



# GRESHAM COLLEGE

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## THE LABOUR PARTY

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Ladies and gentlemen, in February 1900, a meeting was held at the Congregational Memorial Hall in Farringdon Street, a building not very far from here, but demolished in 1968, and this meeting was held in response to a motion passed by the TUC in 1899 calling for "...a special congress of representatives of labour organisations to devise ways and means for securing the return of an increased number of Labour Members in the next Parliament". The conference decided to establish a Labour Representation Committee, whose purpose would be the formation of a distinct Labour group in Parliament, "...who shall have their own whips and agree upon their policy". After the conference, a socialist newspaper declared: "At last there is a united Labour Party, or perhaps it would be safer to say a little cloud, no bigger than a man's hand, which may grow into a united Labour Party." This date, February 1900, is commonly held to mark the birth of the Labour Party, though the Labour Representation Committee did not alter its name to the Labour Party until 1906, and it was for some years uncertain whether the new party could survive.

The idea of the specific representation of labour in Parliament was by no means new. It had first been put forward by John Stuart Mill, who had been a Liberal MP from 1865 to 1868. In 1881, Friedrich Engels, Marx's collaborator, had argued for a labour party independent of what he called "the ruling class parties". But early attempts at securing independent labour representation proved ineffective, and of course the first-past-the-post electoral system meant that an Independent Labour candidate would, by splitting the left-wing vote, help the Conservatives. There were, it is true, a few working men in the Commons by the end of the 19<sup>th</sup> Century, but all were Liberals. They were known as Lib-Labs and were concentrated predominantly in close-knit mining constituencies.

The Liberal leadership wanted to encourage working class MPs, but all too many Liberal constituencies were unwilling to adopt working class candidates, who would prove a drain on constituency funds in an era before MPs were paid. Three of the early Leaders of the Labour Party, Keir Hardie, Ramsay MacDonald, and Arthur Henderson, began as Liberals but failed to secure nomination as Liberal candidates. "We didn't leave the Liberals," MacDonald told one prominent Liberal, "they kicked us out and slammed the door in our faces." Arthur Henderson, who was returned as LRC MP for the Barnard Castle constituency at a by-election in 1903, had actually been the electoral agent of the very liberal MP whose death had precipitated the by-election. So, the breach between Labour and the Liberals was not over ideology but over representation, and hardly any of the early Labour MPs held views which could not have been accommodated within the Liberal Party. It was only after the Labour Party was formed that its leaders developed a distinctive ideology and ethos.

The first man to stand as a working-class candidate entirely independent of the two main parties was James Keir Hardie in a by-election in Mid-Lanarkshire in 1888, and in 1892, standing as an Independent, but without Liberal opposition, he won the seat of West Ham South. Hardie was careful not to alienate Liberal voters. "Generally speaking," his manifesto declared, "I am in agreement with the present programme of the Liberal Party so far as it goes." Keir Hardie had a good understanding of what today would be called "image", and when he turned up at the Commons, instead of the customary formal outfit of the times, he arrived in a tweed jacket and deerstalker hat, not a cloth-cap as is sometimes said. He was mistaken by a policeman on duty for a workman and was asked if he was working on the roof of the House of Commons. "No," he replied, "on the floor."



In 1893, various socialist and radical organisations combined to form, under Hardie's leadership, an Independent Labour Party, ILP. The ILP was a socialist party, dedicated to what it called "...the collective and communal ownership of the means of production, distribution and exchange", but a motion to include the word "socialist" in the title of the party was heavily defeated because Hardie appreciated that few workers were actually socialist. To build a mass party, Hardie believed, entailed cooperation with trade unionists and others who were not socialists. For that reason, the word "labour" was included in the title of the party but not "socialist". The emphasis of the new party was, as was to be the case with the early Labour Party, not so much socialism as independence from the other two parties. But the ILP, unlike the Labour Party, never became a mass party. Its membership was only rarely higher than 10,000 people, and in the General Election of 1895, it failed completely, and all of its 28 candidates were heavily defeated. This confirmed Keir Hardie in his view that socialism could not be achieved by an independent party alone, it needed in addition the support of a mass working class organisation, the trade unions. Accordingly, Hardie sought to persuade the TUC to support a new independent party, the Labour Party, representing the working class. The key to the formation of the Labour Party is to be found less in the beliefs or the faith of the socialists than in the evolution of trade union opinion. The inter-War trade union leader, Ernest Bevin, said that, "The Labour Party grew out of the bowels of the trade union movement", an unfortunate metaphor perhaps. Many writers on the Labour Party have concentrated more on the socialists than on the trade unions. Perhaps the socialists were much more interesting people. But it was the trade union leaders who were crucial in the formation of a mass party.

The trade unions, in the 1890s, had what they thought was an established legal position and they had achieved recognition by the state, but during the 1890s, they became concerned that this position was under threat from judicial decisions which declared peaceful picketing illegal and allowed trade unions to be sued for damages incurred during strikes. This was a threat to trade union funds. Characteristically, the unions sought representation in Parliament less to secure advances than to defend the position they thought had already been won, and the Labour Party was formed as much for defensive reasons as for radical ones. It may well be that, had it not been for the judicial attack on the trade unions, there would not have been a Labour Party at all. The formation of the Labour Party seems to me a contingent matter and in no way inevitable. It is possible that the labour interests could have been accommodated within the Liberal Party, just as, in the United States, it has been accommodated in the Democrats, and, in Canada, accommodated broadly within the Liberal Party, because the political cultural in Britain seems to me to have much more in common with Canada, and to some extent the United States, than it does with the countries of the Continent.

The trade unions have always played a dominant role in the Labour Party. They have been, and remain, the largest single group on Labour's National Executive. Through the block vote, they dominate the Labour Party Conference, and they have always provided the bulk of the funds for the party. That, perhaps, is inevitable in a party which has so few wealthy members. Tony Blair sought to remove trade union dominance by trying to secure large donations from wealthy individuals, but that seemed to move the party from the frying pan into the fire because it was never clear why a left-wing party should dependent upon handouts from millionaires.

The trade unions have been generally supportive of the Labour Party, but they will not support a Labour Government when they feel that their interests are directly threatened. In 1931, they refused to accept the proposals of Ramsay MacDonald to lower unemployment benefit. In 1969, they refused to accept proposals for trade union reform presented by Harold Wilson, which they believed would weaken their power. In 1978/9, they refused to accept the Callaghan Government's incomes policy, which they saw as undermining their role in collective bargaining and undermining working class living standards. In each case, Labour had to back down, and in each case, the unions were acting defensively. We often see the Labour Party as a radical movement seeking social change, but might it not also be seen as a somewhat conservative movement seeking to maintain gains that have already been achieved by the trade unions and the wider labour movement?

Much is said and written about working class and trade union consciousness in the Labour Party, and Labour Party Leaders, whether Ramsay MacDonald, Harold Wilson, or Tony Blair, have often been accused of betraying the working class, and the implication is that there was a militant or even revolutionary working class which its leaders have betrayed, but there is little real evidence of that in British history. Such working-class consciousness as exists has been defensive rather than militant and both the Labour Party and the trade unions



have got into trouble when they have ignored this. Those who were closest to the working classes were well aware that it was not militant. Ernest Bevin once said: “The most conservative man in the world is the British trade unionist when you want to change him. You can make a great speech on unity, but when you are finished, he will say, “What about the funeral benefits?””

The historian, Robert Roberts, who grew up in a slum in Salford said: “The class struggle, as manual workers knew it, was apolitical and took place entirely within the known society. All in all, it was a struggle against the fates, and each family fought it out as best it could. Marxist ranters from the hall paid fleeting visits to our street and insisted that we, the proletariat, stood locked in a titanic struggle with some wicked master class. Most people passed by.”

At the same time, there was a distrust of the state, which was seen as run by an alien class, and a distrust of politicians, including at times those in the Labour Party. The social commentator, Richard Hoggart, writing of his childhood in Leeds, remembered a phrase often used about someone, “He’s a bit of a politician” – it was not intended as a compliment.

I have so far given the impression that the LRC and the Labour Party were simply an electoral machine, but, from the start, there was a further element in the party. Indeed, Labour saw itself as quite different from the older parties. The Labour Party seemed to have a dual character which was inherited from the ILP and which was sustained by its early Leaders, particularly Keir Hardie. The early Labour Party certainly sought the representation of labour so as to improve practical improvements in working class conditions, but it also sought, as the ILP had done, a transformation of society from one based on competition to a society based on cooperation and fellowship. “The Labour Party,” Keir Hardie used to say, “made war not on a class but on a system”, and that is why the socialists, though there were so few of them, enjoyed an influence quite out of proportion to their numbers – they had a faith. Like the early Christians, to whom they sometimes compared themselves, they had an emotional commitment and crusading zeal which was to sustain them through hard times. Their fundamental belief was an ethical one. They believed that a society based on competition and individual self-interest could be transformed into one based on human fellowship. “Fellowship is life,” William Morris had said, in his novel ‘A Dream of John Ball’, “and lack of fellowship is death.”

Bruce Glasier, one of Keir Hardie’s ILP colleagues, wrote a tract in 1919 called ‘The Meaning of Socialism’, where he said that: “Socialism means not only the socialisation of wealth but of our lives, our hearts, ourselves”, and that socialism consisted not in getting at all but in giving, that fundamentally, socialism is a question of right human relationship and is essentially a spiritual principle. “Socialism, therefore, is religion, and that part is the all-essential practical part of it that concerns the right state of our present lives, the right state of our relation to our fellows, the right moral health of our souls.”

That is why many people speak not only of the Labour Party but also the labour movement or even talk in terms of a crusade, as Jeremy Corbyn certainly does, and that serves to differentiate Labour from the other parties. You cannot imagine people speaking of a Conservative or Liberal movement or crusade. It was this ethical, quasi-religious appeal which gave the early Labour Party its dynamic and sustained its leaders in what must have seemed at times like a thankless task, and it also gave Labour a tribal loyalty which has held it together in times of trouble, so that breakaways from the Party have always failed, whether Ramsay MacDonald’s National Labour Party in the 1930s, or the SDP in the 1980s, but of course there has always been a tension between these two aspects of the party, the practical and the religious.

This tension, however, was hardly relevant to Labour’s early years for, before 1914, the party could win seats only if it cooperated with the Liberals, with whom, in 1903, it made an electoral pact. In 1906, the year of the Liberal landslide, Labour won just 29 seats, but in almost all of them, they faced no Liberal opposition. The same was true in the two General Elections of 1910, in which Labour won 40 and 42 seats. Labour was tied to the Liberals, who could at any time have crushed the new party by running candidates against it, and this clearly limited Labour’s possibilities of becoming a vehicle for socialism, and until 1914, it appeared as little more than a pressure group upon the Liberals. It depended upon persuading the Liberals to legislate on matters which would benefit the working-class. Indeed, before 1914, some argued the formation of the Labour Party had been



a mistake and that the needs of the working class could be met by the great reforming Government of Asquith and Lloyd George, which had introduced old-age pensions, steeply-graduated and progressive taxation, and health and unemployment insurance, and was preparing further major reforms when the War broke out in 1914.

The War, however, altered everything, ruining the Liberals and helping Labour. The Liberals were split between the followers of Asquith and those of Lloyd George, and never really recovered their governing spirit. But the War led to a doubling of trade union membership, from just over 3.5 million in 1913 to 6.5 million in 1919, and most of these trade unionists would see their interests as being met by the Labour Party rather than the Liberals. All this gave a new confidence to the Labour Party, and it was reflected in organisation and ideological change, symbolised by the adoption of a constitution in 1918.

This new constitution provided for the establishment of Constituency Labour Parties and individual membership. It also adopted, for the first time, a definite statement of party aims. Its only domestic policy aim was the commitment to nationalisation in Clause IV of the Constitution, and this declared the aim of the Labour Party to be: “To secure for the producers, by hand or brain, the full fruits of their industry, and the most equitable distribution thereof that may be possible, upon the basis of the common ownership of the means of production, distribution and exchange, and the best obtainable system of popular administration and control of each industry and service.” This commitment remained until removed by Tony Blair in 1995.

Labour’s confidence was increased by the first post-War General Election in 1918, in which it won 63 seats, as compared with the 28 won by the other main opposition party, the Independent Asquithian Liberals. So, Labour became the second-largest grouping in the Commons since the coalition between the Lloyd George Liberals and the Conservatives won 478 seats, securing a landslide victory. Labour was to win more votes than the Liberals in every future general election. It became the official opposition. In 1924, it formed its first minority government, and its second minority government in 1929. Its vote increased in every election between the Wars, except that of 1931. The speed of its advance seems, in retrospect, astonishing.

Labour believed that the War had dealt capitalism its deathblow. Its programme, Labour and the New Social Order, in 1918, declared the War was: “...the culmination and collapse of a distinctive industrial civilisation which the workers will not seek to reconstruct. The individualistic system of capitalist production may, we hope indeed, have received a deathblow. With it must go the political system and ideas in which it naturally found expression. We of the Labour Party will certainly lend no hand to its revival. On the contrary, we shall do our utmost to see that it is buried, with the millions it has done to death.”

But the inter-War years were a period of historic defeat for the left. There were three defeats: the first was the General Strike of 1926, which showed that the trade unions could not force their view upon the Government; the second was 1931, which showed that a Labour Government could not preserve working class living standards in the middle of a slump; the third was in the 1930s, when it was shown that the labour movement was powerless to prevent another war. Labour did not recover until 1940, when it joined the Churchill Coalition, ironically a coalition led by the man who was seen by most of the Labour Party as the great enemy of the labour movement between the Wars. The central theme of the inter-War years seems to me the death of socialism in the form in which the founding fathers had understood it.

One reason for this was that the labour movement exaggerated its strength. In particular, the trade unions exaggerated their strength, and some believed that they could achieve a shortcut to socialism through industrial action, and in 1926, they believed they could force the Conservative Government to back down. The General Strike was not intended to be revolutionary, but rather to extend the scope of collective bargaining. A trade union says, if you want to seek improvements in your working conditions, you have a better chance of achieving this if you act collectively, if you say “we want” rather than “I want”. Why not extend this principle so that it covers not just one particular industry but every industry, in other words, a general strike? But once a strike becomes general, it seems to take on a different character. Does it not seem a threat to the state?

In 1919, the miners were, in a kind of rehearsal for the General Strike, again threatening a general strike, and Lloyd George said this to the President of the Miners’ Union. He said: “I feel bound to tell you that, in our



opinion, we are at your mercy. If you carry out your threat and strike, you will defeat us, but if you do so, have you weighed the consequences? The strike will be in defiance of the Government of the country and, by its very success, will precipitate a constitutional crisis of the first importance, for if a force arises in the state which is stronger than the state itself, then it must be ready to take on the functions of the state or to withdraw and accept the authority of the state. Gentlemen, have you considered, and if you are, are you ready?"

Lloyd George's comment was, in a sense, misleading because neither he nor any other Prime Minister would have been willing to accept defeat from organised labour, but even more important, organised labour was simply not prepared to make the kind of challenge that Lloyd George was describing. They did not wish to challenge the state. They were constitutionalist but miscalculated, and anyone who understands the formation and nature of the Labour Party can see why this is so. The aim of the General Strike was to force the Government to intervene to secure a fair deal for the miners. It seemed to the unions a further weapon of collective bargaining. But the Government refused to intervene and said the Strike was a threat to constitutional government. It insisted on an unconditional end to the General Strike before it would negotiate with the miners.

Shortly after the General Strike began, Beatrice Webb, a leading figure in the Fabian Society and a social investigator, wrote: "For the British trade union movement, I see a day of terrible disillusionment. The failure of the General Strike of 1926 will be one of the most significant landmarks in the history of the British working class. Future historians will, I think, regard it as the death-gasp of that pernicious doctrine of workers' control of public affairs through the trade unions and by the method of direct action."

1926 showed that you could not achieve socialism through the industrial power of the trade unions, and the General Strike was bound to raise a constitutional issue. In 1919, the Railway Union leader and future Labour Minister, J. H. Thomas, said this: "I cannot understand and do not subscribe to the policy that asks men to strike today for what they refused to put a cross on the ballot paper yesterday. At the General Election, Labour made its appeal, declaring our policy. The other parties made their appeal, and our people believed them and not us. We ought clearly to recognise that if Labour is going to govern, we can't have some outside body attempting to rebel against parliamentary institutions without it recoiling on our own heads."

The miners had gone on strike because they were in dispute with the owners. The other unions on strike had no dispute with their owners. Their dispute was not with the owners but with the Government. If the Government were to give way, the trade unions, as Lloyd George had pointed out, would have become the Government. But the Strike failed after nine days and the trade unions lost one-third of their funds.

After the Strike ended, Beatrice Webb wrote: "The Government has gained immense prestige in the world, and the British labour movement has made itself ridiculous, a strike which opens with a football match between the police and the strikers, and ends in unconditional surrender, after nine days, with densely-packed reconciliation services at all the chapels and churches of Great Britain attended by the strikers and their families, will make the Continental socialists blaspheme. Let me add, the failure of the General Strike shows what a sane people the British are. If only our revolutionaries would realise the hopelessness of their attempt to turn the British workman into a Russian Red and the British businessman and country gentleman into an Italian Fascist. The British are hopelessly good-natured and full of common-sense, to which the British workman adds pig-headedness, jealousy and stupidity. We are, all of us, just good-natured, stupid folk. The worst of it is that the governing class are as good-natured and stupid as the labour movement."

Since 1926, the Labour movement has been clearly committed to the parliamentary road to socialism through the Labour Party, and as a result of 1926, the trade unions became less an instrument of resistance to the state and more of a policymaking body. They became, in effect, an estate of the realm, consulted by governments of both left and right.

As early as 1937, Ernest Bevin said that the TUC had now virtually become an integral part of the state. With the rise of dictatorships abroad, which did away with the rights of free trade unions, British trade unions came to appreciate that democracy, even in the form of a capitalist state, was worth defending, but the position of trade unions as an estate of the realm was bound to end when they too began to exaggerate their power, and the



outcome was the advent of Margaret Thatcher in 1979. One commentator said: “It was the public sector trade unions who brought Margaret Thatcher to power in the Winter of Discontent, and she subsequently proceeded to thank them in her own peculiarly individual way.”

But Labour, in the 1930s, instead of seeking to transform the capitalist state into something different, was coming to accept it and working within it for improvements. 1926 symbolised the end of the class war in industry. It was coming to an end in politics as well. Under the post-War Attlee Government, Labour’s most successful Government, Labour would seek to administer the capitalist system through the new ideas of Keynes and Beveridge rather than to transform it.

Until 1945, socialism was seen as something which still lay in the future, but we now see the Attlee Government as the climax of socialism, and although it did, to some extent, transform society, that society did remain fundamentally capitalist, with a large role for private enterprise. It did not become, as William Morris had hoped, a society based on fellowship and cooperation.

The Attlee Government transformed social conditions by helping to slay the five giants noted by William Beveridge in his famous 1942 report. The first giant was want, and the Labour Government helped to slay that through the National Insurance Act of 1946, providing for widows’ benefits, maternity benefits, death grants, and insurance against sickness, unemployment and retirement. The Act established the Labour principle of a national minimum. No one was to fall below subsistence level. It led to a drastic reduction in poverty. In York, for example, it had been found that, in 1936, 31% of the working class were living in conditions of poverty; by 1950, the figure was just 3%. The second giant to slay was disease. Aneurin Bevan helped to slay that with his National Health Service Act, enacted in 1946. The third giant to slay was ignorance. Labour helped to slay that by implementing the 1944 Act that had been passed by the Wartime Coalition Government which had abolished fees in secondary education and raised the school leaving age to 15. The fourth giant to slay was squalor, and Labour did something to slay that through its housing programme and new proposals for town planning. The fifth, and possibly most important, giant to slay was idleness. Under Labour, Britain had full employment for the first time ever in peacetime. When a Full Employment White Paper was published by the Coalition Government proposing an unemployment level of 3%, the great economist, John Maynard Keynes, said: “No harm in aiming at 3% unemployment, but I shall be surprised if we succeed.” Labour did even better: by 1951, unemployment was under 1%. The contrast was most striking perhaps in the North-East, where unemployment in 1938 had been 38%; but 1951, it was 1%; by 1988, under Margaret Thatcher, it had grown to 13%. So, the Attlee Government presided over the greatest social advance of the 20<sup>th</sup> Century.

It was successful in economic policy also. Output rose by a third in 1945, and real GDP from 1947 to 1951 rose by 3%, the highest four-year rise in GDP in the 20<sup>th</sup> Century, although it was not noticed by the ordinary consumer since much of the increase in output was steered into investment and exports, so that most people’s real standard of living remained virtually stationary.

Abroad, Labour played its part in establishing a system of collective security with NATO and decolonised India, freeing one-sixth of the human race and enabling Britain to avoid getting bogged down in futile colonial wars, as occurred with the French in Indo-China and Algeria, and Belgium in the Congo.

But, paradoxically, the least successful part of Labour’s programme was the most socialist part: the nationalisation of public utilities. That never achieved widespread public support and its failure to transform industrial conditions led to a doctrinal crisis in the party.

In 1937, Attlee wrote a book called ‘The Labour Party in Perspective’, in which he said: “The evils that capitalism brings differ in intensity in different countries, but the root cause of the trouble, once discerned, the remedies seem to be the same. The cause is the private ownership of the means of life; the remedy is public ownership. All the major industries will be owned and controlled by the community.” Neither he nor other leading members of the Labour Party believed that, by 1921, they would become committed to the mixed economy.



Now, because nationalisation had failed to transform society, the Attlee Government left a legacy of disillusion, despite its tremendous successes, for the achievement of full employment, a welfare state, a National Health Service free at source, and decolonisation in India, massive reforms though they were, did not seem to have brought about utopia. Indeed, Britain in 1951 did not seem very like utopia. It was most certainly not a classless society, and nationalisation seemed to many a dead-end. It did not seem to possess the sort of magic properties that earlier socialists had predicted. In addition, the achievements of the Attlee Government did not lead to electoral success in the 1950s. Instead, Labour lost three general elections in a row, and its vote fell continuously in the 1950s. This surprised many in the Labour Party, who had seen the General Election of 1945 as beginning a period of socialist advance, what the Marxist historian, Eric Hobsbawm, was to call “the forward march of labour”, but in retrospect, the Attlee Government seems a culmination of socialist advance, an ending rather than a beginning.

Socialists were bewildered in the 1950s when the tide of history seemed to be going against them. What was happening was that, in a consumer society of growing affluence, working class solidarity was coming to be undermined by a new individualism. One Conservative journalist said that Marx and Engels were being replaced by Marks & Spencer. In addition, technological developments were reducing the size of the working class. One study concluded, ominously, that: “Labour is thought of as a predominantly class party, and that class which it presents is objectively and subjectively on the wane.”

How was Labour to respond to this challenge? The first Leader to respond was Hugh Gaitskell, Labour’s Leader between 1955 and 1963. At Labour’s 1959 Conference, after the party’s third successive electoral defeat, the Labour Leader, Hugh Gaitskell, declared: “We assumed too readily an instinctive loyalty to Labour, which was all the time slowly being gradually eroded.”

So, the Attlee Government seemed, for all its achievements, to mark the end of a dream, the dream of a socialist society. But not all Labour Party members were willing to accept this. When Gaitskell sought to remove Clause IV from the party’s constitution, he failed and had to back down. Then, in the 1980s, Neil Kinnock tried to modernise the Labour Party, but it was left to Tony Blair in 1995 finally to remove Clause IV and make way for the creation of New Labour.

It was in response to the disillusion following the Attlee Government that, in 1946, Anthony Crosland, later to be a Labour Cabinet Minister, published an important book called ‘The Future of Socialism’, in which he argued that the reforms of the Attlee Government, even though they had not created a socialist society, had fundamentally transformed capitalism and that socialists needed to come to terms with the mixed economy, which was very different from a form of capitalism red in tooth and claw. Socialism, he said, had to be adapted to modern conditions. It remained fundamentally about equality, but that equality could not be achieved by nationalisation, which should no longer be the central aim of socialists. The ownership of industry was no longer the key factor in determining the structure of society. Instead, socialism should be achieved, he said, by fiscal means, by redistributive taxation, and by educational reform, in particular by the establishment of comprehensive schools. Many Labour supporters resisted Crosland’s arguments, but in practice, future Labour Governments were to act according to his precepts rather than those of more traditional socialists. No future Labour Government was to give nationalisation the same importance that it had been given by the Attlee Government, and one can see, in the future of socialism, the germs of Tony Blair’s New Labour.

1997 was to be the first General Election since the Labour Party had been founded in which the Labour Manifesto did not include a single proposal for nationalisation. Indeed, the question that people were asking about Labour in 1997 was not “What industries will Labour nationalise?” but “What industries will Labour privatise?” Social democracy was coming to replace traditional socialism. Recently of course, nationalisation has been making a comeback under Jeremy Corbyn, but it is of course too early to say whether it marks the beginning of a trend or is merely a temporary aberration.

In the 1960s, electoral developments seemed to belie the pessimism of Gaitskell and Crosland because, during the 15 years from 1964 to 1979, Labour was in power for all but three-and-a-half years, and it won four of the five elections of the period, all of them under the leadership of Harold Wilson. But then there were four



successive electoral defeats by the Conservatives under Margaret Thatcher and John Major. In Eric Hobsbawm's words: "The forward march of Labour had come to be halted."

For most of the 20<sup>th</sup> Century, Labour had been sustained by the belief that its advance was, in some sense, guaranteed by history, by what Sidney Webb had called "the inevitability of gradualness". Society, so it was believed, was moving inexorably in a collectivist direction. No doubt, Conservative Governments would continue to be elected from time to time, but their role would be confined to that of administering a dispensation shaped by Labour, as the Churchill and Macmillan Governments in the 1950s had done. If Conservatives tried to go further, if they tried to roll back the state, they would, it was thought, be repudiated by the electorate because the gains secured by the Attlee Government, it was thought, could only be maintained through state action, and voters would punish any government which sought to undermine them. Crosland believed that these gains – full employment, the welfare state, sharply progressive taxation, and recognition of the claims of organised labour – that all these were permanent and immune to challenge from the right.

But of course, the advent of Margaret Thatcher in 1979 changed all that, for she saw her task not merely as one of containing the advances made by Labour but of reversing them. So, Labour had to adapt its doctrines to conditions that it had never before envisaged. It now seemed that social democracy, far from being guaranteed by history, was being repudiated by it. The future of socialism had been based on a belief that the state could, through intelligent macroeconomic policy, secure both full employment and price stability using Keynesian methods. The state should, in Crosland's view, use its ability to control the economy to redistribute income and secure full employment. That belief was now under threat.

Indeed, it had been under threat even during Labour's period of office. At the time of the IMF crisis of 1976, Labour Prime Minister, James Callaghan, spoke at the Labour Party Conference of the "...cosy world we were told would go on forever, where full employment would be guaranteed by a stroke of the Chancellor's pen. We used to think you could just spend your way out of a recession. I tell you, in all candour, that that option no longer exists, and that insofar as it ever did exist, it only worked by injecting a bigger dose of inflation into the economy, followed by a higher level of unemployment. That is the history of the last 20 years." So, the first of Crosland's presuppositions, that the economy could be brought under control by the state, had been subverted.

Secondly, Crosland believed that social democracy could be achieved by fiscal means. That too was under threat. Some Labour Leaders were coming to believe that the limits of taxable capacity were being reached. It seemed, in particular, that some of Labour's supporters, better-off members of the working class, whose votes were crucial in marginal seats, were also coming to be hostile to high taxation, preferring to retain more of their wages in their pockets. At the time of the IMF crisis of 1976, therefore, the argument the economic crisis should be met by a rise in taxation, rather than by cuts in public expenditure, was rapidly dismissed by Prime Minister Callaghan and Chancellor Healey, and pressed, even on the left, in a rather lukewarm manner.

The undermining of these two propositions, that the state could control the economy and that a beneficent state could be trusted to redistribute income, meant that, during the long period of Conservative rule, from 1979 to 1997, the prospects for social democracy receded into the distance. Many of the things that Crosland insisted could not happen – a return to high unemployment, regressive use of the taxation system, drastic cuts in the public services, and the marginalisation of the trade union movement – did in fact happen under Margaret Thatcher, and proved no barrier to Conservative electoral success. By the 1990s, if not earlier, it had become clear that social democrats faced a completely changed landscape, one dominated by new techniques of economic management, accompanied by considerable scepticism as to the value of government intervention and even of expenditure on the public services. After its unexpected defeat in the 1992 General Election, the Labour Party drew the lesson, whether rightly or wrongly, that electors, whatever they told the opinion pollsters, would not, in the privacy of the voting booth, support a party which proposed higher taxes to finance the public services. So, in 1997, Tony Blair and Gordon Brown proposed a policy of fiscal prudence, with no increases in public spending.

As early as 1975, according to Tony Benn's Diaries, Labour Chancellor, Denis Healey, told the Cabinet: "At the Labour Clubs, you'll find there's an awful lot of support for this policy of cutting public expenditure. They will



all tell you about Paddy Murphy up the street, who's got 18 children, has not worked for years, lives on unemployment benefit, has a colour television, and goes to Majorca for his holidays.”

There was a third presupposition which lay at the heart of Crosland's analysis: it was that social democracy could be achieved in one country. But was that possible when Britain had become subject to forces which lay completely outside the country - the market forces of globalisation and the rules of the European Union? Crosland had believed that social democrats could pursue whatever policies they liked, largely untrammelled by foreign opinion. In the 1950s, this seemed to make good sense. Britain remained a sheltered economy, protected by tariffs and exchange controls. Under the Attlee Government, Britain had appeared to be an island beacon of social democratic hope, in an otherwise unsympathetic world. By the 1990s, however, it seemed clear that social democracy in one country was no longer a feasible option. The progress of national economies was becoming inextricably bound up with the international economy and the pressures of the global market. Governments could no longer adopt national macroeconomic policies aimed at boosting demand, without risking punishment by the markets in the form of higher interest rates and falling currencies.

Tony Blair showed he understood this when, in a lecture in 1995, he said: “We must recognise that the UK is situated in the middle of the global market for capital, a market which is less subject to regulation today than for several decades. An expansionary fiscal or monetary policy that is at odds with other economies in Europe will not be sustained for very long.” To that extent, the room for manoeuvre of any government in Britain is already heavily circumscribed. In addition to the constraints of the global economy, Britain is a member of the European Union and is subject to its trading rules and the provisions of the internal market. The European Economic Community, forerunner of the European Union, had not yet come into existence in 1956 when Crosland wrote ‘The Future of Socialism’, and Hugh Gaitskell, Labour's then Leader, was, together with some of his leading colleagues, positively hostile to it, partly on the grounds that membership would inhibit the policies of economic planning to which a social democratic government ought to be committed. That may be also the reason for Jeremy Corbyn's reported scepticism.

But by the time that Blair became Labour Leader, Labour was more pro-European than the Conservatives, and this would make it more difficult to implement social democrat policies because the EU imposed restrictions on the policy instruments, such as state aid, available to a social democratic government. Globalisation, moreover, had the consequence of increasing inequalities, even within a single state, let alone between states. It seemed to allow a few to acquire massive financial rewards while making life more difficult for those without marketable skills. Globalisation, while increasing inequality, had also removed from national states those policy instruments which it would need to redress them – these instruments would now be forbidden by the rules of the European Union, the World Trade Organisation and similar international bodies. The transformation of social democracy into New Labour followed inexorably from Blair's acceptance of the constraint of globalisation, which was, in the words of one American commentator, “a golden straitjacket”, though that was written before 2008 and perhaps it's not so golden anymore.

But perhaps even more important, the alliance between the industrial working class and socialism seemed to have come to an end. Not only was the traditional working class in decline, its views seemed to have little in common with that of middle class Labour leaders. Working class voters, it has been discovered, are not sympathetic to the international ethos of Labour, an ethos which welcomed immigration and multiculturalism and championed the rights of ethnic and sexual minorities. Indeed, as early as 1864, when Karl Marx helped union leaders in London to form the first Workers International, the union leaders' first demand was that British employers should stop importing cheap French labour which held down wages. Towards the end of the 20<sup>th</sup> Century, it was becoming increasingly difficult to believe that the working-class could be the means by which socialism could be constructed. Labour seemed to have two conflicting constituencies: its working-class constituency, and its middle-class constituency. It faced what might be called a cultural conflict between Hartlepool and Hampstead.

The Blair and Brown Governments had notable successes, but these successes were not welcomed by many activists in the party, who resented what they saw as the abandonment of socialism. In addition, some had been happy with the purity of opposition, which they preferred to the compromises of government. At the last



Labour Conference which he addressed as Prime Minister in 2006, Tony Blair said there was one Labour tradition he did not like, the tradition of losing elections, and many Labour activists could not forgive him for actually winning elections, for winning three in a row, something no left-wing leader had ever done before, and winning the largest landslide by the left in British history twice, in 1997 and 2001, and those were unforgivable sins. This resentment, together with resentment at austerity, which had been a consequence of the credit crunch of 2008, was to lead to the election of Jeremy Corbyn as Labour Leader in 2015.

He was chosen by the individual members and the trade unions, but against the wishes of Labour MPs, who, in June 2016, passed a motion of no-confidence in him by 172 votes to 40. But by 2018, for the first time in Labour's history, the left controlled three of the key power-centres of the party – the constituency membership, the trade unions, and Labour's National Executive. The only power-centre the left did not control was the Parliamentary Party, and it appears that steps may be taken to remedy that by deselecting MPs opposed to the Corbyn leadership.

The Corbyn leadership was a reversion to an older style of left-wing politics. From the time of the Russian Revolution in 1917, there had been socialists who were opposed to the social democrats, who they thought of as feeble compromisers, but were not prepared to accept the iron discipline and intolerance of the Communists, but although they were not themselves revolutionaries, they had no qualms in accepting the support of those who were, believing there could be no enemies on the left. They had been dominant in the labour movement only during the period of militant trade union leadership in the early-1920s, culminating in the General Strike, by men who had used the rhetoric of the class war without calculating its consequences. Once their bluff had been called in the General Strike, they shrank into insignificance. That stream of thought is now once again dominant in the Labour Party, with what consequences, we shall see.

When I drew up the programme for these lectures, I wrote of Labour: "Like other social democratic parties in Europe, the Labour Party finds itself in retreat". That of course was written before the 2017 Election and shows the dangers of prediction because, in the 2017 Election, to the surprise of many, Labour secured a massive swing in its favour, the largest swing indeed by any party, in any general election, since the swing to Attlee's Labour Party in 1945. I would, however, have been more accurate had I said that social democrats in the Labour Party would find themselves in retreat, for, in my view, the election represented a personal victory for Jeremy Corbyn but not for social democracy. Indeed, the election seems to me a defeat for the social democrats in the Labour Party and the values which they held. It was a defeat, indeed, for the vast majority of Labour MPs, who welcomed the early election because they hoped and believed it would be a chance to get rid of Jeremy Corbyn. Indeed, the strongest bond uniting Labour MPs, the main focus of unity in the Parliamentary Party was that Corbyn was incompetent and that his policy proposals were unrealistic. The 2017 Election was the first in British history in which a major party leader fought an election despite having been repudiated by the vast majority of his parliamentary supporters.

It was also, sadly, the first in British history in which a leader of a party was accused by at least two, and possibly more, of his backbench MPs of failing to combat racism in the form of antisemitism, a sentiment hitherto absent from British politics since the time of Oswald Mosley, the fascist leader in the 1930s. One Labour MP, Jess Phillips, MP for Birmingham Yardley, who is not Jewish, told the *Times* in September 2016: "There is definitely antisemitism and Corbyn needs to clamp down on it. Labour is my home but it's become a hostile living arrangement." Ruth Smeeth, a Jewish Labour MP for Stoke-on-Trent North, told the *Evening Standard* in September 2016 she had received over 25,000 incidents of racial abuse and required security protection at the Labour Party Conference. She said, "I have never seen antisemitism in Labour on this scale." She has, on numerous occasions, raised issues of racism privately with Corbyn and said, "My biggest issue is that he knows it's happening and it's still happening." She had concluded, "They are abysmal about racism".

Paradoxically, the electoral success of the most left-wing leader in Labour history came not from an increase in working class support but from an increase in middle class support. Labour's success was greatest amongst university students, the bulk of whom come from middle class families. The party proposed to abolish student fees and indeed to pay off student debt. Labour's support is strongest amongst pensioners who objected to means-testing of their winter fuel payments and the ending of the triple-lock on pensions at a time when



pensioners are disproportionately unlikely to be in poverty and when the typical pensioner household is now around £20 a week better off than the typical working age household. Labour gained support amongst homeowners who did not wish to pay for domiciliary social care. As the political philosopher, John Gray, put it in an article in the *New Statesman*: “The election result means that the property tycoons of Chelsea must be congratulating themselves on having seen off a threat to their children’s inheritances.” Interestingly, Labour did not propose to unfreeze welfare benefits, which Emily Thornberry, the Shadow Foreign Secretary, declared was unaffordable. In consequence, the higher the proportion of professional and managerial classes in a constituency, the larger the swing to Labour. The lower the proportion of routine and manual workers in constituency, the larger the swing to Labour. The larger the number with qualifications or degrees, the larger the swing to Labour. Indeed, in constituencies where over 27% had no qualifications, there was a small swing to the Conservatives, as there was in constituencies where under 21% had a degree.

Labour also gained from the European issue. It was not, as the Liberal Democrats were, a Remain party. The Labour Manifesto declared that the Labour Government would leave the EU, it would institute a policy of managed immigration, but seek to remain in the Single Market. It did not explain how it could achieve these benefits, since remaining in the Single Market requires acceptance of free movement. But that did not matter. Remainers came to the conclusion, no doubt, that a vote for the Liberal Democrats was a wasted vote, and the best way to reverse or at least mitigate the outcome of the referendum was to vote Labour. In seats with 60% or more Leave voters, there was a small swing of around 0.8% to the Conservatives, but where the Leave vote was under 45%, the Labour vote increased by 12% and the Conservatives fell back 2%. But Leavers also voted Labour, and much of the 2015 UKIP vote returned to Labour. Perhaps one motivation for a UKIP vote in 2015 had been anti-establishment feeling and perhaps that feeling was transferred to Jeremy Corbyn in 2017.

The parties that have been most successful since the European issue came to dominate British politics have been those that were able to finesse it, as David Cameron did in 2015 with the promise of a referendum, and Jeremy Corbyn in 2017 who could appeal to both sides in the Remain/Leave debate. In finessing that issue, Jeremy Corbyn was also able to finesse the culture war which threatened to divide the party, the division between its professional middle class and its working-class supporters, the Hampstead/Hartlepool division.

But it is paradoxical that so many Remainers looked primarily to Corbyn to come out in favour of mitigating Brexit or even of reversing it, since Corbyn has been a lifelong Eurosceptic on the ground that it yields control of the economy to international institutions and so inhibits the policies needed to combat austerity and create a socialist society.

The 2017 Election seemed to put socialism back on the political agenda. Nevertheless, socialists can no longer have the assurance they had at the beginning of the 20<sup>th</sup> Century that socialism was the wave of the future, that it was, in the words of the philosopher, Bernard Williams, “cheered on by the universe”.

Towards the end of the 20<sup>th</sup> Century, the American socialist, Daniel Bell, wrote: “The death of socialism is the most tragic political fact of the 20<sup>th</sup> Century”. In its most extreme and violent form of communism, socialism has led to horrible tyrannies, as in Russia and China; in its milder form, it has led to Venezuela, where people queue in the street for food. The only form in which it has proved at all viable and successful has been that of social democracy, the governing philosophy for many years in Norway and Sweden, the form which Tony Blair tried to adapt to British conditions with New Labour. But the Corbyn leadership and its electoral success in 2017 raises anew the question of the viability of older forms of socialism and whether they can be made to work in an advanced industrial society such as Britain. Perhaps socialists would do well to remember the words of perhaps its greatest British exponent in the 20<sup>th</sup> Century, Aneurin Bevan, who wrote: “The philosophy of democratic socialism is essentially cool in temper. Democratic socialism is a child of modern society and so of a relativist philosophy. It seeks the truth in any given situation, knowing all the time that if this be pushed too far, it falls into error.”