shock of the discovery of the human costs of the industrial revolution. It was also a response to the emerging perception that capitalism had not sufficiently delivered the good life to the majority of people. Liberals such as Hobhouse and Hobson argued that the increasing human interdependence of people generated a new need for an enlightened society. Social justice became a goal in itself, as the whole could not survive unless all its constituent parts were looked after.

Freeden summarised the philosophical heritage which contemporary Liberals can draw on as stemming from two main areas. First, a set of principles and policies developed in the first two decades of the twentieth century that can be called the pursuit of welfare. Second, the inevitable drawing in of the state to the Liberal orbit. Freeden argued that these two trends met in the ideology of the welfare state and its construct that the concept of modern citizenship entitles individuals to a share of the goods of that society. The emergence of these concepts of mutual support and mutual vulnerability remain important to liberal thinking today.

The state's accrual of the roles of overseeing and executing central economic functions and of providing emotional and physical sustenance for its citizens in the early part of the twentieth century enabled Liberals to play a key role in humanising the state. The New Liberals believed in the benevolent agency of the state supported by democratic procedures. Liberals worked to harness the state as a major partner in social activity, working alongside individuals and employers.

Shirley Williams spoke on the philosophical underpinnings of the SDP and what its common threads were with the Liberal Party. The SDP saw itself originally as the new Labour Party. Since the Second World War the predominance of Keynesian thinking had made people believe that the state could match demand to supply and therefore assist in the maintenance of full employment. This ability to 'manage' capitalism and free markets seriously undermined the attractions of Marxism to many on the left by making capitalism manageable.

In the 1950s the German Social Democratic Party buried its Marxist tradition and practice and opened the door for European social democracy to move away from centralisation and nationalisation towards more progressive views, similar in many ways to those of Grimond's Liberal Party. It was the desire to create a non-Marxist Labour Party, similar to the German example, that motivated at least some of the figures who formed the SDP in 1981.

The central influence on the formation of the SDP was the figure of Tawney and his approach to equality and open education. John Stuart Mill was also an iconic figure to the SDP founders and his influence can be seen in the joint Alliance manifesto written in 1983, with its emphasis on constitutional reform, devolution for Wales and Scotland, devolution of power to regional assemblies, human rights legislation and freedom of information. The principles behind these proposals highlighted the areas where both traditions could come together in total amity.

Williams went on to argue that the huge constitutional reform agenda that has been achieved since the early 1980s reflects great credit on the Liberal Democrats and compares favourably with the historic peaks of Gladstone's Home Rule and disestablishment agenda and with Lord Russell's mid-nineteenth century Reform Act. Further common ground between the Liberal and Social Democratic wings of the party could also be found in the common commitment to the principles of a decentralised welfare state.

In considering economic power and the tradition of the free market which stemmed from the work of Adam Smith, Williams reminded the audience that the author of the *Wealth of Nations* had been writing from within Edinburgh's small, extremely moral and well-educated society. Smith was able to make assumptions about relationships between people in society being based on fundamental trust. It was impossible to make such assumptions today. The outcome of exporting free market principles to societies where a sufficient degree of trust did not exist were apparent in the chaos to be found in much of modern Russia, where the basic rules and regulations upon which an efficient free market depended failed to exist. The SDP had come from a tradition that was concerned with how a society adapted and regulated the free market so that it worked efficiently. This was not a tradition that Williams felt had often troubled the Liberal Party prior to 1981. However, this had not hindered the relationship between the two parties, as Liberalism had made the 'managerialism' of the SDP look much more humane and attractive.

Williams said that the key challenge facing the Social Democratic and Liberal philosophies was the phenomenon of different kinds of fundamentalism, which spoke to deep emotions created by concern about inequality, and was not satisfied by traditional political processes, which were increasingly seen as remote and meaningless. Williams also found it curious that historically neither Social Democracy nor Liberalism had fully taken on board the significance of the women's movement or the rise of inter-racialism. The Liberal Democrats had been very slow to recognise the power of these two movements, which had made huge changes to society without being very visible.

In summing up the dilemmas that Liberal Democracy faces Williams emphasised three main challenges:

- How can Liberal Democrats think through philosophically what a decentralised welfare state might look like?
- How far do we ensure that, without a structure of law and regulation, the powerful in a society do not continue to determine the economy, shape and colour of that society?
- How far do we believe we should take regulation, which at a certain point can shrivel the soul, but without which fair chances cannot be guaranteed to the less privileged parts of society?

The meeting spent some time discussing the distinction between Liberalism and libertarianism. Professor Freeden argued strongly that liberty is a part of Liberalism but is not the only part. The presence of the notion of liberty in a political philosophy does not mean that it is a Liberal philosophy. Liberalism is an enormously complex philosophy of which liberty is just one element. In libertarianism, liberty has been exaggerated and blown up to eclipse the other core components, such as a belief in the power of progress.

There was also a question concerning to what extent the panel thought that the current government was a social democratic one? 'Decreasingly' was the simple answer. Shirley Williams argued that Blair's government had no determination to narrow the gaps in society, and could not be considered a Liberal government either, as it had no commitment to liberty, as demonstrated by its profound centralising tendencies. Conrad Russell reminded the meeting that the Liberal Democrats' commitment to creating a level playing field was also a powerful tool to help deliver equality and to preserve liberty and should not be undervalued.

Archive sources

The Thurso papers at the Churchill Archives Centre

by **Katharine Thomson**

The papers of Archibald Henry Macdonald Sinclair, 1st Viscount Thurso of Ulbster (1890–1970) broadly consist of 214 boxes of constituency, parliamentary and Liberal Party correspondence of the 1920s and 1930s. Overall the papers date from 1908 to 1951.

Lord Thurso, or Archie Sinclair, as he was generally known, was born on 22 October 1890, the son of Clarence Granville Sinclair. After being educated at Eton and Sandhurst, he entered the Army in 1910, but began his political career in 1919, when he became Personal Military Secretary to Winston Churchill, the Secretary of State for War. When Churchill moved to the Colonial Office as Secretary of State for the Colonies, Thurso went with him, as his Private Secretary, from 1921–22, and in 1922 became the Liberal MP for Caithness and Sutherland, a seat which he was to hold until 1945. Later in the 1920s Thurso held the post of Temporary Chairman of Committees, House of Commons (1925–30) and also worked as a member of the Empire Marketing Board (1927–30).

Thurso's growing standing in the Liberal Party was shown when he was made Liberal Chief Whip in 1930, and in 1931 he received his first ministerial position when he became Secretary of State for Scotland, a post which he held for just over a year. By 1935, Thurso had become Leader of the Liberal Parliamentary Party, and was to remain so for the next ten years until the end of the war. During the war years, he also returned to government, serving as Secretary of State for Air from 1940–1945. Lord Thurso died on 15 June 1970.

Within the Thurso Papers, there is a considerable amount of official, political and constituency correspondence, also some speeches, and roughly twenty boxes of material on the Liberal Party and Scottish Liberal organisation. There is virtually no wartime material, but Section IV of the papers does contain correspondence (arranged alphabetically by correspondents' names) and press cuttings from 1945 on into the 1950s. A section of papers transferred from the Scottish Record Office form a separate and coherent group, consisting of papers of 1923–37 relating to the Scottish Office, the Scottish Board of Health and Thurso's period as Secretary of State for Scotland. The papers in the first box of Section I are also particularly noteworthy as they include Thurso's correspondence with Winston Churchill from 1915 to 1920.

The papers came into Churchill Archives Centre through the good offices of the 2nd Viscount, in several batches between April 1972 and September 1973. The collection had incurred two major misfortunes before its transfer to Cambridge. During the war, the bulk of the Thurso papers that were being stored in Liberal Party headquarters in London were destroyed by an incendiary bomb. After the war, a large portion of the remaining papers were destroyed in a fire that broke out at Thurso East Mains where they were being kept in a room above the laundry. Most of the papers that were rescued from this second blaze were severely damaged both by the flames and by water from the firemen's hoses. Section VI of the collection contains the charred remains of this accident which are too fragile to handle, whilst those damaged files which have already been repaired by the Conservator have been placed in their appropriate places within the collection.

Archie Sinclair (Lord Thurso)