

Samuel

Andrew Loader examines the role played by Sir Herbert Samuel in the survival of the Liberal Party in 1932–33

‘They will not suffer it in silence, and they will be right’

AS A RESULT of decisions taken in 1932 to resign from the National Government and, in 1933, to cross the floor into opposition, an independent Liberal Party endured. This was not a given and was, indeed, contrary to the wishes of many who desired Liberalism’s shrunk destiny as merely the left flank of a grand anti-socialist coalition. Party leader Sir Herbert Samuel stood by these decisions, as without withdrawal from the National Government ‘the party will lose any possibility of offering to the electorate an alternative both to protectionist conservatism and to socialism.’¹ Instead, the party would retain ‘the simple, well-understood name of Liberals ... (and) made it their business to preserve the independence and sustain the principles of Liberalism’.²

It would be remiss to pretend these decisions constituted a crisis in the political life of the nation or even major events at the time. In his skewering of that ‘low dishonest decade’,³ written during the blitz, the journalist Malcolm Muggeridge gave the resignations just a single sentence, laconically noting ‘an act so long deferred, and whose consequences were so insignificant was bound to seem unimportant. The opposition gained no noticeable



Sir Herbert Samuel (1870–1963, leader of the Liberal Party 1931–35) in September 1931
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accession of strength, the government was not appreciably weaker’.⁴ At the time, *The Times* compared the floor-crossing MPs to lemmings and noted, ‘so far as can be ascertained their actions trouble neither the land they leave nor the sea which swallows them’.⁵

This reaction was driven by the remorseless electoral decline of the Liberals since the First World War, not helped by ‘a decade and a half of kaleidoscopic confusion ... of dissension and disunity within the Liberal Party’.⁶ In 1929, the Liberals won fifty-nine seats, polling over a fifth of the vote. But they were starkly divided over whether and on what issues to support a minority Labour government, with the result that ‘in the first months of 1931, the

parliamentary liberalism was split three ways, with Sir John Simon and the Liberal Nationals seceding rightwards (‘indistinguishable from any pledged conservative’ according to Samuel)⁹ and David Lloyd George and his family independently breaking away on the left.

Beyond a general antipathy to socialism, what was driving the split between Simon and Samuel was tariffs. Samuel had been clear that he supported a National Government ‘formed with the single purpose of overcoming the financial crisis’.¹⁰ Samuel regarded tariffs as ‘futile for the immediate purpose and inglorious as a permanency’,¹¹ as protectionism would entrench vested interests and lead to higher prices. Within a year of the

National Government’s formation, the free-trade regime which Britain had maintained since 1846 had been decisively abandoned. After the Republican-controlled US Congress proclaimed the Hawley-Smoot tariffs of up to 40 per cent in

1930, the UK government instituted a general 10 per cent tariff in January 1932. In September 1932, the cabinet agreed to implement twelve mostly bilateral treaties of five-year duration between the mother country and her dominions that had been agreed at the Ottawa Conference.

Among those who remained in the Samuelite ranks, however, the tariff controversy of 1931–32 sparked a renewed commitment to free trade. Although the Samuelites struggled to decide whether tariffs and misguided interventions had caused the depression or merely exacerbated it, they were adamant that unemployment could not be conquered until free trade was re-established and an international economic order restored. In the meantime, public works could create jobs directly and reinforce the wider economic stimulus

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Liberal Party visibly collapsed as a unified political force. The parliamentary party was reduced to little more than a disorganised rabble’.⁷ The formation of a National coalition government in June 1931 offered a brief respite, and Samuel, acting leader due to the ill-health of David Lloyd George, led the Liberals into government with wide approval from MPs, peers, candidates and constituencies. This rare unity was then sundered by the calling of a general election in October 1931. The Liberal vote fell by 3 million and, whilst thirteen new seats were won, only ten of the seventy-two returned MPs had faced Conservative opposition.

Almost immediately, Sir John Simon resolved with twenty-two MPs on 5 October 1931 ‘to form itself into a body to give firm support to the Prime Minister’.⁸ Now

provided by cheap money. And their opposition was ethical as well as economic. The 'Liberals drew incisive connections between protectionist economic policies and the growth of aggressive nationalism in the political sphere, and urged that the British government should recognize the interdependency of nations, initiate economic disarmament, and work for the enforcement of international law'.¹²

So, when the Ottawa agreements emerged in August, Samuel and many of his colleagues agreed that they compelled resignation. The Liberals were encouraged politically by a by-election victory in the marginal seat of North Cornwall, held for the party by Sir Francis Acland following Sir Donald Maclean's untimely death (Maclean's position on tariffs was crystal clear, as he had written to a colleague on 29 January 1932, 'I will vote regularly and persistently against this deadly tariff danger'). However, Samuel was extremely concerned to keep the party's 'Whigs' in the fold, and delayed resignation for a month whilst he consulted with Grey, Crewe, and other Liberal grandees until he could record 'all my Liberal colleagues in the government and out shared their objections ... we decided unanimously in favour of resigning'.¹³ When the Liberal ministers (two from cabinet and eight from government office) finally resigned in September 1932, they remained on the government benches in deference to these peers and those MPs – such as Joseph Leckie – who had refused to cross the floor (at this point, the Liberals were sitting on the government benches but below the gangway), even though 'we Liberals found ourselves more and more at variance with the government'¹⁴ and Samuel knew that 'it is impossible for us to remain in our present political position ... the party would fade away'.¹⁵

Crossing the floor into opposition followed on 13 November 1933. During the year between resigning from government office

and going into opposition, Samuel had been working to maximise support for such a move. It was the view of W. P. Crozier, the Liberal and then-editor of the *Manchester Guardian* that 'if he had gone over when the Liberal ministers resigned on Ottawa, the group would have been seriously split and all the enemies of the Liberal Party would have declared that he was leading it to final destruction'.¹⁶ In 1933, Samuel spoke of his aim to 'gather together all Liberals',¹⁷ which he said addressing supporters in Paisley, a constituency represented by tariff-supporting Liberal MP, J. P. Maclay. Samuel was very keen to consult colleagues and to ensure that all the Liberals should resign en bloc,¹⁸ moving only when 'the Party as a whole fully endorsed the course we had taken, and it undoubtedly helped to consolidate our remaining forces'.¹⁹

As it was, thirty MPs followed Samuel, with four MPs previously deemed to be Samuelites (R. H. Bernays, J. A. Leckie, W. McKeag and J. P. Maclay) remaining on the government benches and one formerly Liberal National crossing with them (A. C. Curry). Of those who remained, their views are best summarised by the remark of Sir John Simon who wrote in correspondence, 'Samuel has chosen an amazing moment to go, for the whole world is now rocking and in the middle of an earthquake it will not be much good to howl "Ottawa"'.²⁰ Simon also believed that MacDonald needed 'all the Liberal help he can get to prevent submergence in the Tory flood'.²¹ Other Liberal National MPs were fearful of incurring a Conservative challenge in their seats which support for the National coalition mostly though not universally mitigated. Free trade was one major factor in who went which way, the other appears to be fear of socialism.

And with them into opposition went a significant and decisive percentage of the membership and grassroots of the Liberal Party. Before the move, Samuel had written in a long memorandum to his ministerial colleagues:

We all of us hold the strong conviction that the continued existence of an independent Liberal Party, as powerful as the electorate will allow it to be made, is necessary in the national interest ... The Liberal workers in the country see the danger of the experiences of forty years ago, and the absorption of another generation of Liberal Unionists by the Conservative party. They will not suffer it in silence, and they will be right.²²

Of the Liberal Nationals, Samuel believed, correctly as it transpired,

... that group was supported by no (Liberal party) organisation in the country. It had failed in its attempt to establish such an organisation. It was a plant without root, stuck precariously in the soil; it would not flourish; it would soon wilt and wither. He did not believe there was a single Liberal association throughout the land outside their own constituencies which would adopt a candidate for parliament anyone holding the views of Sir John Simon and his friends’.²³

Since the formation of the National coalition government, opinion in the party outside parliament had been vocally and consistently opposed to the government’s protectionist measures, and, during the winter months of 1931–32, there began a wide-ranging mobilisation which encompassed the NLF leadership, young Liberals, some backbenchers, the Liberal press, the Lloyd George group, and even Cobdenite purists like Francis Hirst. In December 1931, the NLF executive urged that protection should be resisted ‘at the earliest opportunity’. Few of those opposing tariffs valued the ‘agreement to differ’ (a compromise that had allowed the National Government to manage its sharp dispute over tariffs): by the end of March 1932, the Union of University Liberal Societies, the National League of Young Liberals, and the Scottish and Welsh Liberal Federations had all passed

resolutions calling on the Liberal ministers to resign’.²⁴ In April, the National Liberal Federation, meeting at Clacton, voted for free trade resolutions, fearful in particular of inflation in the cost of food (much of which was imported). Reviewing the discontent, the *News Chronicle* on 30 April 1932 concluded, ‘Nothing can disguise the fact that that the chief part of the Liberal Party is in opposition to the Government of which they are now members’.²⁵

The NLF would support the move of Samuel and the other ministers who resigned on 28 September 1932 to continue to sit on the government benches as critics not but not yet opponents of the National Government. And their position hardened in May 1933, when the NLF’s annual conference had carried a motion to move into opposition. A similar motion was then passed by the Scottish Liberal Federation. Indications of the mood of the party can be seen in the resolution adopted by the Liberal Association in the Manchester Exchange constituency on 6 April 1932 that they were looking ‘forward to the day when Sir Herbert Samuel and his colleagues in the Ministry resign office and again champion the cause of liberalism in the country’;²⁶ in the conversation that Archibald Sinclair recalled having with a lifelong supporter of the party that the ‘dignified course’ now was to ‘come out in untrammelled opposition’ rather than surrender like ‘captives in the Roman triumph’;²⁷ and in a speech by Violet Bonham Carter who said, ‘Our leaders may wave the Free Trade flag – we hope they will continue to wave it – but it can only fly at half-mast so long as it is nailed to the Front Bench of a Protectionist Government’.²⁸

When the Liberal MPs crossed the floor, the move was supported by all area organisations and the National Liberal Federation. Not all those who supported Samuel were convinced on free trade either; Lord Lothian wrote ‘the possibility of a world system of

complete free trade has gone and probably will never return'.²⁹ Lord Reading – who led the Liberals in the Lords and who had previously worked with Simon on the governance of India, declaring in May 1931, 'the ideal would

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be to banish party division and to unite in a National government for say five years to deal with India, the dole, tariffs and Empire'³⁰ – was frequently consulted by Samuel to keep him and his fellow peers on-side, prompted by a letter on 31 August 1932 that they should discuss 'the serious position' that has arisen over tariffs and before 'any active movement takes place in the Liberal Party organisation'.³¹ But, in the end, they all moved into opposition, with Lords Reading, Crewe and Grey all writing to *The Times*, published on 29 September 1932, supporting the resignations. In his obituary, published in the *Manchester Guardian* on 31 December 1935, Lord Reading was quoted as having said, 'I have been a liberal all my life ... I deny that there is no room for liberalism and that we cannot have a really effective third party'.

All of this meant that, when the thirty MPs crossed the floor, they and not the Liberal Nationals nor the Lloyd George independents, retained the Liberal Party organisation. W. P. Crozier again: 'it was however essential that when he moved, he should take with him the great bulk of the party' (4 November 1933). And that was achieved. Isaac Foot MP wrote of those grassroots in those years in his memoirs, saying of the party 'I have seen it suffer at the hands of charlatans, climbers and political adventurers. It has been kept going mainly by the rank and file, mainly by the loyalty of obscure men and women. I have a great

respect and admiration for those who, even in derelict constituencies, have kept to their liberalism'.³²

Opposition proved no easy panacea for the party's woes, and the remaining years of the parliament were difficult. They lost a London MP (Harry Nathan, Bethnal Green North-East), who had become unhappy at the growing impact of National Gov-

ernment decisions upon his constituents. He defected to Labour in July 1934. They lost another with the death of Frank Briant (Lambeth North), with the seat falling to Labour (this despite the seat having returned a Liberal in all but one of the elections since 1918). The party did retain its seat elected by the Combined Scottish Universities in a by-election occasioned by the death of Dugald Cowan in March 1934, only for the victor, George Morrison, to then defect to the Liberal Nationals in July 1935. In other seats, there were no by-election gains nor any great share of the popular vote. Between November 1933 and December 1934, the Liberals only contested seven of the other sixteen by-elections held, polling 10 per cent or less in all of them.

Whatever the intrinsic merits of their free trade policy and their principled move into opposition, however, the electoral impact of the Liberals at the 1935 general election can only be described as negligible. This political failure requires explanation. Firstly, and most importantly, the polarisation of the electorate on socialist and anti-socialist lines left little political space for a Liberal alternative to develop. Secondly, the National Government enjoyed enormous success in identifying itself with the welfare of the 'public' and the 'national' interest against a Labour movement which they portrayed as solely representing the selfish sectional interests of the unionised working class. Thirdly, the Simonites'

ongoing presence in the National Government helped substantiate its claims to moderation and backed up Stanley Baldwin's efforts to appeal to erstwhile Liberal voters. And at the same time, the Samuelites' complicity in the National Government's economy programme undermined any claim by liberalism to progressive credentials and alienated potential radical support. In this sense, the Liberals were condemned to continued decline by the structure of political allegiances which the events of 1931 had established.

But another cause of the Liberals' failure lay in the economic environment in which the National Government's policies were implemented. On the basis of classical economic theory, Samuel and his colleagues had sincerely believed that tariffs would raise prices and damage employment, all other things being equal; indeed, this had been the basis of the popular free-trade case since the nineteenth century. The effects of the Great Depression and accompanying tariffs had indeed been catastrophic: UK trade with the USA fell from \$1.2bn in 1929 to \$423m in 1933. But in the 1930s, however, any negative impact tariffs might have had was outweighed by the general fall in world prices and by the stimulus which devaluation and cheap money provided to employment. The Ministry of Labour's cost-of-living index fell until 1933 and did not regain its 1931 level until 1936; registered unemployment peaked in 1932 and had fallen by one-quarter by the time the general election was held in November 1935. In these circumstances, it was difficult to claim that protectionist tariffs had condemned Britons to a 'little loaf'. The Liberals' efforts to revive free trade as a popular cause were thus inhibited by economic developments as well as by political ones.³³

At the subsequent general election, in November 1935, the Liberal Party ran 161 candidates but polled just 1,414,000 votes – or just under 7 per cent of the popular vote.

They lost fifteen seats and gained three. Amongst the losses was Samuel himself, losing his seat at Darwen, which he had represented since 1929. The seventeen Liberals who were returned constituted about half the party's 1931 tally. One major problem was the appearance of Conservative rivals in industrial constituencies such as Edinburgh East, Middlesbrough East, South Shields, and Dewsbury, where Liberals had won straight fights with Labour in the unusual circumstances of 1931; another was the party's ambivalent line on the means test, which alienated working-class voters and seems to have contributed to Samuel's defeat at Darwen, as no doubt did the 30 per cent unemployment rate in the town at the time.³⁴ Only strong local reputations, and perhaps some tactical voting, saved Geoffrey Mander, Graham White, Kingsley Griffith and Sir Percy Harris in their urban seats. Otherwise, except for occasional cases (such as Dundee and Bradford South) where Samuelites retained local Tory backing, the party was pushed back to rural Britain. Ex-ministers Isaac Foot and Sir Robert Hamilton were unseated at Bodmin and Orkney and Shetland respectively by Conservatives, but Wales held relatively strong (also returned here were four independent liberals led by David Lloyd George, a group bound by the ties of family and long-term support), and three seats on the English periphery – Barnstaple, North Cumberland, and Berwick-upon-Tweed – were gained in straight fights with the Conservatives.

By contrast, Simon's Liberal Nationals returned thirty-three MPs in alliance with the Conservatives, losing just two seats, not only better than the Liberals but also proportionally better than either of their coalition partners.

The result of the 1935 general election was a sad end to a distinguished career as MP, cabinet minister and public servant for Sir Herbert

Samuel. He had tackled the unenviable task of maintaining party cohesion as the Liberals moved from the National Government to the backbenches, and then into opposition and had taken the bulk of the party, if not its MPs, with him on that journey. The success of that party unity had spoken to his supporters; in the Lords, on 2 November 1934, Lord Reading wrote, 'for myself, I still lead the Liberals in the House of Lords and, to my surprise, still keep them united'.³⁵ And it meant that the party would continue, surviving through even worst electoral results over the next twenty years before revival came. 'Their action in withdrawing from the National government in principled opposition ... ensured that a Liberal party survived as an independent entity in the Commons',³⁶ so ensuring that there was indeed room for liberalism and a really effective third party. ■

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- 1 Sir Herbert Samuel, *Memoirs* (1945), pp. 229–33, quoting a letter to the king's secretary.
- 2 Ibid., p. 209.
- 3 W. H. Auden, 'September 1, 1939', *New Republic*, 18 October 1939.
- 4 Malcolm Muggeridge, *The Thirties* (1940), p. 205.
- 5 *The Times*, leading article, 17 Nov. 1933.
- 6 David Dutton, *Liberals in Schism: A History of the National Liberal Party* (2008), p. 43.
- 7 David Dutton, '1932: An overlooked date in the history of the decline of the British Liberal Party' in *20th Century British History*, 14 (No. 1, 2003), p. 119.
- 8 Dutton, *Liberals in Schism* (2008), p. 40.
- 9 Bernard Wasserstein, *Herbert Samuel: A political life* (1992), p. 333, quoting the *Darwen News* published 14 Oct. 1931.
- 10 Samuel, *Memoirs*, p. 204.
- 11 Ibid., p. 216

- 12 Peter Sloman, 'Economic Thought and Policy in the Liberal Party 1929–64' (D. Phil. thesis, Oxford University, 2012), p. 89; see also John Bartlett Brebner, *North Atlantic Triangle: The interplay of Canada, the United States and Great Britain* (1945).
- 13 Samuel, *Memoirs*, p. 227, written on 8 Sep. 1932.
- 14 Ibid., p. 244.
- 15 Wasserstein, *Herbert Samuel*, p. 363, quoting a letter to Archibald Sinclair MP, 14 Oct. 1933.
- 16 Dutton, *Liberals in Schism*, p. 64.
- 17 Ibid.
- 18 Wasserstein, *Herbert Samuel*, p. 356.
- 19 Samuel, *Memoirs*, p. 244.
- 20 Wasserstein, *Herbert Samuel*, pp. 360–61.
- 21 David Dutton, *Simon: A political biography of Sir John Simon* (1992), p. 162.
- 22 Wasserstein, *Herbert Samuel*, p. 357, memorandum written 28 Aug. 1932.
- 23 Dutton, *Liberals in Schism*, p. 65; quoting *The Times*, 5 Oct. 1932 reporting his speech to the Lancashire and Cheshire Women's Liberal Council made on the previous day.
- 24 Sloman, 'Economic Thought', pp. 95–96; also, Wasserstein, *Herbert Samuel*, p. 344.
- 25 Sloman, 'Economic Thought', p. 99.
- 26 Dutton, *Liberals in Schism*, p. 57.
- 27 Gerald J. De Groot, *Liberal Crusader: The Life of Sir Archibald Sinclair* (1993), p. 89.
- 28 Sloman, 'Economic Thought', p. 98.
- 29 Malcolm Baines, 'The Samuelites and the National Government; A Study in Liberal Survival, August 1931 – November 1933' (MA thesis, Lancaster University, 1983), p. 73.
- 30 Denis Judd, *Rufus Isaacs, 1st Marquess of Reading, Lord Chief Justice and Viceroy of India* (1982), p. 250.
- 31 Ibid., p. 273.
- 32 Michael Foot and Alison Highet, *Isaac Foot: A West-country Boy – Apostle of England* (2006), p. 211.
- 33 Sloman, 'Economic Thought', pp. 117–19.
- 34 Wasserstein, *Herbert Samuel*, p. 371.
- 35 Judd, *Rufus Isaacs*, p. 275.
- 36 Baines, 'The Samuelites and the National Government', p. 117.