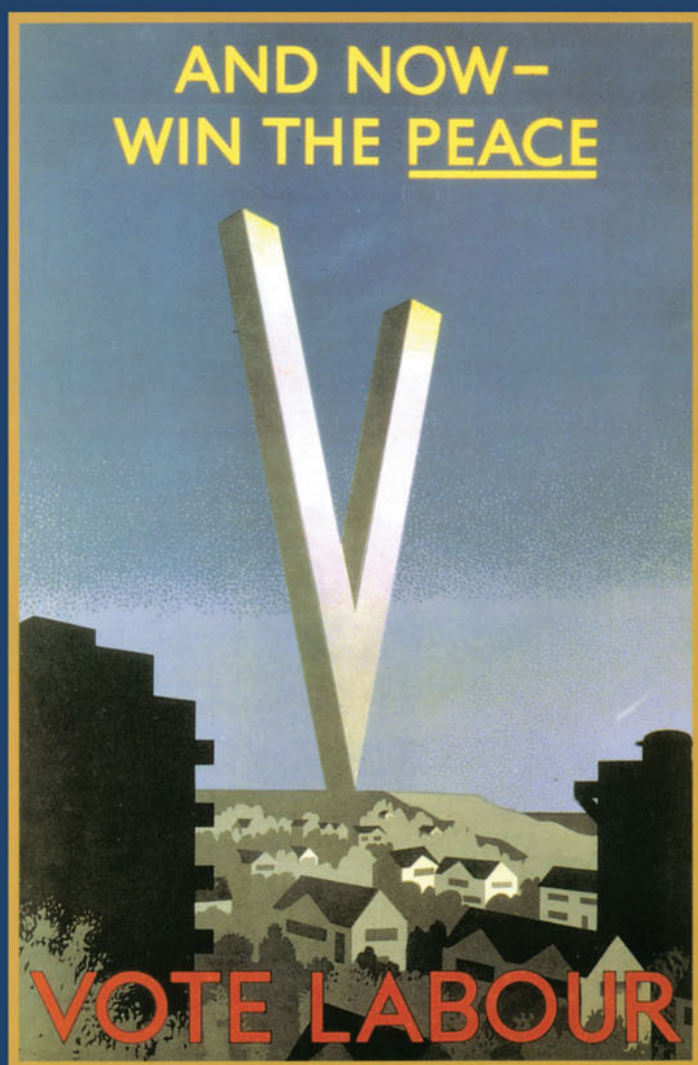


# THE RISE OF THE LABOUR PARTY 1880–1945

Third Edition

PAUL ADELMAN



SEMINAR STUDIES

IN HISTORY

ROUTLEDGE

## THE RISE OF THE LABOUR PARTY

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# The Rise of the Labour Party 1880–1945

THIRD EDITION

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Paul Adelman

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## EDITORIAL FOREWORD

Such is the pace of historical enquiry in the modern world that there is an ever-widening gap between the specialist article or monograph, incorporating the results of current research, and general surveys, which inevitably become out of date. *Seminar Studies in History* are designed to bridge this gap. The books are written by experts in their field who are not only familiar with the latest research but have often contributed to it. They are frequently revised, in order to take account of new information and interpretations. They provide a selection of documents to illustrate major themes and provoke discussion, and also a guide to further reading. Their aim is to clarify complex issues without over-simplifying them, and to stimulate readers into deepening their knowledge and understanding of major themes and topics.

ROGER LOCKYER

## NOTE ON REFERENCING SYSTEM

Readers should note that numbers in square brackets [5] refer them to the corresponding entry in the Bibliography at the end of the book (specific page numbers are given in italics). A number in square brackets preceded by *Doc.* [*Doc.* 5] refers readers to the corresponding item in the Documents section which follows the main text.

## NOTE ON THE SECOND EDITION

I have taken the opportunity of a second edition to correct errors and misprints in the original text, and to take account of the more important books and articles published on the history of the Labour Party (up to 1945) since the first edition of this book was published in 1972. The last thirteen years have in fact been outstanding for scholarly work in this field. They have seen the publication of important works of analysis on the growth of the Labour Party, and the General Strike, for example; and major new biographies of MacDonald, Attlee, Morrison and Dalton. Some sections of the original work have therefore been largely rewritten.

PAUL ADELMAN, 1985



## NOTE ON THE THIRD EDITION

The main purpose of this new edition is to take account of the major publications on the history of the Labour Party (up to 1945) since the Second Edition was published in 1986. Particular attention has been paid to the outstanding work of Duncan Tanner.

PAUL ADELMAN, 1995

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## FOREWORD

In 1880 not one independent Labour member sat in the House of Commons, though there were three working men present, all of whom owed their seats to Liberal votes and supported the Liberal Party. After the general election of 1945, however, 393 members of the Labour Party sat in the House of Commons, and for the first time in its history the party commanded a clear majority of the seats. The aim of this study is to explain how and why this transformation took place. I have in fact tried to answer two questions: why was the Labour Party formed? why did it eventually emerge as the second party in the state, and subsequently His Majesty's Government? On both questions there has been a considerable amount of new material published since the Second World War, not only by historians like Pelling, Marwick, Hobsbawm and Skidelsky, but also, mainly in an autobiographical form, by many of the major participants in the party's later history. Indeed, the last twenty-five years have seen a virtual renaissance in the study of 'Labour history', marked by the foundation in 1960 of a special Society and Bulletin for the subject. The present book is an attempt to analyse some of this new evidence and the problems it raises for the history of the Labour Party.

For some students of labour history there are, in a sense, no problems involved in the study of the Labour Party. For them, once the working men had been granted the vote by the Reform Acts of 1867 and 1884 and made to see the grim reality of their position within capitalist society by the socialists, they were bound to create their own party; and, given their numerical strength, that party was certain eventually to achieve power in the state. The rise of the Labour Party is, therefore, on this interpretation, 'inevitable', and men and events are judged by their contribution to an ineluctable process. These interpretations of Labour history have been, implicitly at least, seriously undermined by the detailed investigations of recent historians, who have shown how far removed from 'inevitability' and how limited was the role of

socialism in the formation of the Labour Party, how unrevolutionary were the masses, and indeed how complex and often fortuitous many of the major developments in the party's history were.

Nevertheless, if the rise of the Labour Party was not 'inevitable', there are certain general factors at work in the later nineteenth century which do have an important bearing on its formation. There are, first, the profound social and economic changes of the period, notably, the so-called 'Great Depression' [24]. The Great Depression was marked by falling prices and profits; but for the working class as a whole – despite the large pockets of heavy unemployment which characterised this period, and the appalling conditions among the unskilled – falling prices meant rising real wages, which lasted until the turn of the century [156]. Rising living standards, linked with political and educational progress and the growth of civic amenities, meant a general raising of standards for at least the 'labour aristocracy'. But this advance was coupled also with a blurring of the lines between the skilled and the unskilled workers as mechanisation and large-scale production destroyed the old craft skills; while the rise of the 'white-collar' worker, as a result of the expansion of trade, finance and the service industries, led to a growing distinction between the middle and working classes, especially in London. All this meant that, in the later nineteenth century, the working class becomes more homogeneous, more concentrated in certain areas, and more class-conscious. Now there is a definite 'labour interest' which, in an age of rising political democracy, rapid economic change and widening social horizons, sought expression and fulfilment.

And these changes in the character of society fitted in with, and partly caused, changes taking place in the realm of ideas. As a result of the writings of economists and philosophers like Cairnes, Jevons, Henry George and T. H. Green, the intellectual justification for *laissez faire* began to crumble, and there was an increased sympathy among the educated and prosperous with the aspirations of working men [29]; an attitude of mind which was reinforced by the work of social investigators, like Charles Booth, who showed what a mass of poverty and degradation still lay at the bottom of late-Victorian society [27]. None of these developments made it inevitable that a Labour Party would develop, especially as the Gladstonian Liberal Party still existed as the guardian of the working man's political conscience. But they did make it likely that some thinking men and women would become socialists – and the history of modern Socialism in this country is intertwined with the history of the

Labour Party [151]. The so-called 'Socialist revival' of the 1880s is, therefore, perhaps the best starting point for a study of the rise of the Labour Party.

## PART ONE: ORIGINS

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### 1 SOCIALISM AND TRADE-UNIONISM

#### THE SOCIALIST REVIVAL OF THE 1880S

Between the decline of Chartism in the 1850s and the early 1880s there was no organised socialist movement in Great Britain. Socialism existed, but it was confined almost entirely to discussions in a few obscure working men's clubs, mainly in London, and these were dominated by socialist refugees from the Continent [73]. The greatest of these, Karl Marx, was to die in 1883, almost unknown after thirty years residence in the capital, with not one of his major works yet translated into English. By the end of the decade, however, at least two important socialist societies existed, the Social Democratic Federation and the Fabian Society, as well as a number of splinter groups; and although their total membership was small, their influence was considerable. Socialism, if still a dirty word to the employing and governing classes, could no longer be ignored as an intellectual creed by the thinking public.

The origins of modern British socialism lie deep in the history of mid-Victorian society [42]. But there are a number of particular factors which enable us to pinpoint the socialist revival of the early 1880s. First, there was the growing disillusionment of many radicals with the record of official Liberalism: not only Gladstone's tenderness to the Whigs and his reluctance to embark on a programme of further social and political reform, but his apparent continuation of Disraeli's imperialistic policies in Egypt and South Africa; and, above all, the government's support for coercion in Ireland which seemed the utter negation of all that Liberalism stood for [8]. Second, there was the very different influence of the American, Henry George, and his famous work, *Progress and Poverty*, first published in the United States in 1879 and in England the following year. It is difficult for us today to appreciate the extraordinary impact on his contemporaries, particularly in England, of this forgotten man and his unread masterpiece, whose thesis –

that the ills of society are due to the 'unearned increment' obtained by the landlord – seems now largely irrelevant to the problems of his age [Doc. 1]. But *Progress and Poverty* is that *rara avis*, an economics textbook which became a world best-seller. In England alone in the 1880s Kegan Paul, the publisher, sold 109,000 copies in a cheap sixpenny edition, thus making it 'the greatest single educational force moulding the British working class' [63, p. 54]. Henry George followed up this publishing success by carrying out a triumphant personal tour of the British Isles in 1881. He was welcomed by the Rev. Stewart Headlam, the Christian Socialist, as 'a man sent from God', and his forceful personality and ethical appeal had a remarkable effect on his audiences. He made five more similar tours during the next nine years.

How are we to account for this unique success? One point may be suggested: *Progress and Poverty* fitted in closely with the mood of the moment among radical circles in England and Ireland [9]. For not only was the year 1879 a year of intense agricultural depression, but the late 1870s and early 1880s witnessed bitter attacks in England on the evils of landlordism by a whole variety of land reformers and land reform associations, summed up in Joseph Chamberlain's notorious phrase of 1883 about 'the class that toil not neither do they spin' [8, p. 41]. In Ireland, unhappily, these attacks were not confined to the written or spoken word. What Henry George did, therefore, was to make men, particularly working men, think about the contrasts that existed in a society of 'tramps at one end, millionaires at the other'; and, as J. A. Hobson pointed out in an acute contemporary article, to 'give definiteness to the feeling of discontent by assigning an easily intelligible economic cause' [61]. George was no socialist; but it was an easy transition from the evils of landlordism, through the gospel of land taxation to socialist ideas. It was in this way that Henry George influenced men and women like Bernard Shaw, H. H. Champion, Keir Hardie, H. M. Hyndman and Beatrice Webb, all in their diverse ways to become important representatives of the socialist movement of the 1880s.

Most of these people were members of the middle class, and indeed the socialist revival of the 1880s was primarily a middle class phenomenon. Hence *Progress and Poverty* is also part of that wider and deeper ferment of ideas which the young Beatrice Webb saw stirring the hearts and minds of so many of her cultivated and prosperous contemporaries, what she called, characteristically, 'the consciousness of sin'.

I do not mean [she wrote] the consciousness of personal sin . . . the consciousness of sin was a collective or class consciousness; a growing uneasiness, amounting to conviction, that the industrial organisation, which had yielded rent, interest and profits on a stupendous scale, had failed to provide a decent livelihood and tolerable conditions for a majority of the inhabitants of Great Britain [206, i, 204–6].

It was, indeed, a distinctly bourgeois figure, H. M. Hyndman, who founded in 1884 the Social Democratic Federation, 'the first modern socialist organisation of national importance in Britain' [152, p. 231]. Hyndman was, however, in many ways a curious and contradictory person to head a socialist party. Educated at Eton and Trinity College, Cambridge, he was always conscious of his status as a gentleman, and normally wore the customary top hat and frock coat of members of that class. He also continued his family's associations with the City and, moreover, was a strong supporter of the Empire and British naval power. His political instincts were therefore basically Tory rather than Liberal; and it was his persistent antipathy to Liberalism that later cut him off so clearly from the majority of British labour leaders, and often from his own associates. In 1881 he was converted to Marxism after reading *Das Kapital* in a French translation (the first English translation only appeared in 1887) while on a trip to the United States; and in the same year he published his own Marxist exposition, *England for All*. This was in many ways, as Hyndman's biographer suggests, 'a text-book of English "Tory Democracy" rather than of continental Social Democracy' [205, p. 42]; moreover, it committed the grave solecism of not mentioning the master by name. This annoyed Marx intensely, and he remained aloof from Hyndman until his death two years later; while Engels, as a result of the 'shabby treatment' meted out to his friend and collaborator, maintained a personal vendetta with Hyndman until his own death fourteen years later.

The origins of the SDF, however, lie not in Hyndman's Marxism, but in his opposition to current Liberalism. In June 1881 a number of working men from the London radical clubs, together with Hyndman and a group of prominent left-wing Liberals, held an inaugural meeting in London 'to unite, if possible, all societies willing to adopt a Radical programme with a powerful Democratic party' [205, p. 12]. As a result, the Democratic Federation was born; a radical rather than a socialist body, whose interests lay primarily in Irish policy and land reform. But the increasing