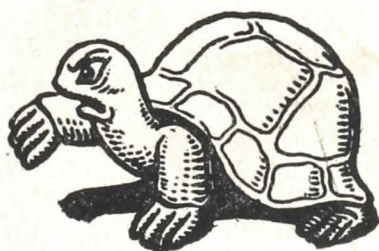


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SOCIALISM
AND THE
NEW DESPOTISM

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ONE SHILLING AND SIXPENCE

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SOCIALISM AND THE NEW DESPOTISM

R. H. S. CROSSMAN, M.P.

1. REACTION AGAINST LABOUR

WHY HAS LABOUR BEEN LOSING THE SUPPORT OF THOUGHTFUL INDEPENDENT VOTERS SINCE 1950?

If we were merely witnessing a change of fashion from the Leftism of the 1930's, this question would not worry us unduly. In that decade, a large number of intellectuals, who had no serious interest in democratic Socialism, were swept into Labour politics by the emotional tide of the Spanish war. That they have drifted back into non-political indifference need disturb nobody. But what is happening to-day is something far more serious. Despite the record of the Labour Government, more and more serious-minded people are having second thoughts about what once seemed to them the obvious advantages of central planning and the extension of State ownership.

Among the factors which have antagonised them, I would list—

(1) the experience of negative and frustrating war-time controls, prolonged for years after the fighting was over; and in particular the impression, fostered by its enemies, that the Labour Party regarded the ration card not as a temporary expedient but as a permanent feature of a fair-shares economy;

(2) the discovery that the Labour Government's 'Socialism' meant the establishment of a number of vast, bureaucratic public corporations, which failed to fulfil the two essential requirements of Socialism, namely, that a State-owned industry should be fully responsible to Parliament and give a share of management to its workers;

(3) the uneasy suspicion that the social revolution of which Socialists have talked was actually leading not to a freer but to a managerial society; and

(4) the conviction, heightened by years of cold war propaganda, that complete socialisation, as practised in the Soviet Union, has degenerated into a totalitarian State, in which the loss of civil liberties is not counter-balanced by the eradication of inequalities. These seem to me to be some, at least, of the factors which are driving liberal-minded people to-day to adopt views which, even eight years ago, they would have dismissed as black reaction.

Can we find a common characteristic in these four factors? I think we can.

What brought people into the Labour Party before the war was the conviction that it was fighting the battle for popular emancipation at home and abroad. What inclined them towards Socialism was the belief that

democracy was breaking down and that freedom could only be secured by transforming it into a Socialist society. It was this assumption which converted a whole University generation, who would have been ardent Liberals in 1906, into ardent Socialists during the great depression; and it was the growth of doubt about its validity which has disillusioned them in the 1950's.

Is a Slump Inevitable ?

This doubt was brought home to me in August, 1955, when I attended the Congress for Cultural Freedom at Milan. There I had the pleasure of meeting John K. Galbraith, the author of the most arresting study of modern American capitalism. We were discussing the problem which confronts the American Fair Dealer in working out a convincing policy for the Democratic candidate in the forthcoming Presidential election; and it struck me at once that the difficulty which Galbraith, Arthur Schlesinger, junior, and others like them face in the United States is not unlike that of the Labour Party Executive. Their clothes have been stolen by the Eisenhower Republicans, just as ours have been by the Butlerites.

Galbraith said to me, 'There's an awkward thought which lurks at the back of our minds. Both the American Liberal and the British Socialist in the 1930's assumed that capitalism was not only immoral but unworkable; it was a system which must destroy itself because of its own inherent weaknesses. And this meant that, in your British philosophy, a Socialist revolution was not only desirable but inevitable. Now suppose that assumption is not true. Would that not mean the snapping of the mainspring of the Labour Party?'

In response to this challenge, I propose to pull this ugly thought out of its dark corner in the back of your minds.

Keynes Vindicated

Since 1945 the evidence, both from the United States and from this country and Western Europe, seems to suggest that, instead of being the most difficult and fundamental problem of Western society, mass unemployment is something which can be dealt with relatively easily by any Government which understands the economic system and has the right instruments for controlling it and manipulating it. There is still room for argument about these instruments. Are credit contraction and credit expansion—combined with the right budgetary policy—sufficient? Or are physical controls necessary as well? But these are secondary questions—disputes about tactics rather than strategy. What Socialists have to decide is whether John Maynard Keynes was right in asserting that the new capitalism has developed into a workable system—provided that it is worked intelligently.

I am not an economist and I am not here concerned with the strictly economic controversy. What matters to me are the basic assumptions about the nature of Western society which a Socialist should accept.

You will remember Keynes's picture. The way he proposed to deal with mass unemployment was to dig a very deep shaft, bury millions of bank-notes at the bottom of it and then pay wages to workers for digging the bank-notes out again. There, he said, is the simple method of resolving

the inherent contradiction of capitalism. Whether the work is socially useful or socially useless is of secondary importance: what matters is the provision of work. Hitler and Schacht were the first people to demonstrate this, when they used an arms programme, fiscal controls and bilateral trade treaties to produce a full-employment economy in Germany. And we should not forget that the New Dealers did not succeed in abolishing mass unemployment in the United States until the war and the arms programme came along. So, too, when the Germans invaded France, there were still 843,000 unemployed in this country. It was only at this point that the British Government was stimulated to indulge in the arms expenditure which absorbed all the unemployed.

It is high time you pulled this thought out of the back of your minds and had the courage to think it through to its final consequences. I believe that Keynes has shown this particular kind of pessimism about the Western economy to be unfounded. It is not an inherently unworkable society, but a workable society which is appallingly wasteful of human and material resources and which contains gross injustices. Only when we have frankly admitted this can we begin to think sensibly about the next stage of Socialism.

The Consequences

Why do so many Socialists hesitate to accept this? After all, we detest the denial of freedom in a Communist State, and it should be a vast relief for a democratic Socialist to realise that there is no need for totalitarian government control in order to abolish mass unemployment.

One reason for our hesitation is a practical one. It was difficult enough to persuade people to become Socialists when we could tell them that capitalism is not only immoral but also unworkable. Will it not be much more difficult, we ask, to persuade the majority of our countrymen that a workable system must be changed, simply because it is immoral and unjust? Don't most people care more about security than they do about social justice and equality? If welfare capitalism can provide the majority with security, how can we ever persuade them to prefer Socialism?

The doubts awakened by these questions have, I think, been accentuated by our experience of the mixed economy established by the Labour Government between 1945 and 1950. If we are honest, we must admit to ourselves that it was the least dogmatically Socialist parts of what the Labour Government did which were most popular and which worked best. What we describe as the Welfare State has been immensely successful and immensely popular, whereas nationalisation has not changed the lives of the workers in the industries affected in the way they expected.

It has been a disappointment to the trade union movement. The Socialist planner may envisage a future in which there are added to the Coal Board, the British Electricity Authority and the Transport Commission forty or fifty other Boards of the same type, imposed on other industries. But would this prospect, if presented to the public, win votes for Labour or reawaken the enthusiasm of the trade union movement? I suspect that we all know the answer to this question. It would not. If that is all that socialism means, the people of this country will reject it.

I put some of these problems to a Fabian Summer School at Oxford in 1955, and we had some of the best discussions I have ever heard. Most of the younger Fabians there agreed on one thing. They said to me, 'If you are going to have Socialism and a planned economy, why not make a real job of it? Why be content with this half-baked mixed economy and why imagine that you will rouse the Labour movement from its lethargy by proposing that the next Labour Government should nationalise two or three more industries? For heaven's sake, make up your minds on the National Executive. If you are still Socialists, go for it one hundred per cent.' I had anticipated that this would be the reaction, and I had taken the precaution of asking A. J. P. Taylor to come to the school. He listened to these younger Fabians and then he said, 'Very well, my friends, answer me one question. If you really believe all that, why don't you join the Communist Party? If you want one hundred per cent. Socialism, what's wrong with the Soviet Union?' They could not give much of an answer to A. J. P. Taylor's question. They wanted one hundred per cent. Socialism—but they didn't want the Soviet system.

The Worst of Both Worlds

All the week we roamed round the problem, until we began to have the feeling that may be the British people is now getting the worst of both worlds. Under the mixed economy now carried on by the Conservatives what we have is not monopoly (a market dominated by a single mammoth concern), but oligopoly (a market dominated by a very few mammoth concerns). In Britain this oligopoly is protected by a vast, bureaucratic State and so starved of the competition which, according to Mr. Galbraith, produces the new equilibrium in American society. The recognition that Britain is now falling between the two stools of full Socialist planning and a modern American Keynesianism is, I believe, another reason for the disillusionment of the independent Labour voter.

Both the American and the Russian systems are working far better than anyone expected twenty years ago. Even more important they are working far better than the British system either under Labour or under Tory management. That is why not merely intellectual sceptics but a good many loyal Labour Party supporters are beginning to wonder whether there is any third way between these two great systems. Are the only alternatives left to the Socialist in the 1950's either to watch Mr. Macmillan bring the British mixed economy into line with the American system or else to join the Communist Party?

2. THE AGE OF OLIGOPOLY

These doubts can only be removed by re-thinking the foundations of our Socialism.

✓ Surely it is time to recognise that Socialism cannot and should not be based on any particular economic theory. Judged by the standards of prediction and verification, economics is still very far from being a science.

To rate it at its highest, it is a technique, combined with historical analysis. Moreover, those who based the case for Socialism on the inherent contradictions of the capitalist system were departing from the tradition of British Radicalism and introducing a foreign element into the philosophy of our Labour Movement. *Labour's real dynamic has always been a moral protest against social injustice, not an intellectual demonstration that capitalism is bound to collapse; a challenge to capitalist privilege, not a proof that those privileges must inevitably be replaced by a classless society. Keynesianism may have undermined the old-fashioned economic case for Socialism, but it has left the political and moral case for it completely unaffected.*

That case was formulated in its classic form by Professor R. H. Tawney. He showed that Parliamentary democracy will only become a fully effective guarantor of individual freedom when it is combined with social control of economic power. Power, he argued, always degenerates into privilege when those who hold it are accountable to no one but themselves. In a democracy, therefore, those who own or manage the means of production must be made responsible to a popularly elected Government, and the most effective way to do this is to substitute public for private ownership of large-scale industries. Tawney's case for Socialism was not that it is easier to work than the acquisitive society but that it is morally superior—and politically essential to the realisation of freedom.

Making Power Responsible

Has Tawney's denunciation of the acquisitive society become less relevant in the last thirty years? On the contrary. One of the main post-war features of the Western world has been the steady concentration of economic power in the hands of the managerial class, whose responsibility to their shareholders is now purely titular. In Tawney's sense, the men who run our great industries to-day form an irresponsible oligarchy; and the degree of public control we have achieved is quite inadequate to ensure that they are in any sense accountable to the community.

The first task of Socialism, therefore, in the 1950's must be to expose this growth of irresponsible power; to challenge this new managerial oligarchy; to show that its monopolistic—or oligopolistic—privileges are a threat to democracy and to demand that it should become not the master but the servant of the nation.

At this point, however, we must drag out another of those doubts which are lurking in the dark corner of our minds. We say that we must denounce great concentrations of irresponsible power. But are they all on one side of industry? Is it only the privately owned companies which threaten our freedom?

The Labour Party has declared that Imperial Chemical Industries is ripe for nationalisation because it is a private monopoly. But when I look at the Coal Board (a public corporation), what strikes me is that it shares certain characteristics with I.C.I. Under its constitution the Coal Board must pay the same kind of attention to its balance sheet as any private corporation. It cannot pursue an unorthodox price policy, based on the

? national interest. It is certainly not fully accountable to Parliament and the degree of workers' participation in management which it has achieved is not markedly higher than in a progressive company. As for the technician and the scientist, they may actually feel more frustrated under the rule of the accountants, ex-civil servants, ex-generals and ex-trade union officials who compose the Board of a nationalised industry than they did under private enterprise. Nationalisation, in its present stage, has certain solid economic advantages, including Government control of the capital investment and the broad lines of policy of the nationalised industries. Moreover, it is a stabilising factor, since it eliminates those increases in unearned incomes and capital gains which provoke wage demands and stimulate inflation. But it is very far from the kind of Socialism envisaged in Tawney's *Acquisitive Society*. It is only the first step towards our goal.

State Bureaucracy

Moreover, these oligopolists—some in charge of nationalised and some of private industries—do not comprise the whole of the managerial society. There is also the State bureaucracy to contend with; and here too the old distinctions between public and private enterprise are becoming blurred. Of course, the orthodox Tory still instinctively suspects any Government Department of over-staffing and muddle; and instinctively assumes that I.C.I. is a model of individual initiative and business efficiency. Unfortunately the loyal Labour supporter is far too inclined to believe that his Socialist loyalty requires him to say the exact reverse. He believes that, whereas large-scale private enterprise is a threat to freedom, the State must be 'a good thing.'

Actually, the growth of a vast, centralised State bureaucracy constitutes a grave potential threat to social democracy. The idea that we are being disloyal to our Socialist principles if we attack its excesses or defend the individual against its incipient despotism is a fallacy.

Here again, Tawney's principle is relevant. Our aim is to enlarge freedom by making those who control great concentrations of power fully accountable to the people. But that must apply to the Chiefs of Staff or the Milk Marketing Board or the National Assistance Board or the Foreign Office as well as to the Directors of I.C.I. For the Socialist, as much as for the Liberal, the State Leviathan is a necessary evil; and the fact that part of the Civil Service now administers a Welfare State does not remove the threat to freedom which the twentieth-century concentration of power has produced. *It is the gigantic size of the modern unit of organisation, whether in industry, in the press, in the armed services or in the Welfare State, which presents the citizens of an advanced Western nation to-day with the choice between accepting the inroads on freedom of an increasingly managerial society or risking the advance towards a fully Socialist society.*

Let me try to sum up the conclusions we have so far reached.

(1) The probability suggested by John Maynard Keynes that Western capitalism is no longer bound by its own inherent contradictions to collapse in

ruins, may well demand a radical rethinking of classic Communist theory in order to bring it into line with Russian practice. It presents neither a theoretical nor a moral problem to the democratic Socialist.

Our Socialism is based on the traditional Radical demand for a society of free and equal citizens, reinforced by the empirical postulate that great concentrations of power become a menace to freedom and equality unless they are subjected to public control. If the Western economies continue to expand without more than minor recessions, that expansion will bring with it an intensification of the oligopoly which provides the Socialist with the justification for imposing democratic controls on these vast aggregates of economic power. If, on the other hand, the Americans are unintelligent and let themselves drift into a slump, then we shall be faced with a crisis in which the case for Socialism scarcely needs to be argued in rational terms.

(2) Since our Socialism is based on the moral demand for greater equality and an enlargement of freedom, and postulates that irresponsible power corrupts, the Socialist must be courageous enough to admit that the evils of oligopoly are not limited to the private sector of the economy. Public corporations and Departments of State can also exhibit managerialist tendencies, favour inequality and become a threat to freedom. *If it is to appeal to the younger generation, Socialism must challenge power which is either irresponsible or only semi-responsible—in whatever hands that power rests.*

3. SOCIALISING THE TRADE UNIONS

So far our enquiry has been confined to two points. First we have cleared a number of preliminary obstacles in the way of a reaffirmation of Socialist principles. Then we have defined the enemy we have to fight and the objective for the sake of which we are challenging him. Our next task is to study our own order of battle. Who are our allies? We are used to talking about the 'Trinity of Labour,' the Co-operatives, the Trade Unions and the Labour Party. I suggest that we should now briefly consider each of them as an ally in the battle to curb irresponsible concentrations of power.

The Future of Co-operation

No organisation with which I have any acquaintance has more genuinely Socialist aims and a more thoroughly democratic constitution than the Co-operative Societies, linked together in the Co-operative Movement. The Co-operatives are a great and living example of the ability of the British working class to organise and manage its own institutions, and I believe that this movement can join us in our Socialist crusade. But we must face certain practical difficulties.

In the first place, democracy, although it is immensely strong in defence, has obvious weaknesses in attack. When a general launches an offensive, he must be sure that the units under him will respond to his commands. What he needs is centralised power, and that is precisely what is lacking in

the Co-operative Movement. Here, in response to the principles of democratic Socialism, power has been dispersed from the centre to the individual societies. Moreover, the Co-operative Party, as distinct from the Co-operative Movement, still receives little support from the majority of Co-operators.

In the second place, we cannot overlook the fact that most Co-operative Societies, though they began with the revolutionary aim of transforming society, have integrated themselves into the existing mixed economy and their main aim is not to change its structure but to ensure that their members prosper under it.

I admit that the 1945 Labour Government showed very little imagination in its approach to the Co-operative Movement. Indeed, it fell over backwards in assuring private enterprise that it was showing no favours to a Socialist system of distribution. Nevertheless, we would be unwise to assume that the initiative for a revival of our creed will come from the Co-operatives. If the Labour Party gives a lead, political interest in the Co-operative Movement may revive, on the one condition that the next Socialist programme does not include items which directly violate either the principles or the interests of Co-operators. More than this we should not expect.

Carrying the Trade Unions

✓ What about the trade unions? The first and simple answer is that, without their assistance, a Socialist crusade is a fool's errand. You can have a Labour Party, based on the trade unions, which is not a Socialist party. But you cannot have a Socialist party divorced from the trade unions. One of the characteristics which distinguishes a democratic Socialist from a Communist is his acceptance of the need to carry the trade unions with him, even though this means slowing the rate of progress.

For Lenin the trade unions were a lever of revolution, an instrument to be used by the trained Bolshevik élite in the achievement of power. But Lenin was justified by his theory in destroying the independence of the trade unions along with the soviets as soon as he had achieved power. For the democratic Socialist, on the other hand, they represent the working-class electorate, who must be persuaded voluntarily to vote for a Socialist programme—and, even more important, to accept it when it is put into action.

Having said this, I must add that the Western trade union movement is not merely a reaction against the harshness of the capitalist system but, to some extent, a product of it. It is not surprising, therefore, that it should exhibit certain capitalist characteristics. Whereas the Labour politician can, if he is determined, make it his chief aim to extend public ownership, the first aim of the trade union leader, who feels a sense of responsibility to his members, must be to improve their wages and conditions within the existing system, even if that means bolstering this system up. Whereas the Labour politician can freely discuss a national wages policy and even reach the conclusion that it would be essential in a Socialist planned economy, the trade union leader will be inclined either to write off such discussions as 'academic' or condemn them as dangerous heresy.

That is why, inside any Labour Party, there will always exist a tension

between the representatives of trade unionism and the Socialist politicians—a tension which will be found not only in the Executive at the top but in every Council group and constituency party. That tension can be healthy. It can produce keen and constructive discussion and result in a balanced policy, in which both sides of the Party can have confidence. But this balance can be easily upset. If, for instance, the politicians try to move too fast towards Socialism, there is a danger of a breach between them and their trade union colleagues; and if that breach develops into a Party split, the Socialist politicians are soon isolated from organised Labour and become the leaders of the kind of ineffective Socialist party we can see in several European countries.

The equal and opposite danger is that the trade union leaders should exert too much influence on policy making. If they do so, a Labour Party soon becomes merely the political agent of trade unionism, concerned to get its slice of the economic cake and its status in society for one section of the community. In that case it develops the philosophy of Labourism and degenerates into a class party which can only achieve power by the mistakes of its opponents.

Concentrated Power

The danger of this degeneration is always there. For it is not only in the management of industry that we find the tendency towards concentration of power. Inevitably the same process has been at work in the trade unions. Our modern Labour movement was rapidly constructed before the first world war as a rough battering ram for the purpose of breaching the walls of privilege. At that time there really were 'two nations' in Britain; the working class was excluded from its rightful share not only of wealth and opportunity but of social and political status as well. Because they grew up when the class war was a grim reality, the British trade unions adopted certain patterns of behaviour which were sharply at variance with the liberal tradition of British Radicalism. Men who are compelled to wage class war cannot worry unduly about minority rights. It is not surprising, therefore, that some Labour leaders, at the head of fighting organisations of the 'other nation,' should have made a dogma of majority decisions and developed a habit of obtaining those decisions without too much regard for minority opinion.

In an industrial dispute it is difficult for the trade unionist to be tolerant of the industrial conscientious objector, since such tolerance will leave room for the blackleg. So, too, it is impossible to achieve the solidarity of the closed shop while preserving to the minority in a trade union all the rights which are assured to the Opposition at Westminster. Before 1928, Socialists may have regretted these encroachments on individual freedom. But they realised that the Labour Movement was facing an immensely powerful enemy and, in the heat of battle, they accepted the sacrifices of personal freedom as an inevitable evil, forced upon the Labour Movement by the class war.

Surely, however, a different situation arises when the battle has been won and the enemy forced to come to terms. To-day the British trade union movement is an essential institution of the modern mixed economy. Trade

unionists are no longer denied their proper status and their leaders are always welcome at Downing Street, whatever Government is in power. In a fully employed economy, indeed, those who manage a trade union exert a bargaining power in wage negotiations at least equal to that of the managerial class who represent an industry. Moreover, the strike weapon is now regarded by many leading trade unionists as a clumsy and antiquated weapon, which belongs to the bad old days. Finally, it must be noted that, in modern large-scale industry, there are certain common interests uniting organised management and organised labour. For instance, it is obviously convenient for both sides that power should be concentrated in fewer and fewer hands.

I am not here concerned to criticise this social revolution—for that is what it is. It was a magnificent achievement to win status and power within the Establishment and, by winning it, the trade union leaders have conferred immense material benefits on their members.

Some Awkward Questions

But anyone who is true to the principles laid down by R. H. Tawney, must raise one question. Rough justice to break-away minorities and intolerance of opposition to majority decisions—these were inevitable in the trade union movement of 1910. Are they still inevitable in the completely changed circumstances of 1956?

The older generation of trade unionists will be impatient that such a question is even raised. But young people are inclined to ask awkward questions, and it is no good dubbing them Communists because they do so. Is the control, they ask, exerted by the membership of a big industrial union over the General Secretary and his appointed officials a real and effective control? Or is it not in danger of becoming a myth, as fictional as the right of the shareholder to shape the policy of I.C.I.? When they read about the Tolpuddle Martyrs, they see that these early trade unionists fought and suffered for the right of individual workers to organise collective self-defence. Is that right, they ask, still a reality to-day, or has it been transformed into a privilege of well-established trade unions?

How should these questions be answered? It is sometimes argued that, since concentration of power is inevitable, we should accept the oligarchic characteristics of modern trade unionism and conceive of industrial democracy to-day as an equilibrium of power between a few very powerful men on both sides of industry. That seems to me merely the old Manchester theory of economics, restated in terms of the managerial society. A hundred years ago the Liberal theorists maintained that, despite the social outrages of early capitalism, there was a secret harmony of interests in a free-enterprise economy, which would manifest itself if the economy was left free of political interference. This Liberal theory was exposed by Socialists as an optimistic illusion, and I see no reason to imagine that it is less illusory in an age of large-scale industrial organisation.

Surely we are Socialists precisely because we deny that there is a natural harmony of interests and believe that an equilibrium of forces which is achieved by power politics will always favour the strong against the weak, the few against the many and the wielder of power against the powerless

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individual. That, indeed, is why we state as our first principle that those who hold economic power must be made subject to law and politically responsible to the people's elected representatives.

Socialism Inside the Unions

Is there then an inherent conflict between the practices of trade unionism in a highly industrialised nation and the principles of Socialism? Most American trade unionists would say 'yes.' I do not accept this view. What saves us is that, in British politics, individuals count for at least as much as vested interests. At all levels, from the General Secretary's office to the branch, the active trade unionist, thank heavens, is frequently an active Socialist as well. He is the yeast in the non-political dough of the trade union movement, and he is also the link which binds the TUC and the Labour Party together.

What we must realise, however, is that the pace at which the politician at Westminster can move towards Socialism will depend on the success of Socialist trade unionists in permeating the trade union movement with their ideas. Neither the Labour Party nor even a Labour Government can order the trade unions to reform themselves. The initiative must come from the inside. The success or failure of the next Labour Government will very largely depend on the readiness of the trade union leaders to adapt their functions and procedures to the requirements of a democratically planned society.

4. THE ROLE OF NATIONALISATION

The conclusion I reach from the preceding section of this pamphlet is that we must not expect the initiative for the next stage of Socialism to come either from the Co-operative Movement or from the leadership of the trade unions.

It is, of course, essential for the Labour Party to retain the confidence of its two main allies. But it would be unrealistic to overlook the fact that both have now become established institutions, with deep roots in the existing social order, and display for this reason a quite natural reluctance to accept any radical change which seems inimical to their own interests. The dynamic of change to-day must be found in the Socialist membership of the Labour Party, or nowhere else.

That dynamic, I believe, will only become really effective if we ground our Socialist case not only on economic arguments about increased productivity and improved living standards but also on the defence of personal freedom and personal responsibility in a managerial society. From this point of view the case for Socialism can be stated very simply. Since the process of power concentration is inevitable in a modern economy, the only alternatives are either to permit the oligopolists to dominate the community or to subject them to public control.

At this point, however, I must insert one reservation. There does exist another possible way of dealing with oligopoly. Instead of socialising the economy, the attempt could be made to break up the concentrations of power, or at least to ensure that they were subject to genuine competition. This, of course, is the tradition of American democracy, with its anti-trust legislation. There the trade union movement is violently but quite rationally opposed to the concepts of Socialism and central planning because it believes that the worker's freedom and living standards can best be safeguarded by independent trade union action in a keenly competitive society. I mention this American philosophy only in order to remind you that it is inapplicable to Britain. In the first place, Britain is too small. And, secondly, British capitalists are as afraid as British trade unions of genuinely competitive free enterprise. The only democratic alternative to Socialism, therefore, is ruled out in Britain by the need for enforced standardisation and by the restrictive practices which have characterised both sides of our industry for a generation. However much Conservatives may talk about their belief in the virtues of free enterprise, the Tory Government has done little to stimulate it since 1951.

In Britain we are faced with the following dilemma. Since the abuses of oligopoly cannot be checked by free competition, the only way to enlarge freedom and achieve a full democracy is to subject the economy to public control. Yet the State bureaucracy itself is one of those concentrations of power which threaten our freedom. If we increase its authority still further, shall we not be endangering the liberties we are trying to defend?

This dilemma is inherent in the nature of the modern, highly industrialised community. It is not, as is often suggested, exclusively a dilemma for Socialists; it faces every democratic Government, whatever its complexion.

Conservatives Defend Private Power

The Conservative solution is to concentrate attention on the threat of State despotism (Crichel Down, for instance) and conveniently to overlook all the other concentrations of power which threaten our liberties. Modern Conservatives wish to weaken the central Government and encourage the Executive to sign a Magna Carta which guarantees the liberties not of the individual but of our new-style feudal barons. In fact, they accept the notion of an equilibrium within the managerial society, which we have already discussed and abandoned as a modern version of the Manchester Liberal illusion. Hence the failure of Conservatism to introduce effective monopoly legislation. Hence its eagerness to persuade the TUC to become a respectable member of the Establishment.

Where this leads is clear enough. Representative institutions will become less and less effective, and Parliament a ceremonial facade, which conceals the fact that power has been taken from the people and divided between the barons who control industry, Fleet Street and radio, the Departments of State and the party machines. On the pretence of defending

the individual against the horrors of State Socialism, modern Conservatism will let democracy drift into a kind of voluntary totalitarianism.

The main task of Socialists to-day is to convince the nation that its liberties are threatened by this new feudalism and to show the way to overcome it. There are two requirements. (1) If the Executive is not to surrender to the oligopolists, it must be able to control them, and that means that they must be made equally subject to its control. (2) If the Executive is not itself to become a despot, it must be fully and continuously responsive to the popular will.

Extending Public Ownership

I shall not spend long on the first of these requirements. It is, of course, the traditional Socialist case for public ownership. That case is even stronger today than it was before the growth of modern large-scale organisation. Although coal, electricity, gas and transport are not yet socialised, the national Boards which run them are partly accountable to the Government and the main lines of their development can be laid down by a strong Cabinet. If the Executive is to curb oligopoly without any loss of productive efficiency, then public ownership must be extended a great deal further.

All I would add is a word of warning. Neither the workers in industry nor the voters are well acquainted with the serious Socialist case for nationalisation. We would be prudent, therefore, to select industries where even the non-Socialist can be convinced that it is desirable. If the tenant of a rent-restricted house realises that he cannot obtain a bathroom under his private landlord without an exorbitant increase of rent, he may accept the Socialist case for municipalisation. If the road-user sees the chaos caused by pouring new cars on to an antiquated road system while passenger trains are half empty and the railways lose money, then he may accept the case for an integrated and publicly owned transport system. If retirement on half pay only becomes a possibility as a result of nationalising superannuation, then the extension of public ownership into the sphere of insurance will be as popular as the National Health Service.

It is no use, however, believing that we have finished the job when we have nationalised an industry or part of an industry and given it a Consumers' Council. We have plenty of Consumers' Councils already and they are not very effective bodies. There is only one defence for the consumer, and that is through his elected representatives, whether in local or central government. That is why I am quite clear that every nationalised industry must be made fully responsible to Parliament, just as municipal trading concerns have always been fully responsible to the Council.

Our Socialist aim has always been two-fold. We seek to make economic power responsive both to the community as a whole (the consumer) and to the worker in any particular industry (the producer). Plans for nationalisation which do not satisfy the aspirations to workers' control are the technocrats' perversion of our Socialist ideal. We must frankly admit that, so far, our nationalised industries have been little better than that.

What is to be done about it? Some Socialists, and most trade union

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leaders, argue that this is a subject not for legislation but for education. The machinery, they say, for the individual worker to be promoted to management, and for production committees between workers and management, is already there in our nationalised industries, and all that needs to be done is to encourage both sides of the industries to work it.

If this were true, the prospects of a second stage of Socialism would not be bright. It seems to me obvious that any proposal for extending public ownership will not be welcomed by the trade unionists in the industry concerned unless they can foresee an improvement in their own status resulting from it. No one can responsibly promise that, as a result of nationalisation, an industry would be able to offer higher wages or even, in all cases, a more attractive superannuation scheme than a powerful private monopoly or near-monopoly. What publicly-owned industries could offer to their workers is a real share in the control of the industry. *do they want it?*

Workers and Management

On this problem I believe that the Labour Party would do well to study closely the experiment now launched in Western Germany. Here *Mitbestimmungsrecht* (or workers' participation in management) has been enforced by law on the coal and steel industries. Although they remain privately owned, the boards of directors of all these companies are now composed of an equal proportion of workers', employers' and State representatives, with an independent chairman.

The difference in structure between German and British industry would make quite inappropriate the idea of importing *Mitbestimmungsrecht* into Britain. Moreover, there are many snags in the German plan. Will it denude the trade unions of their best leaders? Will the workers' representatives be cut off from the rank and file and lose its confidence? Have they been promoted to a stratosphere, where they can exert no effective control? These are all questions to which answers are only now emerging. Moreover, *Mitbestimmungsrecht* was regarded by the German trade union movement as an alternative to nationalisation, whereas British Socialists must treat workers' participation in management as an essential part of socialisation. All I suggest at present, therefore, is that the Labour Party should study the German experiment and ask itself whether the principle could be successfully applied to Britain.¹

Municipalisation

I should like to say in passing that, since 1945, the Labour Party has tended to under-estimate the importance of municipalisation as a form of public ownership. There is everything to be said for creating smaller units of public ownership wherever possible and so reviving local democracy. Moreover, certain services are far better provided by Councils. I have often thought that the solution to our cultural wilderness is the municipal

¹For a good discussion of this see *Workers and Management* by T. E. M. McKitterick and R. D. V. Roberts. Fabian Research Series 160,

theatre. All over the Continent cities have their own theatres and operas, just as in America they have their orchestras. In Britain there are only a handful of such enterprises. Why do not we have the courage to preach that Socialism is not solely concerned with material improvement but also with the arts? I shall be told that this is unpopular, but many causes are unpopular at first. I would therefore like to see, in addition to municipalisation of rented houses, municipal laundries, taxis, etc., a drive by the Labour Party for municipal theatres—and also for municipal cinemas, built to break the monopoly of the big chains.

5. GIVING MINISTERS EYES AND EARS

Assume, therefore, that the next Labour Government will extend public ownership and simultaneously make our nationalised industries more responsive to democratic control. Assume that it will also encourage municipal enterprise and co-operation. All this will reduce the area of the private sector of the economy and so facilitate the Socialist task of making economic power responsible to the community. But there will still be a great deal of economic enterprise in private hands, some of it in mammoth concerns. How are we to prevent these private oligopolists from achieving irresponsible power? How can we ensure that instead of their telling the Government what to do, the Government tells them?

Here the first thing to realise is that what a British Cabinet lacks is not power and authority but eyes and ears. The last Labour Government was unable to plan largely because it did not know what was going on in the economy. Indeed, the Federal Administration of the United States knows far more about the working of American free enterprise than our Labour Government did about the working of British industry and British financial institutions.

Finding the Economic Facts

One of the first acts of the next Labour Government should be to remedy this fatal defect. It should expand the miserably small body of economists and statisticians at present available and create not a Central Planning Board (planning is a function of Government, not of experts) but a Central Fact-finding Bureau. And it must make sure that this Bureau is not a part of the Civil Service, responsible to the Treasury, but an independent body, responsible directly to the Prime Minister. It is really no good talking about democratic control or democratic planning so long as the Cabinet relies for its information on interested parties. With a Central Fact-finding Bureau, it would acquire its own eyes and ears and be able to reach its conclusions on the basis of unprejudiced facts.

Here we have touched on one of the main difficulties of democratic government in a managerial society. Of course we continue to assert that civil servants only advise Ministers and that Ministers themselves take all the decisions. But we know that, under modern conditions, this statement

is becoming a polite fiction. The modern Cabinet Minister has so many little decisions to make that often the big decisions are made for him! He is responsible for so much in his Department that he sometimes ends by being little more than a Public Relations Officer. And if he does master his own Department and impose his will upon it, then he will scarcely have the leisure to read all the other Cabinet papers and contribute to the general discussion of Government policy.

The problem, therefore, is how to enable the Ministers to regain control of the huge State bureaucracy.

Departmental 'Brains Trust'

It is fashionable to say that all British representative institutions are better than all American, and that one of the worst aspects of American political life is the spoils system, the general post which comes when there is a change of Administration. Of course the spoils system is harmful. But it has one advantage. When I was in America recently I was talking to a civil servant working under the National Security Board. 'Of course, your politicians,' he said, 'cannot really challenge the Chiefs of Staff or the civil servants in the Service Ministries. Over here the politicians have a good deal more grip because the two top echelons from each Department go out when a new Administration comes in. Below this level the spoils system ceases to function.'

I do not recommend that we should adopt the American system. But I do revive the suggestion that, in the next Labour Government, each Labour Minister should be encouraged to bring with him to his Department a small Brains Trust of three or four people to act as his 'eyes and ears.' He should have, in fact, a little Departmental 'Cabinet.' Some of them might be drawn from the Civil Service, some from the Universities, some from politics; and they would act as a team, reading the papers for him and enabling him to have a well-informed judgment when he faces the permanent officials.

I think I should add that on this issue there are startling differences of opinion among Socialists with much more experience of Government than I have. There are some who have seen the working of Whitehall as temporary civil servants, who strongly incline to the proposal I have made. There are others, particularly a number of outstandingly successful ex-Ministers, who are convinced that no change is required. A really capable Minister, they argue, who selects the right private secretary and who is prepared if necessary to change his Permanent Under-Secretary, can impose his will on his Department. And they would add that, even if a Departmental Brains Trust does have certain advantages, those advantages are outweighed by the resistance it would awaken in the Civil Service, which (they claim) is loyally prepared to obey Ministerial instructions even from Labour Ministers.

This conflict probably arises from a difference of opinion about what is and what is not practicable for the next Labour Government. Last time we took over a controlled war economy: next time we shall be dealing with a free-enterprise economy, and it would be far more difficult in peace-time

to establish brand new controls—especially if there was full employment—than it was in 1945 to maintain the war-time system.

If the next Labour Government, therefore, is prepared to leave the private sector of industry virtually free from controls, it can reasonably be argued that there is no need to disturb the Civil Service by proposals for Departmental Brains Trusts and for central planning. But in that case we should frankly admit to ourselves that the progress of that Government towards Socialism will be very slow and very limited in extent. The decision on this issue, in fact, is not a minor decision about administrative detail but a major decision of Socialist policy. I myself cannot help believing that, if we are to make realities of Ministerial responsibility and Cabinet planning, something of the kind will have to be adopted. Once it was adopted, it would start a revolution in democratic Government.

Parkinson's Law

The second stage of this revolution would be to tackle the swollen State bureaucracy. There was published in the *Economist* (19th November, 1955) an article entitled 'Parkinson's Law,' in which it was half-solemnly suggested that a mathematical formula can be worked out by which the inherent rate of increase in the size of Government staffs can be predicted. Beneath the author's brilliant jesting there was a substratum of fearful truth. A bureaucracy does swell automatically: swelling staffs do create work for themselves. Most serious of all, the multiplication of advice rendered may blunt the edge of a Minister's decision and so increase the dead weight of Government interia. It is difficult enough for a Minister to make a bold decision even when he is surrounded by a small circle of sympathetic advisers. Faced with the lowest common denominator of bureaucratic caution, he may well find it impossible to do so.

Any Labour Chancellor of the Exchequer must prevent the automatic increase in the size of Departments if he is to pay for the extended social services and education the nation requires. In the past he has been deterred from such economies by his colleagues' view that the efficiency of their Departments would suffer. I believe this is a delusion. A Conservative Cabinet, with no motive for drastic change, can afford to take the inhibiting advice of a swollen bureaucracy. A Socialist Cabinet does so at its peril. Instead it must deliberately try to unswathe itself from the bureaucratic cocoon which cuts it off and makes it unresponsive to public opinion.

6. A CURB ON CABINET DICTATORSHIP

I now come to the second of my two requirements. Suppose we have achieved a position where a Socialist Cabinet was no longer blindfold but had eyes and ears and was really capable both of planning the economy and managing the Civil Service. How are we going to ensure that these Ministers, now that we have given them this gigantic power, do not become dictators? How can we make them responsive (a) to Parliament and (b) to the electorate?

Some of you may imagine that Ministers are already responsible to Parliament. In fact, that responsibility is rapidly becoming a constitutional fiction.

At the beginning of the century Britain lived under Parliamentary Government. So long as parties were little more than local caucuses, Ministerial responsibility was a real check on bureaucratic incompetence or despotism. If Departments were bad, Ministers could be sacked; if Ministers disagreed with their colleagues, they could resign without losing caste. Now, both resignations on principle and dismissals for incompetence are becoming rarer. An incompetent Minister, with a Departmental muddle to cover up, can be kept in office for years: and the louder the press clamour for his dismissal, the more loyally the Party will usually support him.

The Status of MPs

Along with Ministerial responsibility, the responsibility of the individual Member of Parliament has withered away. In the nineteenth century the Member was genuinely responsible to his constituents and it was this that made the House of Commons the most important check on Executive despotism. Now the prime responsibility of the Member is no longer to the elector but to the Party. Without accepting the discipline of the Party, he cannot be elected; and if he defies that discipline, he risks political death. No wonder the modern MP accepts the precept that the test of his loyalty—now the prime political virtue—is his readiness to support the official leadership when he knows it to be wrong.

In practice, therefore, a Government is no longer fully responsible to Parliament. I am asking you to consider whether this transfer of responsibility from Parliament and the individual Member to the Cabinet (and to the Shadow Cabinet) has not gone perilously far.

If the main task of Socialism is to bring irresponsible concentrations of power under popular control, is it not time to consider whether Parliament should not once again be used for this—its original purpose? Certainly a Socialist will want to be sure that the next Labour Government will have sufficient power to carry through its programme speedily, and that requires a strong political leadership and a disciplined Party at Westminster and in the country to back it up. But the next Labour Government will not only need to nationalise: an almost equally important task will be to democratise the vast institutions, already theoretically responsible to it.

Personal Contact Lost

I take as an example the National Assistance Board. Before the war Public Assistance was a local responsibility and the officials who administered it were directly and intimately responsible to elected Councillors. Now a great administrative improvement has been achieved by the creation of a central National Assistance Board.

But to whom is that Board responsible? To no one, not even to the Minister of Pensions and National Insurance though he is its link with the Commons. This means that the very poorest people in this country, while

they have gained materially, have undoubtedly lost the personal contact with elected representatives which an active Public Assistance Committee in a Labour Borough or County used to give.

Another example, from quite a different field, is colonial administration. Here are some fifty territories for which the British Parliament is theoretically responsible. Yet who is responsible for them? A single Minister. Lastly, I have already mentioned the problem of the nationalised industries, which the Labour Government deliberately cut off from detailed Parliamentary supervision.

Parliamentary Reform

I believe the time has come when there should be a standing Parliamentary committee responsible for each nationalised industry, in just the same way as a committee of Councillors is responsible for a municipal trading concern. There should also be standing committees supervising the National Assistance Board and the Agricultural Marketing Boards, another whose task would be to give detailed attention to defence, and another for the colonies. At present Parliament only turns its attention to a colony when a crisis has blown up. Would it not be wiser that they should be visited and inspected before and not after the trouble has started?

Such a reform of Parliament is not only sound in terms of the principles of democratic Socialism: it would have the further advantage of raising the status of the back-bench MP. At present his jobs are (i) to obey the Party Whips in the division lobby, whatever his conscience may say, (ii) to act as a kind of political welfare officer for his constituents, and (iii) by questions and speeches to ventilate the causes he believes in. There is no doubt that his standing has declined in this century: he can now rarely feel the sense of solid achievement which a Councillor has in an active Council. A House of Commons, a large part of whose time was spent in supervising the work of public corporations and certain Departments of State, would have less time either for ceremonial shadow-boxing or for idle gossip. That surely in itself would be no bad thing. Moreover, this reform would remove from the Cabinet and from individual Ministers some part at least of the detailed administrative chores which prevent them from concentrating on their main task of formulating national policies and preparing plans which require legislation.

The Law and Personal Freedom

To restore Parliamentary control of the Executive, however, is not sufficient for our Socialist purpose of liberating the community from the abuse of arbitrary power. The next step will be to reform the Judiciary, so that it can regain its traditional function of defending individual rights against encroachment. That function has been steadily narrowed for the last hundred years, as small-scale capitalism has been transformed into oligopoly and the flimsy structure of the Victorian State has developed into the Leviathan which now dominates our lives.

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Once again we must observe that Conservatives only have an eye for one aspect of this problem. They denounce the dangers of State despotism, exerted through Orders in Council (against which, in many instances, there is no appeal to the Courts: instead, the Minister's decision is final and sometimes he need not even state his reasons). Certainly the bureaucracy is one aspect of the New Despotism—but it is only one. The trade association, with its Star Chamber trials of the cut-price dealer; the professional bodies which can ruin a doctor or a lawyer whose conduct is condemned as irregular; the trade union whose rules may prevent a member from suing it even when he has been unjustly treated: all these are examples of authority arbitrarily exercised, which it is the task of Socialism to curb.

In the early days of the Labour Party it was natural to assume that the Courts and the Police were on the side of property and to suspect the Judiciary as a defender of established rights, most of which the worker did not possess. Since then, as we have seen, both the trade unions and the Co-operative Movement have been recognised as important parts of the social order, and a majority of what was once a property-less proletariat now has a stake in the country and rights to defend. Yet far too many Socialists regard it as reactionary (or at least as no part of a Socialist's duty) to take up the cudgels for the individual citizen who feels that his rights have been violated by a Department of State, a public Board or a semi-public authority. That kind of political activity, they think, should be left to Tories or Liberals.

Reviving the Radical Tradition

Surely this attitude is a betrayal of the British Radical tradition. What was wrong with the Conservative agitation about Crichton Down was that it was so palpably inspired by anti-Socialist prejudices. It singled out one abuse of power by civil servants in order to leave the impression that the central bureaucracy is the only threat to personal freedom in the modern State. I believe that it is a grave mistake to leave this topic to Conservatives and Liberals. On the contrary, the Labour Party should give a very high priority to it in the reformulation of Party policy which is now proceeding.

What is required is nothing less than a new statement of what we mean by personal freedom and how we should safeguard it under Socialism. For this purpose we need to redefine the rights of the citizen in this era, when the unit of political and economic organisation grows ever larger. And, having done so, we should then go on to discuss the reforms of the law and the reorganisation of the Judiciary which will be required to defend the individual against the oligopolists and oligarchs who threaten his freedom. Indeed, it is precisely because a Socialist Government, in its effort to curb irresponsible power, will be compelled to extend the power of the State and enlarge the area of public ownership that this enquiry must be initiated by the Labour Party. For independent voters, particularly of the younger generation, will certainly oppose any Socialist extension of State power unless they can see that it is matched and counter-balanced by new Socialist defences for individual freedom.

7. THE PARTY OLIGARCHS

I now turn to my last question. Even if we succeed in restoring a degree of Parliamentary control over the State bureaucracy; even if we extend that Parliamentary control to cover some of the great concentrations of power outside; how can we ensure that Parliament itself becomes truly responsive to the electorate?

Some people will tell me that this question is unnecessary, since our electoral system provides a sufficient guarantee. But, here again, we must be careful to distinguish between myth and reality. The elector's right to vote every three or four years for a candidate pre-selected by a great Party is not in itself sufficient to ensure that Parliament is responsive to his will.

Mr. Robert McKenzie, in *British Political Parties*, has shown conclusively that the two great parties have developed in accordance with the law of increasing oligarchy which operates in industry, in the trade unions and in Fleet Street. Here too power has been concentrated in fewer and fewer hands. The individual party member, like the individual shareholder and the individual trade unionist, now exerts very little effective control over the Party managers. The two big parties are both in danger of becoming Party oligarchies.

? Author
"Author"
Newville
Chamber

Democracy in Action ?

This fact is not solely the concern of the parties themselves. Their constitutions and procedures have become essential parts of the unwritten British constitution; and the way they conduct their business vitally affects the health of our democracy. I suggest, therefore, that, when we are rethinking our Socialism, we should have a look at the Labour Party and say to ourselves, 'Are there no ways in which we can improve its working, so as to make it an example of social democracy in action? How can we reshape it so that its leadership is strong enough to fight the battle against the oligopolists and yet democratically responsive to the rank and file?'

Many Socialists, when challenged in this way, will talk about the block vote of the trade unions at our Annual Conference. I myself am not against the block vote. In a party with a democratic constitution, you have to find some method of counting heads, and I see no alternative to making the number of votes any delegation wields relate to the number of members in the organisation it represents. Of course, the block vote can be misused by the General Secretary of a big union, but I am much more concerned with the politics of the members that General Secretary represents.

Cash and Conviction

One of the things the Labour Government carried out, almost automatically, when it came to power was the repeal of the Trade Disputes Act. This restored to trade unionists a freedom denied them by a vindictive Tory measure.

Yet one consequence of this change disturbs me. To-day hundreds of thousands of workers are affiliated to the Labour Party through their trade

unions, not because they positively believe in Socialism but because they have not taken the trouble to contract out. This may bring money to the Party coffers, but it is also changing the character of the Labour Party, which now receives the financial support of people who do not actively believe in its principles but are politically indifferent card-carriers.

To-day, when the General Secretary of a big union votes against a Socialist proposal approved of by the bulk of the constituency parties, he may be able to say, quite reasonably, that he is representing the view of a majority of his rank and file. After all, this indifferent mass of card-carriers are not active Socialists. So why should their representative support, shall we say, nationalisation of the land? I have an uneasy feeling that the Labour Party may have been financially poorer but spiritually richer when each trade union member had to assert his adherence to it before his dues were paid.

'Sponsoring' Candidates

A similar conflict between funds and faith now confronts every Constituency Labour Party when it comes to choose a candidate. It was hoped that the legal limit on election expenses would help to reduce the danger that Parliamentary candidatures (especially in safe or winnable seats) would go not to the most suitable candidate but to one who could make a substantial money contribution. But the main costs of a local party to-day are incurred between and not only during elections, and it is already clear that this evil still persists.

The Conservative Party, as part of its post-1945 internal clean-up, limited a candidate's subscription to his local party to £25 a year, and this reform has undoubtedly improved the quality of the post-war generation of Tory MPs. Mr. Butler could insist on this reform partly because the funds which the Conservatives can raise, both locally and nationally, are very large indeed. A local party, therefore, can afford to accept a moneyless candidate and yet pay the salary of one or more whole-time Agents and the cost of a modern office staff.

Labour is faced with a much more difficult problem. Many local parties in marginal constituencies may be unable to raise the funds for a full-time Agent without a promise of assistance from the candidate; and rising costs since 1945 have increased the temptation to select candidates who can make a substantial contribution to party funds. Yet, if this becomes the general practice, it will corrupt the Party's Socialism and sap its internal democracy. It is a very healthy sign that the Wilson Committee, which studied Party organisation after last year's defeat, singled this practice out for unequivocal condemnation.

What, then, about the sponsoring of candidates by trade unions? From the financial aspect there is no essential difference between this practice and the acceptance of a large annual contribution from a middle-class candidate. On the other hand, we have already seen how essential it is that the Labour Party should be firmly rooted in the trade unions. One corollary of this is that trade unionists should form a large segment of the

Parliamentary Labour Party and be well represented in the next Labour Government. At present, however, there can be little doubt that, if sponsored candidates were forbidden, the number of trade union M.P.s would drop and the trade union movement would be dangerously under-represented in Parliament.

The long-term solution is easy to state and is in the hands of the trade unions themselves. Each of the big unions must select and train a sufficient number of candidates, able to compete at a selection conference and win the candidature without the extra inducement of a financial grant from their union. If the quality of trade union candidates were raised, sponsorship would be unnecessary and trade union contributions, which now are often poured into safe seats that do not need them, could be paid into the central funds and distributed to the marginal constituencies, where they are really needed.

Party Discipline

Lastly, I must add a word about Party discipline, since this is one of the factors which alienates thoughtful people, and especially the younger generation, from Labour. Here again, the Labour Party seems to me to be suffering from the carry-over of an illiberal tradition into a period when intolerance is no longer justified by the exigencies of the class war. No sensible politician denies the need for unity and discipline at Westminster, in Council Groups and, to a lesser extent, in the Party organisation outside. But are unity and loyal support of the leadership best achieved by elaborately drafted Standing Orders, which enforce acceptance of majority decisions on threat of expulsion? When the Labour Party is considering Parliamentary and local democracy, its spirit of toleration and, in particular, the rights it accords to minority opinion, is almost too strictly in line with the Liberal tradition. But when it approaches the problem of discussion and debate inside its own ranks, it adopts a doctrine almost as harsh as Lenin's Democratic Centralism. Specialist minorities (trade unionists, for instance, pacifists or teetotallers) are tolerated. But any sustained criticism of the official policy tends to be treated as an act of disloyalty, which must be dealt with by disciplinary methods.

It is at least arguable that the severe discipline enforced in the Parliamentary Labour Party and Council Groups has actually stimulated rebelliousness; and that the existence of Standing Orders tends to transform debates on great issues into arid arguments about procedure, as well as hardening disagreement into a conflict between loyalists and critics. Any vital Socialist party is bound to have within itself a Right, a Centre and a Left, and no amount of discipline will prevent either the clashes of opinion or the personal rivalries which are the stuff of which politics are made.

What I am urging is that we should adapt our methods of discipline to the requirements of an epoch in which freedom of debate within the great political parties has become an essential element of Parliamentary democracy itself. I cannot help feeling that very often Labour Groups on City and County Councils enforce the Whip on their members quite un-

necessarily when dealing with minor issues of no real political significance. Certainly the political leadership must retain the power in the last resort to discipline and to expel. But the test of good leadership is how sparingly that power is used, just as the test of a successful minority is how genuinely it welcomes the adoption of its views as official policy.

8. SOCIALISM AS A DEFENCE OF FREEDOM

In this pamphlet I have confined myself to the single issue of Socialism and freedom. Of course, this would be only one of several themes in a Labour programme; and, in terms of appeal to the mass electorate, it would not be the most important. Responsibility is an acquired taste and the majority will always be far more concerned with material benefits and social security—at least until, in some particular case, their own personal freedom is threatened. Yet I believe that a Labour Party which neglects this theme, either in its appeal to the younger generation of electors or in the conduct of its own domestic affairs, is imperilling its cause and its future too.

Safeguards of Freedom

For far too long we have assumed that the only changes in society which we have to make are changes in its economic structure and in the distribution of the national wealth. Of course, those changes are a vitally important part of Socialism. But surely we have learnt the lesson of Fascism and Communism. This lesson is that constitutional reform, designed to enlarge freedom and stimulate an active democracy, is at least as important as the extension of public ownership and redistribution of wealth—which are important only as another means to the same end. Indeed, unless the two march in step, we shall merely create a new Leviathan, in which a Socialist managerial oligarchy replaces a capitalist managerial oligarchy or, even worse, shares the power with it.

The modern State, with its huge units of organisation, is inherently totalitarian, and its natural tendency is towards despotism. These tendencies can only be held in check if we are determined to build the constitutional safeguards of freedom—and personal responsibility.

I am convinced that these constitutional safeguards of freedom against the new despotism can only be built by a Labour Government. But if it is to do the job, that Government must return to the first principles of Socialism and decide boldly to make all irresponsible power accountable to the community. And if that is to be our aim, we had better realise that the way we manage our democratic institutions—including the Labour Party and the trade unions—is at least as important as the way we manage the economy of the nation.



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