

## 20th CENTURY BRITAIN / POLITICS IN THE UK (1900-1945)

### COURS HD

Source: *Modern British History since 1900*, Jeremy Black, 2000, Macmillan Foundations

### 3. PEACETIME DIVISIONS

[...] Labour also benefited from the weakness of its radical challengers. Communism and the Independent Labour Party (ILP). Yet, Labour also contained both Communism and Socialism. The Liberals suffered from this shifting working-class support. They no longer had a strong working-class identity. Furthermore, many of the Labour voters were new voters enfranchised in 1918. Labour gained much from the new electorate, while the Liberals lost more heavily to the Conservatives. The Liberals also suffered from their divisions

More seriously, the Liberals were hit by the absence of proportional representation. Liberals suffered because their electors were evenly spread across the country and thus were perennially (= *perpétuellement*) coming second to Labour victors (= *vainqueurs*) in working-class seats and to their Conservative counterparts in middle-class areas. Thus, despite the continued liveliness of liberalism as an intellectual philosophy, seen, for example, in the writings of the economist John Maynard Keynes, the Liberals failed to recover their pre-war position. The Liberal alliances with Labour in 1924 and 1929 were in part tactical, although there was also a common hostility to protectionism.

The collapse of the Coalition led to a return of party warfare. Bonar Law who had easily won the general election of 1922 formed a totally conservative government, the first since 1904; but he served only 209 days before resigning in May 1923 due to a cancer of the throat that killed him that October. He was succeeded by Stanley Baldwin who was to remain leader of the party until 1937. Baldwin was crafty and played a major role in making the Conservatives appear to much of the electorate to be conservative, but not reactionary, consensual, not divisive, and the natural party of government. Baldwin was to prevail in the General Strike of 1926, the financial-political crisis of 1931, and the abdication confrontation of 1936 (Edward VIII's abdication).

In the general election of 1923, the Conservatives lost some seats and the Baldwin government was voted out by the new House of Commons in January 1924, and Labour took office as a minority party thanks to the reunion with the Liberals.

The supposed (in practice very limited) sympathy of Labour for the Soviet Union and Communism was an issue in the following general election, not least due to the publication on 25 October of an apparently compromising letter allegedly by Zinoviev, the President of the Communist International, giving instructions to British sympathisers to provoke a revolution.

This did not greatly impact the Labour vote in the general election of October 1924 than in earlier elections. Liberal weakness cost Labour seats since their role in putting Labour into power had alienated much of their middle-class support. It also helped reunify the Conservatives by making it clear how far the Liberals had moved from the Lloyd George Coalition.

The Conservatives appeared as the party best placed to protect property. They were overwhelmingly the middle-class party and benefited from the expansion of this sector of society, but they also received a large share of the working-class vote.

Yet, the new, larger, electorate was potentially volatile, and winning its support posed a considerable challenge to politician, both Conservatives or others, similar to that which had earlier confronted Disraeli and Gladstone.

Under Baldwin, the media were harnessed (= *exploiter*) to create a political image for a mass electorate, with frequent radio broadcasts helping to cultivate the folksiness (=) which the conservative leader sought to project, while party propaganda often geared (= *destiné*) towards the female electorate, emphasized the dangers of

Socialism to family life and property in general. In his speeches, Baldwin offered a vision of England in which Christian and ethical values, an appeal to the value of continuity, pastoral and paternalist themes, and a sense of national exceptionalism, were all fused. He was particularly keen to promote peace between the two sides of industry in the 1920s. He strove to bring master and men together in one industrial nation. He believed his own background in industry (= had run family iron works before politics) gave him a unique insight into the world of industrial relations. His conservatism did not mean he was opposed to reform during his 1924-9 premiership. Under his Minister of Health, Neville Chamberlain (= son of Joseph and half-brother of Austen) pensions were introduced for people aged 65 to 70, and with the Local Government Act of 1929, Chamberlain created a new structure for the provision of social welfare, including for the unemployed.

Chamberlain's schemes were helped by the support of the Chancellor of the Exchequer, the ex-Liberal Winston Churchill. The latter returned Britain to the Gold Standard, which was unpopular because it was blamed for the problems enjoyed by the British economy in the inter-war period. The problem was that, as the pound was overvalued, exports suffered. This led to difficulties in the coal industry by pushing up the price of coal exports and eventually caused the 1926 coal strike and the General Strike. As exports fell, the employers tried to cut wages. Eventually, the TUC (= Trade Union Congress) called out 1.5 million workers in a selective « General » strike. They feared that otherwise the TUC might be seen as weak and that this might lead to the rise of more radical options, such as syndicalism (= radical unionism bent on revolution and no affiliation with any political party). The strike started on 3 May 1926 and was met with firm government response that included moving police, deploying troops and warships, and encouraging about 100,000 volunteers. The strike ended on 12 May and the miners had to accept the owners' terms. But astonishingly both sides went out their way to avoid antagonising each other. This can be felt in the Trades Disputes Act of 1927 which was a moderate measure to make the conflict cool down.

Nevertheless, the leadership was confident of winning the next general election which was to be its major inter-war electoral failure since prosperity had not been achieved and unemployment above a million led to repeated opposition attacks. It also pressed hard on government finances. There was a widespread sense that it was time for a change. Labour benefited from a desire for new ideas and faces. It seemed moderate, and the defeat of the General Strike helped lessen anxiety about Socialism.

Labour and the TUC were vindicated (=justified) on 30 May 1929, when the Conservatives lost power in the next general election, the first contested on a fully democratic franchise since all women could now vote as well as all men (1928). The Conservatives won more votes but Labour won more seats. Furthermore, Labour was the largest party in the Commons, for the first time. The general election of 1929 was also the Liberals' last serious bid for power and it was a disaster for them. The appeal of Liberalism was not strong enough to challenge the hegemony of the two main parties. The Conservatives were criticized for failing to secure prosperity. They lost over 150 seats. The increase in the Liberal vote was insufficient to win many seats, but it sufficiently hit the Conservatives to let Labour win many.

#### **4. The 1930s**

Labour was brought down in 1931 in part because of the serious economic crisis that had begun in 1922, although the British economic situation was already bad when Labour came into power. Baldwin had left an inheritance of unemployment of 1.16 million, a government deficit, and high interest rates to protect the gold reserves. The dramatic fall in world trade after the 1929 collapse greatly exacerbated the situation. Devaluation was rejected by the Bank of England, instead, in 1930, the government relied on modest public works schemes to combat unemployment benefits. But the Treasury warned that unemployment benefits threatened national bankruptcy, and the government was under growing pressure from the Conservatives over welfare expenditure and the budget deficit. In early 1931, Ramsay MacDonald pressed his Cabinet colleagues to support a cut in benefit rates only to find the majority unwilling to support him. In the meantime, a European banking crisis gathered pace leading to pressure on British gold reserves. At home the budget deficit proved worse than expected and cutting benefits for the unemployed was envisioned. But the Cabinet was opposed to cutting benefits and to introducing means testing,

and this left the rise in taxation as a remedy. Mac Donald found the Conservative and Liberal leaders unable to accept this and was pressed by the Bank of England on the threat of national bankruptcy. The cut in employment benefit -supported by Mac Donald- was rejected by the TUC and the bulk of the Labour Party.

The Cabinet seemed unable to cope with the crisis and to provide the divisive leadership Mac Donald thought necessary. He was worried that financial collapse would hit the working-class more than cuts in social expenditure.

On 23 August, the Labour Cabinet split over economic programme recommended by Mac Donald, which included a 10% cut in unemployment benefit rates. The Cabinet accepted the proposal by 11 votes to 9, but the 9 not willing to remain part of the government, and on the evening of the 23rd, the Cabinet resigned, only to find Mac Donald still PM. George V convened a conference of the party leaders and this led to a cross-party National Government. Unable to rely on his party, the PM had turned to the opposition. Mac Donald and a few supporters joined the Conservatives and the Liberals in forming a National Government on 24 August 1931. This was designed to tackle the crisis. A widespread fear of economic collapse, and social and political disruption, combined to encourage the formation of such a government.

Mac Donald who was not a great success as leader of the National Government, was succeeded as PM by Baldwin in June 1935, and he in turn as PM and Conservative leader, by Neville Chamberlain in May 1937. The National Government was dominated by the Conservatives, while the opposition was dominated by Labour.

The National Government convincingly won the general elections of 27 October 1931 and 14 November 1935, in large part because it was in tune with majority opinion. Labour lost the working-class votes as a result of the economic problems of 1929-31, and appeared a divided party, while the Conservatives benefited from the economic upturn of 1934 and from the consolidation of property and business interests into one anti-Socialist bloc.

The bulk of the non-Conservative National MPs elected in 1931 were right-wing Liberals, a reflection not only of Conservative support but also the Liberals, a reflection not only of Conservative support but also the Liberals role as a largely middle-class party. The consolidation of the anti-Socialist was democratic, as was the opposition. There was no equivalent to the political polarisation across most of Europe in the 1930s. During the decade, the number of democratic states in Europe fell dramatically. In Britain, in contrast, the extremists did not gain control of the political parties and their own movements were unsuccessful. There was not a crisis of conservatism to generate a powerful radical right. The right-wing extremism of Sir Oswald Mosley's British Union of Fascists (BUF) was unacceptable, not only to the bulk of public opinion, but also to the Conservative establishment who marginalized the BUF. The membership of the BUF peaked at maybe 50,000 in June 1934, but was below 25,000 thereafter. The BUF won no parliamentary seats. It was launched late, after the worst was over and when the economy was beginning to recover. The demagoguery of Mosley and the violence of his supporters helped discredit the BUF. In response to Mosley-who saw himself as a second Mussolini- the government, in December 1936, passed the Public Order Act banning political uniform and paramilitary organisations and controlling marches. Mosley's move into more aggressive anti-Semitism in 1936 brought him no benefit.

Nor was Communism so strong that the Establishment sought to create a countermovement. The antagonism of many Labour politicians and trade unionists meant that the communist party was effectively marginalized in the 1920s and 30s. Even the disaster of 1931 did not provide an opening for the extreme Left. Indeed, the Labour vote held up surprisingly well in 1931. Communist membership rose in the 1930s but was still no more than 18,000 in 1939. The Communists suffered from often poor leadership and from the ambivalent reputation of Stalin's Soviet Union.

Thanks in part to the economic upturn and fall in unemployment from 1933, and to the general prosperity, opportunities for extremism were limited. The absence of any tradition of the violent overthrow of authority was also important. Riots in 1936-37 by striking miners at Hanworth in Nottinghamshire were ended by police action. Force was used to maintain order in Northern Ireland.

The National Government, therefore, maintained stability and avoided radical change. Disunity affected Labour's reputation. Although the party did not move as far to the left as some urged, it came to support more radical policies than Mac Donald had sponsored in office. The nationalisation of the banking sector became a Party goal, and, in general, Labour came to support more state intervention in the economy.

The National Government was prepared to countenance a greater degree of intervention in the economy than previous governments had believed desirable. Through the adoption of such policies as protectionism, the National Government served as a link between the old world of « laissez-faire » and the new world of peacetime interventionism which came into existence after 1945.

Nevertheless, the National Government's conservatism ensured that the more activist and interventionist policies pressed by some younger Conservative MPs such as Robert Boothby and Harold Macmillan, were ignored in favour of the fiscal caution supported by Neville Chamberlain, who was Chancellor of the Exchequer from November 1931 until he became PM in May 1937. There was a determination to balance the budget and keep both expenditure and taxation low. This was to be criticized subsequently by those who cited John Maynard Keynes's *General Theory of Employment, Interest and Money* (1936), a complex work that called for public spending to be raised in order to cut unemployment. It is more appropriate to note the degree to which, for many academics and politicians, the performance of the economy between the wars was almost incomprehensible.

There was, however, some interventionism. Government support for industrial location in "special" areas was important in some, not all, depressed communities. The cuts in unemployment benefits and public-sector salaries made during the fiscal crisis of 1931 were reversed.

The adoption of tariffs in 1932 helped sections of the economy and this was important to the success of the National Government in the 1935 General election.

The replacement of Chamberlain as party leader by Churchill in 1940 ensured a major change in the Conservative Party, and the conservative leadership in subsequent decades was happy to share in the general rejection of the National Government.

It is unclear what would have happened had there been no WWII, but most observers were confident that Chamberlain would win. However, the political situation was transformed by Hitler's growing aggression, the crisis over appeasement in 1938, Hitler's rejection of the Munich settlement in 1939, and the outbreak of WWII in 1939. Britain declared war on Germany on 3<sup>rd</sup> September, Chamberlain was no Lloyd George. During the winter of 1939-40, in what was later called the "phony war", the government attempted to wage war with as little disruption to society as possible