

Emotion or Principle?

A REVIEW CONTRASTING *LEFT IN THE CENTRE* (R. E. DOWSE, LONGMAN GREEN, 42s.) WITH *PROGRESS AND POVERTY* (HENRY GEORGE, HOGARTH PRESS, 10s. 6d.)



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L *LEFT IN THE CENTRE* is a long and detailed study of the rise and decline of the Independent Labour Party, from its origins in the eighteen-eighties to its eclipse in the nineteen-thirties. It is perhaps fortunate for the student of economic history that a new abridgment of Henry George's *Progress and Poverty* should appear at the same time. The one describes the history of a political movement that captured the enthusiasm of the workers and gave them hope of economic emancipation; the other is an examination of the economic causes of persistent poverty in an apparently progressive society.

Keir Hardie, a miner and self educated, founder of the Scottish Labour Party, was determined on working class representation in Parliament. A conference was called of various Labour groups, mostly from the mining areas, at Bradford in 1893, and Hardie was elected Chairman of the new Independent Labour Party.

"Having settled the party's broad policy as the securing of collective ownership of the means of production, distribution and exchange, the conference decided its programme should include the demand for an eight-hour day, provision of better facilities for the sick and widowed, the abolition of overtime and the provision of work for the unemployed."

Mr. Dowse says that from the beginning the I.L.P. attempted to influence the trade unions to back a working class political party. "The socialism of the I.L.P. was ideal for achieving this end; lacking as it did any real theoretical basis, it could accommodate practically anything a trade unionist was likely to demand. Fervent and emotional, the socialism of the I.L.P. could accommodate, with only a little strain, temperance reform, Scottish nationalism, Methodism, Marxism, Fabian gradualism and even a variety of Burkeian conservatism."

Ramsay MacDonald, a member of the I.L.P. Council, became Secretary of the newly-formed Labour representation Committee in 1900. This group sponsored many candidates in the 1906 General Election and the Labour Party in Parliament was formed with MacDonald, Snowden, Clynes and Hardie as prominent members. Divisions developed even in those early days. MacDonald and Hardie were in favour of compliance with Parliamentary form and procedure in debate, whereas some of the inexperienced and idealistic newcomers were impatient with formalities and intent on propagating their highly emotional socialism in and out of season. "Dissidents" and "gradualists" became common terms of abuse. This split in the Labour Party widened and became more vitriolic as time went on. The I.L.P. organisations

throughout the country were also affected. Their chief papers, Blatchford's *Clarion* and the *Labour Leader*, supported the dissidents. They were not divided on economic principle but on ways and means of carrying through their vague programmes of socialisation.

From 1906 to 1932 this tiresome battle went on, exhaustively detailed by Mr. Dowse in this book. In the country as a whole the I.L.P. was sustained for a long time by fervent belief in its mission. In 1922, when Wheatley, Maxton, McGovern, Kirkwood and Buchanan were returned to Parliament they were seen off from Glasgow with demonstrations that had never been equalled. The Clyde group, led by Maxton, were uncompromising in Parliament and became the spearhead of the left wing section of the Labour Party. Two of their manifestos are reproduced in this book—*Socialism in our Time*, 1926, and the Cook-Maxton Manifesto of 1928—both emotional and lacking in economic judgment.

The internal strife in the Parliamentary Party increased, while in the country many I.L.P. supporters were joining the official Labour Party or the Communists. Disintegration was self evident and in 1932 the I.L.P. disaffiliated from the Labour Party.

"1935 saw the I.L.P. drifting to a position of almost total isolation in Britain, a situation only saved by the fact that the party was still represented in Parliament."

It is a sad but salutary story of an emotional and justified reaction against horrible social conditions; had those who led the movement had greater understanding of basic economics the outcome might have been very different.

It is a relief to lift *Progress and Poverty* and read this clear, direct and simple expression of a great truth. Marx's *Das Kapital* was circulating in Europe when George's work was published in 1879. Marx spoke with deep conviction and sincerity, and no book has had more revolutionary consequences, sowing the seeds of class war everywhere. George, on the other hand, was advocating a return to first principles of natural justice, which could be put into practice without violence. It was an impeachment of existing conditions, but clearly defined their causes. His reasoning had much in common with that of the Physiocrats, the "Fathers of Political Economy," on the eve of the French Revolution, which they had hoped to avert. Later, when Tolstoy could see the coming revolution in Russia, and the human suffering involved, he said: "I would counsel the Czar to put into practice the principles embodied in *Progress and Poverty*."

Towards the end of his life, Keir Hardie confessed that

he had come to see the futility of his life's work, on his re-reading of Henry George. Similar statements were made, strangely enough, by Lansbury on his retirement from the Leadership of the Labour Party and by Campbell Stephen, the scholar of the Clyde Group. Bernard Shaw, in 1933, described how as a young man he had heard George speak in London, and the tremendous change this made in his whole outlook.

COMMON MARKET

The Realistic Alternative

by PETER TRACEY

Is There Any Choice? Britain Must Join, Europe
by Sir Edward Beddington-Behrens. Penguin
books Ltd. 3s. 6d.

THE THEME of this book is that Britain has no choice but to join the Common Market, but the author fails completely to substantiate his claim.

On the political level, the argument is that because the world is dominated by two super-powers, the USA and the USSR, only a united Europe can compete with them. In theory Britain has three choices: to form an economic unit with the Commonwealth, with the USA or with Europe. Because the first two are not feasible it leaves only the third.

On the economic level, Sir Edward complains that while trade within each of the EFTA and EEC groups is increasing, trade between them is not. Yet what explanation of this can there be other than the high external tariff of the Common Market itself?

EFTA is not, and never can be, a self sufficient group, says Sir Edward. Of course not; it is not meant to be. Free trade is the antithesis of self sufficiency. The aim of the Common Market is to be self sufficient, and this is the essential difference between the two groups. EFTA is free trade in outlook; the Common Market, protectionist.

Sir Edward is not sound on economics. It could be true, as he says, that free trade between "rich" and "poor" countries benefits the former more than it does the latter, but the poor countries would still be more prosperous than they would be under protection, and it is certainly not true that the underdeveloped countries would be condemned forever to be the suppliers of food and raw materials to the industrialised nations.

Sir Edward's case rests on the "protection of infant industries" fallacy. But prosperity can never be achieved by protection. Trade is a two-way business. It benefits both sides. To interfere with trade harms both parties.

Today our social problems are as urgent as ever and are baffling the politicians. State paternalism is no substitute for social justice, and the welfare state alleviation of poverty has not removed its deep causes. George's classic work could give the serious student a welcome guide through the maze of present day political expediency, to a clear conception of an irrefutable truth.



Time and again the author reveals that the basic principles underlying the Common Market are protection and state planning. These principles inspired the setting up of the High Authority of the Coal and Steel Community in 1951, and of the Commission of the Common Market in 1958. ". . . a Community in which the coal and steel industries of Europe would be pooled, and in which decisions would be taken by a supranational High Authority." ". . . the gradual transfer of more and more power to the Commission, so that it assumes greater responsibility for the conduct of day-to-day affairs which affect all our lives." In other words, an interstate bureaucracy.

There are chapters devoted to the City, to agriculture, to defence, social conditions and aid to developing countries, and at the end of the book Sir Edward comes back to "the myth of the alternatives."

However, there is one alternative that he does not consider—does not even mention—and this is the most important one of all—unilateral free trade. By continuing on its present protectionist course without joining the Common Market, Britain may well become an "off-shore island, isolated in an age of super-powers," but under a policy of free trade this could not possibly happen.

The whole argument of the book is protectionist. Britain does not need protection. Britain does not need the Common Market. Britain needs a policy of free trade.