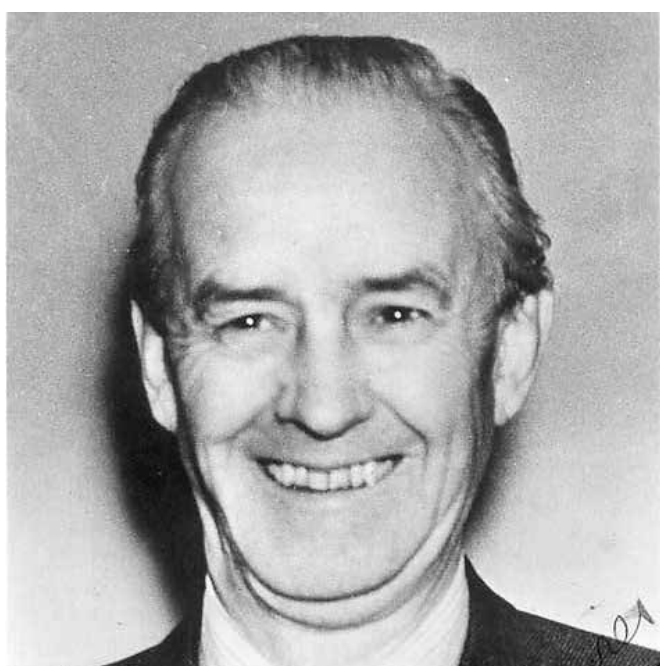**Liberal thought**

Tudor Jones analyses developments in the Liberal Party's ideology during one of the darkest periods in its history.

Some cornersto
The endurance of British

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Liberalism, 1945 – 1955

THE 1945 BRITISH general election proved disastrous for the Liberal Party. In spite of campaigning on its most radical election platform since 1929, the party won just twelve seats, in scattered rural constituencies, with only a 9 per cent share of the total national vote. Its high-profile individual casualties included its leader, Sir Archibald Sinclair, the party's chief whip, Sir Percy Harris, and Sir William Beveridge, the principal architect of what was to become the post-war British welfare state, and a Liberal MP for barely seven months.

After this debacle, the central strategic problem facing the Liberal Party was how to ensure its political survival. When it reached the nadir of its electoral fortunes six years later, winning only six seats at the 1951 general election, with its lowest-ever national vote share of 2.5 per cent, that struggle for survival was greatly assisted by the decision of Clement Davies, the party's leader since 1945, to decline Winston Churchill's offer in October 1951 of a place in his cabinet, following the Conservatives' election victory of that year.

Davies' decision has since been widely viewed by historians as, in the words of his biographer, '… critical to the future survival of the Liberal Party as an independent political force', and hence as a 'defining moment' in its history.[1] More broadly, Davies' commitment to that cause was reinforced by the efforts of a handful of senior figures within the small party elite – including, notably, Frank Byers and Philip Fothergill – who helped keep the Liberal Party alive in what was to be the most desolate period of its history.[2]

But the party's survival, to which Clement Davies and a few others had thus vitally contributed, was not accompanied by any overarching vision or firm sense of direction and purpose provided by its leadership. As William Wallace has observed, during its darkest years the party really 'had no clear strategy, no objectives beyond the preservation of the Liberal tradition and of Liberal principles'.[3] Did, then, the Liberal Party possess, in the period from 1945 to 1955, a coherent political ideology – a cohesive set of core values and beliefs that could form the basis for a strategy for revival now that its extinction had been so narrowly averted?

A central difficulty facing the Liberal Party in this respect was how to establish a distinctive identity and ideological stance within a political environment largely shaped by the policy ideas of its own most influential intellectuals – Maynard Keynes and William Beveridge. For the stark political reality was that their social-liberal commitments – to a managed market economy, to the goal of full employment, and to a welfare society – no longer appeared to clearly differentiate the Liberal Party from its rivals. Its social-liberal tradition, stretching back to the Edwardian era and the inter-war years that followed, was consequently largely overlooked in the way in which the party was widely perceived from outside its ranks. Furthermore, the enduring influence exercised by Keynes and Beveridge upon British economic and social thought and policy in the post-war era was gained, as Rodney Barker has observed, 'despite or without reference to their party allegiance', their views permeating areas 'where partisan resistance might otherwise have excluded them'.[4]

It is also true, as David Dutton has pointed out, that by 1945 Beveridge's ideas 'were not a Liberal monopoly' and that the proposals of the Beveridge Report were not seen as

Top: Clement Davies, Violet Bonham Carter
Bottom: William Beveridge, Andrew McFadyean
(© National Portrait Gallery)

Some cornerstones still in place: the endurance of British Liberalism, 1945 – 1955

an exclusively Liberal cause.[5] With varying degrees of emphasis, many of those proposals featured in the election programmes of both the Labour and Conservative parties. Paul Addison has gone further in arguing that 'the Liberal claim to include Keynes and Beveridge in the party pantheon has to be regarded with vigorous scepticism' since they were 'first and foremost powerful technocrats, experts in certain areas of policy who looked upon all parties and governments as potential vehicles for their influence'.[6] But this interpretation underestimates the depth of Keynes's involvement in Liberal thought and policymaking during the 1920s, as well as the extent to which both his ideas and those of Beveridge, in spite of the latter's belated formal association with the Liberal Party, were, at the very least, shaped by their underlying liberal ideological convictions or sympathies.

Moreover, the political absorption of Beveridge within the post-war, cross-party welfare consensus tends to overlook the implications of what has been described as his 'reluctant collectivism', of his attempt, that is, to combine advocacy of a high degree of state intervention and planning in both social and economic policy with his consistent defence of personal freedom and individual initiative and his firm emphasis on voluntary action.[7] Indeed, Ian Bradley has argued that the voluntarist element in Beveridge's conception of a welfare society, or 'social service state', was distorted by the Labour government that fashioned the main structure of the British welfare state.[8] In support of that view, it should be noted that, with regard to the Attlee government's legislative proposals for social security, Beveridge was critical, for example, of the exclusion of friendly societies from the administration of benefits.[9] Furthermore, while praising the National Health Service Act of 1946, he favoured a significant role for voluntary and private healthcare both inside and outside the National Health Service (including, for instance, the provision of pay-beds in NHS hospitals) and a supplementary role, too, for the voluntary sector in performing some of the medical functions of the National Health Service. These were all aspects of his proposals for social security and healthcare provision which, in its policy and legislation, the Labour government had either modified or rejected.[10]

Bradley has also maintained that after 1945 both Labour and Conservative governments lacked the vision of a welfare society as Beveridge had envisaged it: that is, as 'an organic, interdependent relationship between individuals, communities, voluntary organisations and the state'.[11] Certainly Beveridge himself later stated, whilst reviewing the effects of his report of 1942, that he had not sought to establish a welfare state, but rather to build social security around cooperation between the State and the individual.[12]

Nonetheless, in spite of the manner in which Labour and Conservative governments after 1945 applied the ideas of both Keynes and Beveridge, it did appear by the early 1950s that the main proposals and commitments of those Liberal intellectuals had become essential elements of a cross-party collectivist consensus in British government, understood at least as the shared, broad commitment of the elites of the two major parties to a mixed economy, to Keynesian demand-management techniques designed to maintain full employment, and to the main structure of the post-war welfare state.

The effect, however, of such developments upon the Liberal Party was to narrow the distinctive political space within which it could survive and begin to revive; for, to many observers in the early 1950s, it seemed, as Vernon Bogdanor has commented, that 'in the era of centrist politics, there was no room for a centre party'.[13] Moreover, the party itself during its most desolate years was not well equipped to position itself clearly within this prevailing elite consensus in British politics and government, let alone to challenge it at certain points.

To a large extent this shortcoming arose from the loose-knit, ill-disciplined and disunited state of the parliamentary Liberal Party between 1945 and 1951, and consequently from the party leader's preoccupation with somehow holding it together. In his letter of May 1950 to the distinguished classicist, Gilbert Murray, in which Clement Davies had complained of the disparate and divided nature of his parliamentary team, he had gone on to highlight his dilemma as leader:

My own position is one almost of supine weakness for if I give full expression to a definite course of action that at once leads to trouble and a threatened split. It is that split that I am so anxious to avoid … We have suffered so much in the past from these quarrels – Chamberlain and Gladstone, Imperial League and Campbell Bannerman, Asquith and Lloyd George, and the National Liberal one of 1931. Any further division now would, I fear, just give the final death blow.[14]

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Certainly the parliamentary party, along with the party as a whole, was already split ideologically, if not yet fatally so, between those, on the one hand, such as Megan Lloyd George who saw themselves as belonging to a non-socialist radical tradition with an essentially anti-Conservative orientation and those, on the other, such as Rhys Hopkin Morris and Megan Lloyd George's brother, Gwilym, 'whose primary political concern' was, as Dutton has noted, 'resistance to the spread of socialism'.[15]

The Liberal leadership at that time resisted, for two main reasons, calls from Megan Lloyd George and other 'radical Liberals', as they were then known, on the left of the party for closer links with the Labour Party. In the first place, Clement Davies and the rest of the small party elite maintained that fundamentalist socialism, as enshrined in Clause Four of the Labour Party Constitution, would become the dominant ideology underlying and inspiring any alliance of progressive forces in post-war British politics. Such an ideological position, based on large-scale state or collective ownership of the means of production, was incompatible, they stressed, with the defence of the rights and liberties of the individual – a concern which lay at the very heart of Liberalism.[16]

The second reason for the Liberal leadership's opposition to closer links with Labour during this period was the more strategic desire to preserve and sustain the existence of the Liberal Party as an independent political force. That concern was increased by recognition of the fact that, since 1950, the Labour Party, rather than recommending the tactical withdrawal of their parliamentary candidates from selected constituencies where the Liberals were the main challenger to the Tories, as had been the case in some areas in 1945, was instead seeking to lure away progressive Liberal supporters, thereby further weakening the Liberal Party's electoral prospects.[17] Labour's tactical stance during the early-to-mid-1950s was thus in contrast with that of the Conservatives who, by withdrawing candidates from a few Liberal-held rural Welsh constituencies and by forming electoral pacts in Bolton and Huddersfield, had at least, whatever their political motives, helped to ensure the Liberals' parliamentary survival.

The Liberal leadership was thus committed to preserving the Liberal Party's distinct, independent identity. That had been underlined in broad ideological terms by Clement Davies in 1949:

> Do not run away with the idea that Liberalism provides the middle way between the

other two ones. Still less that it is a compromise between them. Liberalism is a distinct creed – a distinct philosophy: distinct from Socialism, from Communism, and from Conservatism.[18]

But as Dutton has pointed out, it was 'doubtful whether many of his followers fully understood what the creed was, or at least whether a consensus existed on it';[19] for, in reality, the Liberal Party that he led at that time embraced, in John Stevenson's words, 'a kaleidoscope of positions, bound together by sentiment and a generalized sense of what Liberalism stood for'.[20] Furthermore, Davies himself, preoccupied with holding together his fractious party, was ill suited to offering a clear and distinctive vision or sense of direction for his party since he appeared to lack a capacity for innovative policy thinking.

His difficulties in this area were compounded not only, as he himself recognised, by the residual effect of the Liberal splits of the inter-war years, but also by the electoral impact of class-based voting, which during the early 1950s was at its height. The resulting two-party squeeze on the Liberal vote was being reinforced, too, by a situation in which, whether justifiably or not, 'many erstwhile Liberals determined either that Labour had become the modern vehicle of their progressive instincts or that the liberalised Conservative party of Butler, Eden and Macmillan was their best chance of resisting the encroachments of the "socialist" state'.[21] Among those in the latter group was, for example, Donald Johnson, the original founder of the ginger group, Radical Action, who joined the Conservative Party in 1947 after reaching the conclusion that 'the main political objective of any liberal-minded person in the present day world must inevitably be the defeat of socialism'.[22]

In the same spirit, Churchill had written to Clement Davies shortly before the 1950 general election urging an arrangement between their two parties, which was justified, in his view, on the ground that:

> There is a real measure of agreement between modern Tory democracy and the mass of Liberals who see in Socialism all that their most famous thinkers and leaders have fought against in the past.[23]

Davies dismissed this suggestion at the time as an 'unworthy subterfuge'.[24] But Churchill returned to the same theme shortly afterwards when, alluding to a recent dispute with Davies over the use by at least four Conservative

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Associations of the title 'United Liberal and Conservative Associations', he referred disdainfully to:

> … the very small and select group of Liberal leaders who conceived themselves the sole heirs of the principles and traditions of Liberalism, and believed themselves to have the exclusive copyright of the word 'Liberal'.[25]

Nevertheless, two years later, in the bleakest of circumstances, Davies reaffirmed his commitment to the preservation of his party's distinctive political identity and ideological character, declaring at the 1952 Liberal Assembly:

> We refuse to be stamped out. In spite of all temptations, we still prefer our own doctrine and we are determined to maintain our independence.[26]

It may well be, that Davies, in view of his shortcomings as a policy thinker, was not the leader best equipped for defining and communicating the Liberal Party's particular identity and role in British post-war politics, and that consequently, as Dutton has commented, 'the party was left to drift with little sense of purpose or direction while he remained at the helm'. Yet Dutton has also conceded that 'it is at least open to question whether any alternative leader would have been more successful than Davies in carving out a distinctive Liberal identity in the decade after the end of the Second World War'.[27] Moreover, the problems facing Davies, or any possible leadership challenger, in this respect were magnified by the harsh reality that, as Malcolm Baines has pointed out, 'in the mid-twentieth century the Liberal party, like all third parties, was essentially reactive rather than proactive', with 'virtually no control over the political environment'.[28]

In the face of those difficulties, the party tended, therefore, in its official statements of principles, to depict itself as a centrist political force and hence as a moderating influence on the extremist elements in both of the major parties. The 1951 Liberal general election manifesto, *The Nation's Task*, thus declared that 'the existence of a strong, independent Liberal Party', as well as conferring the benefit of its being 'the only party free of any class or sectional interests', would 'strengthen the liberal forces' in both the Conservative and Labour parties, neither of which was 'genuinely united', and would thereby 'act as a brake on class bitterness and create a safeguard against

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the deadening power of the great political machines'.[29]

This self-assigned centrist, moderate role could be defended as ideologically plausible since there was some kind of centre ground in post-war British politics that could be broadly distinguished from that occupied by both Labour and the Conservatives. For, unlike Labour, Liberals, it was asserted in 1945, 'believe in private enterprise and the value of individual effort, experiment and willingness to take risks'. But their advocacy of a market economy also led not only to 'their support of the small trader and their desire to diffuse ownership as widely as possible', but also to 'their opposition to cartels and price-fixing rings which, often abusing the name of private enterprise, create conditions of monopoly and hold the community to ransom'.[30] These attitudes, evident in Liberal policy commitments to free trade and co-ownership, therefore also clearly distinguished the Liberal Party, it was argued, from the Conservatives.

This official emphasis, then, on Liberalism as a middle way between the extremes of state socialism and monopoly capitalism was a response to the difficulties both of holding together a politically diverse party and of positioning it distinctively in the conditions of two-party dominance prevailing during the immediate post-war years. It was certainly not an emphasis, as we have seen, that satisfied the 'radical Liberals' in the party. Yet, as Baines has observed, there was 'no one unified strand of Liberal thought in this period'; indeed, in his view, 'Liberal ideological thinking was coherent in that it centred on the supremacy of the individual, but was united over little else'.[31]

Moreover, this apparent lack of overall ideological coherence within the party was aggravated by 'a dearth of substantial, partisan works of Liberal political thought between *Britain's Industrial Future* published in 1928 and George Watson's editorship of *The Unservile State* which appeared in 1957'.[32] In their place, a wide range of Liberal ideas was expressed in such varied sources as speeches, pamphlets, policy statements, and articles in periodicals and newspapers. By these means, many Liberals developed and promoted a diversity of ideas which often appeared to underline the tensions inherent in liberalism as a broad and flexible ideology – in particular, tensions between individualism and collectivism, and between support for a market economy and advocacy of a high degree of state intervention. Beveridge provided a good personal example of this kind of ambiguity with

his endorsement both of state planning and control in the economy and society, on the one hand, and of private enterprise and voluntary action, on the other.

For all that, political ideas, and ideological conviction, remained important to Liberals during that period. A major reason for this was that, as Baines has noted, they 'did not have a firm base in either class or interest around which they could unite' and therefore 'had to rely on a shared ideological heritage to hold the party together'.[33] Evidence for this view was provided by a survey of the attitudes of Liberal Party members in Jorgen Rasmussen's 1965 academic study, which found that, during the 1950s, 83 per cent of respondents were motivated by ideological beliefs in actively supporting the party, and that such a factor had become the most prominent influence shaping their support in that period.[34]

Furthermore, in spite of the diversity of Liberal ideas in the decade immediately after the Second World War, there was some overall coherence discernible in the leading policy ideas developed and promoted by the party during this period. This was evident, first, in its firm defence of civil liberties; second, in its advocacy of political and constitutional reform (including proportional representation for elections and decentralisation of political power); and, third, in its support for international cooperation. All of those policy positions could be perceived as rooted in core liberal values of personal and political liberty and rational progress. They therefore helped to give some semblance of unity to an otherwise disunited and fragmented party.

In the period from 1945 to 1955, the Liberal Party repeatedly declared its commitment to these unifying causes. In defence of civil liberties, its 1945 general election manifesto pointed out that, during the war, the Liberal leader, Sir Archibald Sinclair, on joining the Coalition in 1940, had obtained an assurance from the prime minister not only that it was the government's intention 'to preserve in all essentials a free Parliament and a free Press' but also 'that the Emergency Powers … would disappear with the passing of the emergency'.[35]

Three years after the 1945 general election, the former Liberal MP Dingle Foot drew attention to another, more recent occasion 'when the liberty of the subject has been preserved by Liberals in Parliament.' That was in 1947, he pointed out, when the Labour government's Supplies and Services Bill, which gave government departments greater powers to govern by decree, was amended under pressure from

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Clement Davies. As a result, none of those powers could be 'deemed to authorise the suppression or suspension of any newspaper, periodical, book or other document'. On that and other occasions that Foot cited, the Liberals, 'then a small minority in the House of Commons, had secured the acceptance of their proposals by a majority'. Such examples underlined the fact, Foot concluded, at that time somewhat implausibly, given the parliamentary circumstances and arithmetic of the day, that 'without organised Liberalism, the case for freedom would go by default'.[36]

In broader ideological terms, the Liberal 1955 general election manifesto, *Crisis Unresolved*, confirmed that view, reaffirming the central importance for the party of the core liberal value of individual freedom, stating that:

> We exist as a Party to defend the rights of the individual, his liberty to live his own life subject to respect for the rights of others, to hold and express his own views, to associate with others of his own choice, to be granted all possible freedom of opportunity and to be subject to no penalty or discrimination by reason of his colour, race or creed.[37]

On the question of political and constitutional reform, a second unifying cause, the 1945 manifesto had clearly underlined Liberal support for the devolution of government to Scotland and Wales, stating that:

> The Liberal Party recognises the desire of the people of Scotland and Wales to assume greater responsibility in the management of their domestic affairs, and has long been in favour of suitable measures of Devolution.

The manifesto also called for electoral reform, arguing that 'our present system of voting produces Parliaments which are not representative of the people's will', as well as a situation in which a party with only a minority of the national vote at a general election could secure a majority in the House of Commons.[38]

The 1950 manifesto, *No Easy Task*, widened the scope of such proposals, and advocated, too, reform of the composition of the House of Lords 'so as to eliminate heredity as a qualification for membership, which should be available to men and women of distinction'. In addition, it declared that the authority of parliament should be restored 'by reversing the trend towards supreme Executive power', a process that would be reinforced, it was claimed, by

the creation of parliaments for Scotland and Wales.[39]

The third unifying theme that pervaded Liberal policy commitments between 1945 and 1955 was the party's adherence to the cause of international cooperation. The 1950 manifesto, for instance, stated that, in seeking to preserve peace in the world, the Liberal Party pledged itself 'to speed the process of creating an international order under the rule of law', and to that end commended the United Nations Security Council as offering 'the only machinery though which the development of the hydrogen bomb and other horrors of science can be brought under control'. 'The other half of the problem', it added, was 'strengthening the organisation of the free world, whose chief components are the United States, the British Commonwealth and Western Europe'. Echoing Churchill's doctrine of the three circles of influence, the manifesto maintained that Britain was 'in the unique position of being closely linked with all three' and should therefore 'develop our association with all of them'.[40]

A year later, the 1951 Liberal manifesto described the Council of Europe, which had been formed in 1949 as Western Europe's first post-war political organisation, as 'a Liberal conception', and as 'the realisation of a dream of European Liberals for two centuries'.[41] The rhetorical tone was consistent with the practical reality that British Liberals had been prominent in supporting the early movements that sought a more united or integrated Europe. Violet Bonham Carter and Lord (Walter) Layton, both close friends of Churchill, had been sympathetic to his vision of European unity unveiled in his Zurich speech of 1946 and inspiring his United Europe Movement in Britain. In addition, Frances Josephy had been present at the Congress of Europe in The Hague in May 1948 which gave rise to the European Movement of which Churchill, among a politically diverse group, was a patron, with Violet Bonham Carter and Lord Layton both members.

Furthermore, the 1955 Liberal election manifesto was able to declare an official commitment to the developing cause of European unity. It attacked 'the timidity and hesitation' which Labour and Conservative governments alike had displayed on the question of Britain's association with 'the movement to secure some measure of European unification'. In order, too, to promote 'positive and constructive policies for economic and social progress in Europe', the Liberal Party, it was added, would 'encourage by every means the establishment of a great free trade area in Europe'.[42]

That last policy commitment unwittingly raised some awkward questions about the potential conflict between the party's support for European unification, on the one hand, and its traditional and continuing advocacy of free trade, on the other. The earlier endorsement by the 1947 and 1948 Liberal Assemblies of the European cause had been accompanied, it should be noted, by their approval of resolutions calling for the abolition of tariffs on food and raw materials as the precursor of the eventual elimination of all tariffs. Moreover, by 1953 the most ardent free-trade faction within the party, led by Oliver Smedley and others, was reaching the peak of its post-war influence when the Liberal Assembly of that year declared its support for unilateral free trade.[43] Such a position was clearly incompatible with the common external tariff of the customs union, eventually established eleven years after the foundation of the European Economic Community in 1957. Indeed, that was a fundamental inconsistency which was later to drive Smedley and several other free traders out of the party.

Nevertheless, during its forlorn years of 1945 to 1955, the issue of free trade and the cause of European unification were widely viewed within the Liberal Party as interrelated concerns. Indeed, the latter commitment, as Baines has noted, 'should be seen as part of the Cobdenite tradition of internationalism', while the promotion of free trade was a 'major linchpin of that world view – and therefore most Liberals probably did not see any intrinsic conflict between it and a vague Europeanism'.[44]

Advocacy of the European cause was to become, along with political and constitutional reform, the most distinctive and broadly unifying Liberal policy stance of the second half of the twentieth century. But those concerns were not to emerge in the forefront of British political debate until the 1960s. In the meantime, the most distinctive Liberal policy commitments during the late 1940s and 1950s, namely, to free trade and co-ownership in industry, were ones that needed to be emphasised, especially in the light of the Liberals' lack of electoral success between 1945 and 1955, in order to underline the party's political identity, at a time when, in some eyes, that did not appear easy to discern.

During that period, free trade was, indeed, in itself, as Baines has pointed out, 'the hallmark of a Liberal', and belief in that cause 'acted almost as a substitute for a function in the political system, justifying the party's continuing existence'.[45] At the 1945 general election, the Liberal Party's radical, state-interventionist

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election programme, shaped by the policy ideas of Beveridge and Keynes, had also reaffirmed the importance of free trade. The Liberal manifesto thus declared that:

> Freedom and expansion of trade are the necessary basis of world prosperity … We should therefore press on vigorously with the conclusion of agreements with America and other countries for the progressive elimination of tariffs, quotas, exchange restrictions and other barriers to trade … [46]

Every Liberal election manifesto during the 1950s restated that position, stressing the need for the gradual dismantlement of Britain's tariff structure and for action, too, against monopolies in order to help the consumer and small trader. The 1950 manifesto, for instance, claimed that 'the whole strength of this country, which sustained the part Britain played in two world wars and built up the standard of life we have to-day, was due to our free trade and our willingness to buy and sell in any part of the world'. Yet the protectionist policies of both the Conservative and Labour parties had 'handicapped the development of our international trading ever since a Liberal government was last in office'. The Liberal Party would therefore act to 'reduce tariffs by stages, until all are abolished'. [47]

Such commitments were consistent with the party's past attachment to the cause of free trade which, as Michael Steed has observed, had encapsulated 'the nearest to a single-issue identity which the Liberal Party has ever had'. [48] The issue's historical importance for the party had been evident at a number of pivotal political moments: in contributing decisively to its greatest electoral triumph of 1906; in helping to reunite the party in 1923; and in causing the departure of Liberal ministers from the National Government in 1932 following the Ottawa Agreements on Imperial Preference.

Before the 1950 general election, Sir Andrew MacFadyean provided a semi-official endorsement of the distinctive, historic commitment to the doctrine of free trade, stating in *The Liberal Case* that:

> Liberals stand alone in demanding Free Trade, and the next Liberal Government should restore it as our national economic policy. Liberals object to protection not merely as wrong in the circumstances of today. They believe that it destroys enterprise, restricts the consumer's freedom of choice, is a reprehensible method of invisible taxation, and is a fertile source of international friction. [49]

This Liberal cause was strongly advanced within the party during this period by a fairly cohesive faction led by Oliver Smedley, S. W. Alexander and Lord Grantchester. Smedley had on several occasions been a Liberal parliamentary candidate, and throughout the 1950s was the most zealous campaigner for free trade at Liberal Assemblies. S. W. Alexander was editor from 1948 of the *City Press* newspaper, through which he promoted the cause of free trade. He was also chairman of the London Liberal Party. Lord Grantchester (originally Sir Alfred Suenson-Taylor) was a wealthy city banker and Liberal Party treasurer from 1953 to 1962. He was also on the advisory board of the free market think tank, the Institute of Economic Affairs, formed in 1955 and later to become a highly effective and influential vehicle for the promotion of economic-liberal ideas and policies. [50] Smedley, too, had played an active role in the early development of the IEA. Other prominent Liberal free traders at this time included Edward Martell, a party office holder between 1945 and 1951 and a key national organiser in the late 1940s, and Roy Douglas, a parliamentary candidate and later a party historian. [51]

All of those Liberal advocates of free trade promoted not only that cause but also other related economic-liberal ideas concerning free markets, competition, sound finance and a minimal State. They regarded the Liberal Party as the historical repository of such ideas. Their influence at a national level within the party was considerable during this period partly, too, because the financial resources of certain wealthy individuals facilitated the publication of promotional literature in support of free trade and even, in some cases, in the securing of parliamentary candidacies. At a sub-national level, too, those Liberal free traders sought to exert their influence within the party – particularly in London where Smedley, Alexander, Martell and Douglas were active, as well as in Yorkshire, 'long regarded as the home of individualist economic liberals', and in Lancashire. [52]

The 1953 Liberal Assembly at Ilfracombe marked, as has been noted, the zenith of the most zealous free-trade faction's influence within the party with the approval of resolutions calling not just for unilateral free trade, that is, 'irrespective of the attitude of any other state', but also for the abolition of state support for agriculture in the form of guaranteed prices and assured markets for agricultural products, both of which were depicted as violations of

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free trade. Endorsement of that latter policy position was viewed with dismay by some Liberal candidates in rural constituencies, including, notably, future party leader, Jeremy Thorpe. The most committed free traders lost some ground, however, at the 1954 and 1955 Assemblies, but later reasserted their influence in 1958 when the cause of unilateral free trade was successfully presented to the Assembly in visionary terms, worthy of Cobden and Bright, as 'a means to abolishing international tensions and promoting World Peace'.[53]

Partly in response to the activities and influence of that free-trade faction, a social-liberal pressure group, the Radical Reform Group, had been formed in 1952, alarmed not so much by the doctrine of free trade but rather by the hard-line free traders' apparent espousal of a 'laissez-faire' economic approach which opposed not just state intervention in the economy but even, it seemed, the entire concept of a welfare state. 'We strongly deplore both those tendencies', the group declared in an initial statement of aims. Its object, therefore, was the advancement within the Liberal Party of 'the policy of social reform without Socialism, which Liberals have promoted from 1908 onwards'.[54]

The principal aims of the Radical Reform Group, whose two leading protagonists were Desmond Banks and Peter Grafton, were to provide a focus for those who feared that the Liberal Party was drifting towards a doctrinaire anti-statism; to prevent the defection of senior party figures, as well as Liberal activists and voters, to Labour; and to attract supporters from other parties. The ideological focus of the Radical Reform Group – on 'social reform without socialism' – was elaborated in the preamble to its 1953 constitution. The Radical Reform Group had been formed, it was stated, 'at a time when no existing political party has successfully produced, in all fields, policies which are based clearly on the twin pillars of liberty and social justice and which combine their requirements…'. In using the term 'radical' in its title, the group had in mind 'that body of opinion which, … while believing in the value of initiative and private enterprise, is utterly opposed to laissez-faire economics,' and which, 'while recognising and accepting the need for some measure of State intervention in our economic affairs, is equally opposed to the nationalisation of all the means of production, distribution and exchange…'. Those forms of state intervention which the group did favour should be introduced 'at certain defined points where the economic interests of the community demand it, where the maintenance of full employment and social security depend on it and where the just distribution of wealth, power and responsibility cannot be achieved without it.'[55]

In its first statement of policy, *Radical Aims*, published in 1954, the group drew attention to 'the increasing influence' within the Liberal Party of 'a school of "laissez-faire" apostles' who 'sought to turn Liberals back to the philosophy of Herbert Spencer', and who not only denounced 'state intervention of all kinds' but also rejected, in particular, 'the welfare society of the mid-twentieth century'.[56]

The Radical Reform Group therefore underlined 'the danger that an understandable and healthy reaction against excessive State intervention might carry away with it those forms of State intervention' which were considered 'essential to the preservation of true freedom'. It feared, too, that 'in the absence at that time of any very clear guidance from the Liberal leadership on these issues, it seemed likely that, with the prevailing trend, the bulk of the party might be manoeuvred by the active "laissez-faire" exponents into increasing acceptance of their tenets…'.[57]

In this ideological dispute, the position of the Radical Reform Group could draw on earlier, semi-official support in Sir Andrew Mac-Fadyean's pre-1950 election statement of *The Liberal Case*. For, while endorsing the cause of free trade, McFadyean had nonetheless made the historical observation that 'laissez-faire', in 'its popular sense', that is, 'complete freedom from State interference in business life, the conditions of labour, and the acquisition and use of wealth', had 'never been either practised or preached by Liberals for a hundred years'. On the contrary, he maintained, Liberals had been 'the main driving force behind the movement for social reform, for humanising life in an industrial country, for delimiting licence and liberty'. If, then, 'laissez-faire' was dead, it was Liberals who had 'struck the first blow'.[58]

The formation of the Radical Reform Group two years after the expression of such views served to sharpen the tone of the subsequent ideological debate within the Liberal Party in the early-to-mid-1950s about its future role, character and purpose. The fundamental question that it really posed was whether the Liberals were to be a classical liberal party, concerned with free trade and a minimal State, or, as the group favoured, a social-liberal one in the traditions of Asquith's post-1908 government, the New Liberalism of the Edwardian era and

Partly in response to the activities and influence of that free-trade faction, a social-liberal pressure group, the Radical Reform Group, had been formed in 1952, alarmed not so much by the doctrine of free trade but rather by the hard-line free traders' apparent espousal of a 'laissez-faire' economic approach which opposed not just state intervention in the economy but even, it seemed, the entire concept of a welfare state.

the state-interventionist ideas of Keynes, the 'Yellow Book' and Beveridge.

It would be too simplistic to depict this intra-party debate in terms of a left–right schism, with the supporters of the Radical Reform Group and the free traders classified as left-wing and right-wing respectively. As Robert Ingham has pointed out, such a description 'would have been bitterly contested by the 1950s free traders who regarded themselves as radicals and the other side as essentially conservative'. Their attitude was clearly reflected in a 1953 council resolution of the London Liberal Party, which deplored the fact 'that the party leadership is inclined to create the impression that the Liberal Party is a centre party fluctuating between Toryism and Socialism', and therefore called upon Clement Davies:

> … to propagate more militantly our radical policy, making it clear to the electorate that neither the Conservative Party nor the Labour Party are progressive … and that liberalism is the distinctive radical alternative to both these stagnant creeds.[59]

Oliver Smedley, too, stressed the need for the party to mark out this ideological space, seeing, as Richard Cockett has noted, a 'historic opportunity for the Liberals to assert their old authority by taking up a new political position distinct from the two main parties locked into their Butskellite consensus'.[60]

In spite of the tensions inflamed by this dispute, a spirit of compromise was evident in the party by 1954. At the party Assembly of that year, a resolution on unity of purpose, moved by Derick Mirfin of the Union of University Liberal Societies, recognised 'that there are, and always have been, two distinct and interdependent traditions in Liberal thought', but maintained 'that the task of the Liberal Party today is to blend these two traditions in a unified policy of social justice economic strength'. In similar vein, Paul Rose, a member of the Liberal Party Council, even suggested that the nature of the ideological debate was being misrepresented. Desmond Banks and other leading members of the Radical Reform Group were tending, he argued, to equate the fervently pro-free trade views of Smedley, Alexander, and their supporters – in reality a small group within the party – with the attitudes of mainstream Liberals who believed in the merits of a market economy. Banks and his colleagues should, however, be aware, Rose stressed, that the extreme free traders had always differed from the more widely held belief among Liberals that a free market economy and a welfare society were really complementary necessities.[61]

In broad agreement with that view, Roy Douglas, himself an ardent free trader at that time, later commented on the 1950s debate that: 'Many Liberals, probably the large majority, would have seen no incompatibility between these two approaches'. Moreover, he added, 'the dichotomy, insofar as it existed at all, did not exhibit any perceptible correlation with age', since 'some of the most enthusiastic advocates of the traditional free trade-land taxing view were in their twenties or early thirties'.[62]

There were certainly solid grounds for reaching a compromise on this issue, since there was very wide support throughout the party for free trade, even if it was seldom promoted in the zealous terms expressed by Smedley and his sympathisers. Clement Davies had clearly reaffirmed his belief in free trade as a key party policy at the 1953 Liberal Assembly, even though his successor, Jo Grimond, tended to be more circumspect, arguing that the party would be revitalised 'not … by some eccentric nostrum but by a general revival of Liberal feeling'.[63] Nevertheless, the 1955 Liberal general election manifesto reflected Davies' view, and the mainstream party view, in support of free trade, asserting that:

> We must … systematically reduce and finally abolish tariffs which 'protect' our home markets, which encourage price rings and monopolies, and which must, for that is their whole object, increase our prices and, as a result, weaken our power to compete.[64]

Furthermore, economic-liberal ideas in general were widely expounded within the party between 1951 and 1955. During the parliament of that period, all six members of the parliamentary party – Davies, Grimond, Arthur Holt, Donald Wade, Roderic Bowen, and Rhys Hopkin Morris – were firm supporters of a market economy. Arthur Holt, for example, in 1954 drew attention to the 'fine dilemma' facing the party that had arisen from the fact that 'in matters of trade, industry, finance and economics where there are the greatest differences between socialists and Liberals', the Conservative Party had 'appeared to the people as the most effective champion of a freer economy…', and had 'associated themselves in the public mind with "setting the people free" ' through 'their avowed policy of removing physical controls and much state interference'. Holt therefore made clear his own support for a 'highly

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competitive free market economy operating without restrictive devices against imports', and argued that Liberal policies 'on freeing trade, strengthening the powers against monopolies … together with the taxation of land values…' were 'all designed to enable a free market economy to do its job effectively'.[65]

In general, there was wide support in the party at this time for a form of economic organisation in which, in the words of Elliot Dodds, a leading Liberal thinker and journalist, and party president in 1948, 'private enterprise – real private enterprise – will function throughout the major part of the economy'.[66] Moreover, because Liberals ought 'to afford the widest possible scope for genuine private enterprise', they were for that very reason 'as much opposed to private monopoly as they are to Collectivism'.[67]

This linkage between Liberal support for free trade and for 'real private enterprise' was clearly explained by Sir Andrew McFadyean in *The Liberal Case*, when he maintained that:

> The misfortune of capitalism is that, largely as a result of two world wars, it has been prevented from operating as private enterprise; its fault, and a cardinal one, has been that it sought protection from internal competition by monopoly and from external competition by tariffs.[68]

What appeared, then, to be a distinctive Liberal approach – in support of private enterprise and a market economy and in opposition to both state collectivism and private monopoly capitalism – was emerging from the party's historic and enduring commitment to free trade. That cause, however, had become, as we have seen, contentious when promoted by its most fervent advocates not only for reasons that the Radical Reform Group had underlined but also because, as Dutton has observed, free trade in its purest form caused 'embarrassment over protection and farm subsidies for a party which was largely confined to agricultural constituencies'.[69] Nevertheless, the broader ideological position, of which free trade was a central part, and which Elliot Dodds had clearly defined, did help to form a distinctive space in which, the Liberal Party could place itself in an otherwise perilous political environment.

Dodds developed this position at greater length in his various writings on the second most distinctive Liberal policy issue of the 1950s – co-ownership. He was, indeed, the principal and most articulate Liberal advocate of that cause in the immediate post-war period. In

1938 he had chaired the party's *Ownership for All* committee, whose report, drafted by the economist Arthur Seldon,[70] had advocated, in addition to the restoration of free trade, the encouragement of co-ownership and profit-sharing schemes in industry. Those progressive, distributist ideas had already, it should of course be noted, been promoted ten years earlier in the report of the Liberal Industrial Inquiry, *Britain's Industrial Future*, or the 'Yellow Book', as it became popularly known. Among its various Liberal themes was an emphasis on the diffusion of ownership, designed to reduce the tensions within the British class structure.[71] The Liberal Party, the Yellow Book declared, thus stood 'not for public ownership, but for popular ownership', its goal being 'not to destroy the owner-class, but to enlarge it.'[72]

Elliot Dodds' own distributist ideas, which had been influenced by the political thought of G. K. Chesterton and Hilaire Belloc, involved the advocacy of a widely diffused ownership – of both industry and property – for which he himself coined the phrase 'ownership for all'. He had thus, on one level, developed some of the Yellow Book's central themes. But with his firmly individualist emphasis on the more independent property owner and shareholder, Dodds' ideas were also, as Donald Wade and Desmond Banks later pointed out, 'in another way … a reaction against the Yellow Book',[73] and its detailed proposals for increased state involvement in industry and in the economy at large.

After the Second World War, Dodds was involved in developing and updating the *Ownership for All* policies, once again chairing a party committee set up for that purpose. The most significant change in party policy to emerge from this process in 1948 was the proposal for a scheme of what came to be known as co-ownership in industry, to be applied in all firms with more than fifty employees or over £50,000 capital. This would involve the sharing of remaining profits between shareholders and employees, after a return had been paid to the shareholders; the encouragement of employee shareholding; and elected representation for employees on the board of directors. Furthermore, the principle, which was to prove controversial, that co-ownership should be induced by legislation was accepted in 1948, whereas the earlier 1938 report had proposed only its voluntary encouragement.[74]

Dodds had recently elaborated a theoretical justification for the Liberal policy of co-ownership in his book, *The Defence of Man*, published in 1947. 'The ultimate aim', of Liberal industrial

policy, he stated, was 'to make the workers co-owners, with a stake in the enterprises in which they are engaged as well as an effective voice in determining the conditions under which they work'. 'The principle of diffusion', he further explained, which Liberals sought to apply with regard to property ownership, permeated their entire philosophy, in both its economic and political aspects. Economically, widespread ownership made possible 'decentralisation of initiative and risk-taking which is of the essence of a healthy economy'. Politically, too, the dispersal of power, and hence of responsibility, was a necessary condition of democracy. Furthermore, the operation of the principle of diffusion in these two fields was really interlocked since 'political democracy will not work satisfactorily without economic democracy, and *vice versa*'.[75]

In broader ideological terms, too, the idea of co-ownership was promoted by Dodds as, like the enduring commitment to free trade, an essential aspect of a distinctive Liberal conception both of economic organisation and of the wider industrial society. It was thus an idea 'as hostile to Monopoly-Capitalism as it is to Socialism' since co-ownership aimed to 'distribute, instead of concentrating, political as well as economic power, and encourage by all means possible the smaller, spontaneous centres of responsibility.' At the workplace, moreover, 'it would make the workers citizens of industry, and not mere hirelings either of private employers or the State'.[76]

Two years later, in a 1949 party report on its co-ownership proposals, Dodds even used terminology that unknowingly anticipated ideological developments on the European centre-left a half-century later. The Liberal commitment to co-ownership in industry would be, he maintained, the basis of a 'Third Way', an alternative to both 'Monopoly-Capitalism' and 'Monopoly Socialism'. He even claimed, in almost apocalyptic terms, that Western civilisation, if confined to the choice between those opposed forms of economic organisation, would be 'doomed' since, 'like other civilisations before it', it would be 'wrecked by class-war, even if the catastrophe of international war is avoided'.[77]

In 1951 Dodds developed these points further, explaining that the Liberal Third Way would involve 'the spreading of property, power, responsibility and control'. In practical terms that would entail such policy measures as devolution of government to Scotland and Wales and reversal of the trend towards the concentration of political authority in

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Whitehall; greater powers for local authorities; the extension of home ownership; decentralisation of the administration of the nationalised industries; and finally, of course, 'the adoption of "Co-ownership" throughout industry, thus assuring the workers a share in control as well as profits and giving them the saving sense of proprietorship'.[78]

Moreover, pursuit of this dispersed Liberal Third Way would not only, in Dodds' view, enable Britain 'to steer a clear course between Monopoly Capitalism and Monopoly Socialism', presented by him as shorthand descriptions of excessive concentrations of economic power. For he had earlier depicted Liberalism even more broadly as offering an ideological Third Way, between conservatism and state socialism, in both its Marxist and Western democratic socialist forms. At the 1948 Liberal Summer School, as the embryonic Cold War beckoned, he thus maintained that Conservatism 'by attempting to "conserve" things as they are, with their manifold injustices and inequalities … manures the soil in which Communism grows', while socialism 'cannot combat Communism either', since it was 'based on the same economic principles' and preached 'the same doctrine of class-warfare'. Only Liberalism, Dodds claimed, could really 'stem the Communist tide', essentially for two reasons: 'first, because it understands the principle which is Communism's antithesis; second, because it understands what makes men Communists'. Socialists, by contrast, had taken a wrong turning, 'not because they felt the sting of social injustice and sought to use the power of the State to remedy it, but because … they rushed to the conclusion that the key to Utopia lay in making the State "monopolistic owner, employer and feeder"!'[79]

Co-ownership in industry, the practical foundation of the Liberal Third Way that Dodds espoused, had been strongly promoted as a policy goal when the 1948 Liberal Assembly endorsed its legislative, rather than voluntary, implementation. Liberal opponents, however, of legislation in that field later proposed instead that co-ownership should be encouraged by tax reliefs, although they failed to overturn the established policy. Nonetheless, successive Liberal general election manifestos, in 1950, 1951, and 1955, carefully avoided any commitments to legally induced co-ownership.[80]

Within the confines of internal party debate, by the end of 1955 a policy compromise on the issue of co-ownership, between those who advocated its compulsory introduction by legislation and those who favoured its

encouragement by tax incentives, had been reached in the Liberal Party. An emphasis on the removal of tax barriers to co-ownership was to be accepted as the immediate policy goal rather than its introduction by compulsion. A party committee, appointed in 1954 to draw up a detailed plan for the implementation of co-ownership, had produced this change of emphasis, claiming that there was a broad measure of agreement within the party about the content and implications of party policy. Co-ownership, it was stated, involved giving employees a share of residual profits; a share in ownership of the business through some system of employee shareholding; a share in management though joint consultation; and a share in policy making through representation at board level.[81]

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During those darkest of years for the Liberal Party, co-ownership in industry remained, then, a distinctive and broadly unifying policy issue. Like free trade, it continued to underline the party's political and ideological identity and purpose at a time when organised, party Liberalism appeared a declining force, increasingly eroded by the dominance of the two-party system in an era of class-based voting, as well as by the centripetal, Butskellite tendencies in British government. Just as the party's other most distinctive, albeit at times contentious, issue of the 1950s – free trade – was presented as the Liberal alternative both to state ownership as espoused by Labour and to private monopoly control and protectionism as endorsed by the Conservatives, so did co-ownership, as its most eloquent advocate, Elliot Dodds, insisted, offer a third, Liberal way distinct both from state socialism and from monopoly capitalism.

In spite, therefore, of the lack of an overarching coherent ideology guiding the Liberal Party through its wilderness years of 1945 to 1955 – and particularly between 1945 and 1951 – some kind of distinctive and firmly

rooted doctrinal position, developed by Dodds and others, had been taking shape.[82] Allied to the party's depiction of itself as a third force free of class or sectional interests, that position underlay not just Liberal policy commitments to free trade and co-ownership, but also, as has been noted, its stances on civil liberties, political and constitutional reform, and international – particularly European – cooperation. Those last two causes were to be promoted further during the 1960s, while the first, the defence of individual civil liberties, was to endure well into the decades that followed. But, in the meantime, the party's struggle for survival in the late 1940s and early 1950s had secured not only its continuing political independence, but also the maintenance of a broad ideological foundation, reinforced by those cornerstones, that could be strengthened as British Liberalism gradually revived in the years stretching ahead.

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2   On the contributions of Frank Byers and Philip Fothergill to the Liberal cause during that period, see Roy Douglas, 'Frank Byers (Lord Byers)' in Duncan Brack (ed.), *Dictionary of Liberal Biography* (Politico's, 1998), pp. 63–5; and Roy Douglas, 'Philip Fothergill', ibid., pp. 117–19. On the broader political factors underlying the Liberal Party\s survival between 1945 and 1951, see Dutton, *History*, pp. 169–170; John Stevenson, *Third*

Party Politics since 1945: Liberals, Alliance and Liberal Democrats (Blackwell, 1993), pp. 40–2; Tudor Jones, *The Revival of British Liberalism: From Grimond to Clegg* (Palgrave Macmillan, 2011), pp. 4–6. For a detailed examination of the course of survival, and gradual revival, of the Liberal Party at constituency level, see Mark Egan, *Coming into Focus: The Transformation of the Liberal Party, 1945–1964* (VDM, 2009). (This particular article, in *Journal of Liberal History*, focuses, however, on the policy and ideological factors that underpinned the survival of British Liberalism between 1945 and 1955.)

3   William Wallace, 'Survival and Revival', in Vernon Bogdanor (ed.), *Liberal Party Politics* (Oxford University Press, 1983), p. 43.

4   Rodney Barker, *Politics, Peoples and Government: Themes in British Political Thought since the Nineteenth Century* (Macmillan, 1994), p. 54. For an examination of the social-liberal beliefs and policy proposals of Keynes and Beveridge, see Tudor Jones, ' "Reluctant" or Liberal Collectivists? The Social Liberalism of Keynes and Beveridge', *Journal of Liberal History*, 78 (Spring 2013), pp. 32–41.

5   Dutton, *History*, p. 139.

6   Paul Addison, *The Road to 1945: British Politics and the Second World War* (Quartet Books, 1975), p. 166.

7   See Vic George and Paul Wilding, *Ideology and Social Welfare* (Routledge & Kegan Paul, 1976), ch. 3.

8   See Ian Bradley, *The Strange Rebirth of Liberal Britain* (Chatto & Windus, 1985), pp. 96–100.

9   José Harris, *William Beveridge: A Biography*, (Oxford University Press, 1977), p. 460.

10   Ibid., pp. 461–2.

11   Bradley, *Strange Rebirth*, p. 102.

12   In an address by Beveridge to the National Liberal Club in 1954; see 'Problems of Social Security', Clement Davies Papers, C/1/6; cited in Malcolm Baines, 'The Survival of the Liberal Party, 1932–1959' (D.Phil. thesis, University of Oxford, 1989), p. 97.

13   Bogdanor, 'Introduction', in Bogdanor (ed.), *Liberal Party Politics*, p. 8.

14   Clement Davies, letter to Gilbert Murray, Clement Davies Papers, J/3/26; cited in Wyburn-Powell, *Clement Davies*, p. 189.

15 Dutton, *History*, p. 143. On the divisions within the parliamentary Liberal Party, between 1945 and 1951, see, too, David Dutton, 'On the Brink of Oblivion: The Post-War Crisis of British Liberalism', *Canadian Journal of History*, xxvii, 3 (December 1992), pp. 426–50.

16 See Peter Joyce, *Realignment of the Left? A History of the Relationship between the Liberal Democrat and Labour Parties* (Macmillan, 1999), pp. 101–17.

17 See ibid., p. 112.

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19 Dutton, *History*, p. 144.

20 Stevenson, *Third Party Politics*, p. 33.

21 Dutton, *History*, p. 145.

22 Donald Johnson, *Bars and Barricades* (Christopher Johnson, 1952), p. 285.

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25 Winston Churchill, speech at his adoption meeting as Conservative candidate for Woodford on 28 January 1950; cited in Jones, 'Churchill', p. 9.

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27 Dutton, *History*, pp. 144–5.

28 Baines, 'Survival', p. 157.

29 Liberal Party General Election Manifesto 1951, *The Nation's Task*, in Iain Dale (ed.), *Liberal Party General Election Manifestos, 1900–1997* (Routledge/Politico's, 2000), pp. 81–2.

30 Liberal Party General Election Manifesto 1945, in Dale, *Manifestos*, p. 65.

31 Baines, 'Survival', p. 122.

32 Ibid., p. 138.

33 Ibid., p. 122.

34 See Jorgen Rasmussen, *The Liberal Party: A Study of Retrenchement and Revival* (Constable, 1965), pp. 204–6.

35 Liberal Party General Election Manifesto 1945, in Dale, *Manifestos*, pp. 67–8.

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38 Liberal Party General Election Manifesto 1945, in Dale, *Manifestos*, p. 67.

39 Liberal Party General Election Manifesto 1950, *No Easy Way*, in Dale, *Manifestos*, p. 93.

40 Ibid., p. 77.

41 Liberal Party General Election Manifesto 1951, in Dale, *Manifestos*, p. 83.

42 Liberal Party General Election Manifesto 1955, in Dale, *Manifestos*, p. 90.

43 See Rasmussen, *Liberal Party*, pp. 134–6.

44 Malcolm Baines, 'Liberals and Europe', *Journal of Liberal History*, 42 (Spring 2004), p. 46.

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47 Liberal Party General Election Manifesto 1950, in Dale, *Manifestos*, p. 73.

48 Michael Steed, 'The Liberal Tradition', in Don MacIver (ed.), *The Liberal Democrats* (Prentice Hall/Harvester Wheatsheaf, 1996), p. 44.

49 Andrew McFadyean, *The Liberal Case*, (Allan Wingate, 1950), p. 33.

50 For a detailed historical study of the Institute of Economic Affairs, see Richard Cockett, *Thinking the Unthinkable: Think-Tanks and the Economic Counter-Revolution, 1931–1983* (HarperCollins, 1994). On the activities and influence of Smedley, Alexander, Lord Grantchester, and other Liberal free traders, see Cockett, *Unthinkable*, pp. 107–8, 126–30, 135–6; and John Meadowcroft and Jamie Reynolds, 'Liberals and the New Right', *Journal of Liberal History*, 47 (Summer 2005), pp. 45–51.

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52 See Robert Ingham, 'Battle of Ideas or Absence of Leadership? Ideological Struggle in the Liberal Party in the 1940s and 1950s', *Journal of Liberal History*, 47 (Summer 2005), pp. 36–44.

53 See Rasmussen, *Liberal Party*, pp. 136–7.

54 Letter to the *Manchester Guardian*, 27 Mar. 1953; cited in Watkins, *Liberal Dilemma*, p. 70.

55 Preamble to constitution of the Radical Reform Group, 1952. Desmond Banks (1918–1997) was president of the Liberal Party, 1968–69. He was created a Liberal life peer (Lord Banks of Kenton) in 1974. On the Radical Reform Group, see Graham Lippiat, 'The Radical Reform Group', in Duncan Brack and Ed Randall (eds.), *Dictionary of Liberal Thought* (Politico's, 2007), pp. 329–31.

56 Radical Reform Group, *Radical Aims*, p. 1.

57 Ibid., pp. 1, 2.

58 McFadyean, *Liberal Case*, p. 36.

59 See Ingham, 'Battle', pp. 37, 39.

60 Cockett, *Unthinkable*, p. 127.

61 See the *Manchester Guardian*, 1 Apr. 1954; letter to the *Manchester Guardian*, 23 Apr. 1954; both cited in Watkins, *Liberal Dilemma*, pp. 72, 73.

62 Roy Douglas, 'The Liberal Predicament 1945–64', *Journal of Liberal History*, 50 (Spring 2006), p. 16.

63 Jo Grimond, speech to Scottish Liberals, *News Chronicle*, 17 May 1954; cited in Geoffrey Sell, 'Liberal Revival: Jo Grimond and the Politics of British Liberalism, 1956–67' (Ph.D. thesis, University of London, 1996), p. 49.

64 Liberal Party General Election Manifesto 1955, in Dale, *Manifestos*, p. 91.

65 Arthur Holt, 'The Liberal Attitude to Contemporary Problems', *Political Quarterly*, xxiv, no. 3 (Jul.–Sep. 1953), pp. 251, 252.

66 Elliot Dodds, *The Defence of Man* (Herbert Joseph, 1947), p. 135. On Dodds' contribution to Liberal thought, see Donald Wade and Desmond Banks, *The Political Insight of Elliot Dodds* (Elliot Dodds Trust, 1977); Robert Ingham, 'Elliot Dodds', in Brack and Randall, *Liberal Thought*, pp. 93–6.

67 Frank Byers and Elliot Dodds, *The Liberal Purpose* (Liberal Publication Department, 1946), p. 6.

68 McFadyean, *Liberal Case*, p. 8.

69 Dutton, *History*, p. 146.

70 Arthur Seldon was then research assistant to Sir Arthur Plant, professor of commerce at the London School of

Economics, and was later, from 1957 onwards, editorial director of the Institute of Economic Affairs. See Meadowcroft and Reynolds, 'Liberals', pp. 45–51.

71   See Michael Freeden, *Liberalism Divided: A Study in British Political Thought, 1914–1939* (Oxford University Press, 1986), p. 114.

72   *Britain's Industrial Future: The Report of the Liberal Industrial Inquiry 1928* [1928] (Ernest Benn, 1977), pp. 261, 243. For a detailed analysis of *Britain's Industrial Future*, see Freeden, *Liberalism Divided*, pp. 105–18.

73   Wade and Banks, *Political Insight*, p. 23.

74   Ibid., p. 36. For a detailed analysis of continuities and change in post-1945 Liberal thinking on co-ownership, see Stuart White, 'Liberalism's Progressive Past: Post-War Liberalism and the Property Question', in J. Margo (ed.), *Beyond Liberty: Is the Future of Liberalism Progressive?* (Institute for Public Policy Research, 2007), pp. 53–68.

75   Elliot Dodds, *The Defence of Man* (Herbert Joseph, 1947), pp. 139, 142.

76   Ibid., pp. 154–5.

77   Elliot Dodds, introduction to *People in Industry: A Report of the Liberal Co-Ownership Proposals* (Liberal Publication Department, May 1949), p. 8.

78   Elliot Dodds, 'The Third Way', 1951; cited in Wade and Banks, *Political Insight*, pp. 38–9.

79   Elliot Dodds, *This Freedom* (Joseph Woodhead & Sons, 1949), pp. 4, 5, 12 (based on an inaugural address to the Liberal Summer School 1948). The concluding, quoted phrase, acknowledged by Dodds, is from Leopold Schwarzchild, *The World in Trance* (Hamish Hamilton, 1943).

80   See Liberal Party General Manifesto 1950, in Dale, *Manifestos*, p. 72; Liberal Party General Election Manifesto 1951, ibid., p. 83; Liberal Party General Election Manifesto 1955, ibid., p. 92.

81   See *Liberal News*, 16 Dec. 1955.

82   This intellectual process was assisted by the formation at Oxford in 1953 of the Unservile State Group, chaired by Elliot Dodds. See Peter Berberis, 'The Unservile State Group', in Brack and Randall, *Liberal Thought*, pp. 406–7.

Reviews

Tories and the Coalition

Ken Clarke, *Kind of Blue: A political memoir* (Macmillan, 2016); David Cameron, *For the Record* (William Collins, 2019); Oliver Letwin, *Hearts and Minds: The battle for the Conservative Party from Thatcher to the present* (Biteback Publishing, 2017)
Review by **Duncan Brack**

THE *JOURNAL OF LIBERAL History* has reviewed several books giving the Liberal Democrat side of the Conservative–Liberal Democrat coalition government of 2010–15 (David Laws's *Coalition* and *Coalition Diaries* (*Journal* 100, autumn 2018); Norman Baker's *Against the Grain* and Lynne Featherstone's *Equal Ever After* (both *Journal* 93, winter 2016–17)), but what did Conservative ministers make of it? Three autobiographies give us some clues.

Ken Clarke's is the least revealing, though the most enjoyable to read. Covering the whole of his long political career, Clarke devotes just two chapters out of twenty-six to the 2010–15 government, in which he was first Secretary of State for Justice (2010–12) and then minister without portfolio (2012–14). He breezes through his time in office, doing what he thinks is right and ignoring everyone else, especially his fellow Conservatives (when appointed to Justice, he claims never to have seen Conservative policy on the issue; he refuses to allow No. 10 policy advisers to enter the department to meet anyone other than himself). He is scrupulously polite about David Cameron, and grateful to him for giving him a last (somewhat unexpected) chance at ministerial office, but does not hide his growing contempt for Cameron's spinelessness in the face of the Eurosceptics in his own party and in UKIP, which led eventually to the Brexit referendum – 'a startling and catastrophic decision' (p. 462), 'an irresponsible gamble' (p. 487).

He strongly supported the formation of the coalition, on the grounds that a minority government would be incapable of achieving anything significant, and clearly got on well with Liberal Democrat ministers, particularly Nick Clegg, who chaired the Home Affairs cabinet committee, of which he was deputy chair. On many issues of civil liberties and criminal justice, and on Europe, he was clearly closer to the Lib Dems than he was to most other Conservatives. Overall, 'In my suddenly converted opinion, we were much more successful throughout our five-year term in coalition than a single-party Conservative government could have been' (p. 445). But apart from that, he has nothing to reveal about how the coalition worked in practice.

David Cameron's memoirs are much longer than Clarke's, and much less fun to read. Although he is ready enough to apologise when he thinks he's made a mistake, he is wearyingly self-congratulatory. He displays absolutely no self-doubt: everything he tries to do is right, because he knows or feels it to be so.

For all his early attempts to detoxify the Conservative Party, it's pretty clear that his conversion to hugging huskies and hoodies is superficial. Despite his claim that 'we are all in this together' in dealing with the deficit (p. 184), he never recognises the pain that the coalition's austerity policies caused to poor families and communities (a characteristic I noticed in the Conservative junior ministers at the Department of Energy and Climate Change when I served as a special adviser to Chris Huhne in 2010–12; generally decent people, the impact of policy on poor people simply didn't register with them) or the damage they caused to