Britain's Flirtation with the Socialist Imaginary:

Nearly Socialism

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By

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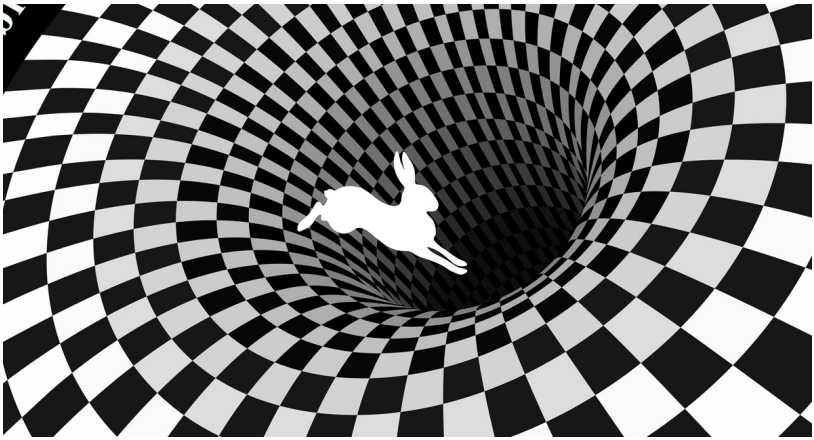
PART ONE

PRELUDE



Follow the White Rabbit Image, by Svetlana Smirnova, IStock Getty Images.

Acknowledgements

In the course of writing this book, I must acknowledge a debt to a number of people. The debt to the extraordinary writing of a group of writers about the British Welfare State is happily acknowledged here. The brilliant writing of Andrew Marr was a constant source of enlightenment, and I have used his ideas relentlessly. Marr's ability always to write analytically, leaping from the immediate factual world to an assessment of broader social trends, and the longer sweep of history, is a feat not many authors can match, and we should all be grateful to him. Kenneth Morgan and Nicholas Timmins provide an extraordinary amount of detail on the specific comings and goings of the period, and their material has proved invaluable to me as I tried to understand exactly what it was that these various administrations got up to. Paul Addison's work is pathbreaking and highly original. In the background, the works of Pierre Bourdieu and Stuart Hall have also been influential. And some of the best writing has come from journalists working in the political field. Thanks is due to all these contributors. Many of the politicians named in the book have written memoirs and autobiographies which have proved invaluable and often deeply insightful. As well, I have called on a huge range of historical, literary, administrative and bureaucratic documents to substantiate my case. To all the authors of these works, I express my deeply felt thanks.

The book was started at a moment when Covid was breaking out, and writing it was a largely solitary undertaking. But I want especially to thank two people who aided and abetted me in several ways. Jim Niedermeyer was a constant source of encouragement, and may be the only person, apart from me, who has read every word of the manuscript from cover to cover. Thanks, Jim, for your heartfelt enthusiasm. Anthropologist Cheleen Ann-Catherine Mahar helped me in a number of ways, reading important passages, providing critical feedback, and encouraging me to get the text finished. For her endless support I am filled with gratitude. The book is dedicated to her.

Chris Wilkes, Portland, January 2024.

CHAPTER ONE

ALICE AND THE RABBIT HOLE

Introduction

This book examines the moment after the Second World War when the United Kingdom experienced a long period of relative calm, steady economic growth and political stability, a period which extended, more or less, into the 1970s. This era, the so-called 'post war settlement', manifested a move towards socialism in a very concrete way. The government nationalized major industries, but it also brought education, health, social security, housing and pensions under the state's umbrella. This was a time when the United Kingdom could reasonably be said to be flirting with socialism with a view to securing a permanent state of marriage. The questions this book asks focus on the nature of this move towards socialism. Could these moves accurately be described as socialistic, and if they were, what were the limits of the government's actions? How much further could it have gone? This book traces the socialist imaginary – how did people imagine their future world to be under socialism.[1]

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[1] I use the term 'socialist imaginary' to denote how people imagined the socialist future. I first used the term innocently, and then found that a well established book by philosopher Charles Taylor had already used a similar phrase in a parallel way. His book, 'Modern Social Imaginaries' was published in 2003 by Duke University Press. The publisher's website has the following account: 'Charles Taylor traces the development of a distinct social imaginary. Animated by the idea of a moral order based on the mutual benefit of equal participants, the Western social imaginary is characterized by three key cultural forms—the economy, the public sphere, and self-governance. Taylor's account of these cultural formations provides a fresh perspective on how to read the specifics of Western modernity: how we came to imagine society primarily as an economy for exchanging goods and services to promote mutual prosperity, how we began to imagine the public sphere as a metaphorical place for deliberation and discussion among strangers on issues of mutual concern, and how we invented the idea of a self-governing people capable of secular "founding" acts without recourse to transcendent principles. Accessible in length and style, *Modern Social Imaginaries* offers a clear and concise framework for understanding the structure of modern life in the West and the different forms modernity has taken around the world'. From https://www.dukeupress.edu/modern-social-imaginaries.

Readers of The New Left Review will be familiar with the common complaint writers there always make about Clement Attlee and the Labour politicians of the post-war period, who are routinely excoriated for not pressing the revolutionary button, and taking the political process all the way to full and permanent state control. Why, they ask, when the left had such an unprecedented opportunity and such high levels of popular support, did they not leap forward into the breach, and take over society from the capitalism of the past, thus securing the working class their much-needed revolution once and for all? So, the question logically arises, was the universal commitment to justice and fair play, which has routinely been taken for granted as arising from the war and the common sacrifices of that period, truly a commitment to radical social change, or was the situation more complicated? These and other closely-related issues preoccupy me in what follows.

I am beginning to write this book in Portland, Oregon, in September of 2020, in the middle of what seems like a minor civil war - daily skirmishes in the streets, protestors and counter-protesters active each day, the major part of the downtown area now boarded up, President Trump on a daily rampage about disorder, and the likelihood that, even if he loses the election in sixty days, that he will ignore the result, and continue to reign until he is dragged out of office by U.S. Marshalls before he organises a coup. Who can say what will happen, but whatever happens, it will be angry, violent and unsettled. By the time this book is finished and published, we shall know.[2]

I could say, therefore, but it wouldn't be accurate, that I wrote this book to escape to a quieter country - to the world of the 'post-war settlement' in the UK. During WW2, the hope was that, after the war, there would be a safety net 'from the cradle to the grave', a phrase used both by the Conservative Winston Churchill, by William Beveridge, the Liberal intellectual, as well as by some of the Labour leaders of the time. It was certainly, from the perspective of seventy years distant, a much calmer era than that which prevails now, both in England and in the United States. In the condition of utter exhaustion that inevitably arose in the aftermath of the war and the Great Depression, there seemed to be some common agreement on both sides of the political divide about how things were to be done in the future. We seemed finally to have exhausted some of our political differences, at least for a moment.

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[2] As we now know, Trump lost the election, and, in spite of endless law suits focusing on the legitimacy of the voting procedures, and an insurrectionist attack on the Capitol building on January 6th, 2021 by his supporters, Joe Biden was, under conditions of strict security, installed as the new President, and the government of the country returned to a slightly more orthodox condition.

But it wasn't Trump's chaos that got me thinking anew about this apparently settled period. It was, in fact, reading Alistair Horne's two volume biography of Harold Macmillan that got me started on this book-length project. Macmillan was the British Prime Minister from 1957 to 1963.[3] Why someone brought up on a strict diet of the New Left Review was reading such a volume now escapes me, but I was playing around with ideas about the post-war settlement in Britain, and this biography seemed to offer very interesting background information about this period. During the course of reading MacMillan's biography, I came to understand, and especially in MacMillan's writing in the 1938 book *The Middle Way*,[4] that thinkers from both major parties during the late thirties were beginning to argue powerfully for the need for the state's heavy involvement in the economic and social life of the nation. *The Middle Way* argued, amongst other things, for an end to the untrammelled free enterprise system that had so damaged the national economy for so long, and for the emergence instead of a planned economy. Basic needs for food should be met by 'large-scale cooperative enterprise'. Public ownership is proposed for those industries that most affect the national interest. National planning is recommended, the purpose of which is to prevent the inevitable cycles of boom and bust that had previously affected economic life. And yet this view emerged from the mouth of a Bertie Wooster figure, a relic from the antique past, a feudally-redolent old codger who would have seemed outdated in an episode of Downton Abbey. Ridiculed in the 1960s by *Beyond the Fringe* as being hopelessly out of touch with the newly emerging libertarian feelings of the day, Harold Macmillan had, nonetheless, been arguing for socialism, of a kind, in 1938. It then seemed obvious to me that widespread agreement had existed at that moment about what needed to be done in Britain, and it seemed to involve something like socialism.[5]

I am also interested in this period because I grew up in and around London during this post-war period. Beveridge's plan for National Health provided me with health care. When, as a 14 year-old, I broke my wrist playing rugby, a highly-distinguished Harley Street surgeon in pin-striped trousers mended it for me on the National Health. I still remember seeing the pinstripes in his trousers next to me as the anaesthetic slowly took hold. There was no charge. I went to an élite English public school on a government scholarship. My parents

[3] Alistair Horne, (1988). *Macmillan,* Volumes I and 2: 1894–1956. (Original ed.). London: Macmillan.

[4] *The Middle Way: a study of the problem of economic and social progress in a free and democratic society,* London, Macmillan, 1966. First published in 1938.

[5] In fact, things were not what they seemed. Macmillan was a Tory eccentric, and considered a rebel on many issues, but a rebel who recanted most of these ideas later in his political career.

couldn't have afforded to send me there without this help. The fees were 405 pounds a year, and we paid five pounds.[6] Such experiences were not uncommon during this period. Access to education was hugely expanded for large numbers of people. New schools were built throughout the country. Health care became much more widely available. Public services were expanding in all directions. Entire cities were built outside London to house those who had been displaced by the devastation of war. I lived in one of them.

If there was a colour I associate with this time, it was grey, but it was anything but a despondent period. This was widespread rationalism, state-run, that slowly improved ordinary life in everyday ways. There was black and white television. There were no great celebrations, no huge street parties, no colourful pageants,[7] but there was quiet, uneventful progress of a sort for many ordinary people. The fundamental question I am working with, then, is to ask how significant this period was, how much concrete progress was made, how close to a social revolution did we come, and how long did this period last.

Thatcher ended all this, of course, but she didn't do it in a vacuum. By the late 1970s, under Labour's 'Uncle Jim' Callaghan, the streets were filled with garbage, strikes and demonstrations were commonplace, and bodies lay unburied because the grave-diggers were on strike. The old social contract of the past between Labour and the unions lay broken. The post-war settlement had come unstuck, and there was no going back.

Alice and the Rabbit Hole

At the beginning of Lewis Carroll's metaphorical masterpiece, *Alice in Wonderland,*[8] we read:

> Alice was beginning to get very tired of sitting by her sister on the bank, and of having nothing to do … when suddenly a White Rabbit with pink eyes ran close

[6] I was part of the Dulwich Experiment, a funding mechanism which allowed a number of scholarship students to attend Dulwich College in London without paying fees. I was a boarder at Dulwich from 1958 until 1965. Dulwich was founded in 1619, and had a reputation as a highly academic institution at the time I attended, gaining the largest number of places at Oxford and Cambridge among all U.K. high schools, apart from Manchester Grammar. Manchester Grammar are now 20th, and Dulwich 24th in 2021. (https://www.locrating.com/Blog/oxfordandcambridgeoffers.aspx)

[7] The Festival of Britain in 1951, and the coronation of Queen Elizabeth in 1953 provided brief splashes of colour during this period.

[8] *Alice's Adventures in Wonderland,* Macmillan, 16 November 1865, Lewis Carroll, London, pages 1-3.

> by her. There was nothing so *very* remarkable in that; nor did Alice think it so *very* much out of the way to hear the Rabbit say to itself, "Oh dear! Oh dear! I shall be late!" (when she thought it over afterwards, it occurred to her that she ought to have wondered at this, but at the time it all seemed quite natural); but when the Rabbit actually *took a watch out of its waistcoat-pocket*, and looked at it, and then hurried on, Alice started to her feet, for it flashed across her mind that she had never before seen a rabbit with either a waistcoat-pocket, or a watch to take out of it, and burning with curiosity, she ran across the field after it, and fortunately was just in time to see it pop down a large rabbit-hole under the hedge.
>
> In another moment down went Alice after it, never once considering how in the world she was to get out again. The rabbit-hole went straight on like a tunnel for some way, and then dipped suddenly down, so suddenly that Alice had not a moment to think about stopping herself before she found herself falling down a very deep well. …(but soon) the fall was over.
>
> Alice was not a bit hurt … (but) there was not a moment to be lost: away went Alice like the wind, and was just in time to hear (the Rabbit) say, as it turned a corner, "Oh my ears and whiskers, how late it's getting!" She was close behind it when she turned the corner, but the Rabbit was no longer to be seen. She found herself in a long, low hall, which was lit up by a row of lamps hanging from the roof. There were doors all round the hall, but they were all locked; and when Alice had been all the way down one side and up the other, trying every door, she walked sadly down the middle, wondering how she was ever to get out again …

If you found yourself lying on a riverbank during the pandemic, wondering if there was ever a time when things were 'normal', less chaotic and, to some degree, more settled, I hope you avoided following any passing rabbits down rabbit holes, which could have only led to closed doors, confusions and alarums.

And the first of these rabbit holes to have been avoided, if you were musing about British history and particularly the post-war settlement, leads you straight to a door labelled 'Orthodoxy'. Beyond the door people are discussing the simple-minded, rosy-coloured notion that a relative paradise was easily reached in Britain, just after WW2, through the cosy alliance of a series of elderly, white, male patriarchs from all parties who came together for the good of the people. The historical record certainly puts paid to any such notion, however comforting it might be from a distance, and you'd be better off staying on the riverbank with your sandwiches and beer, or pâté and champagne, depending on your social class and culinary predilections, rather than following the rabbit down the rabbit hole. What appeared on the surface to be a seamless resolution of conflict, organised in the well-tailored hallways of Whitehall, was nothing of the kind. While the bearers of the social order still took their leisure in their well-maintained Piccadilly clubs, there was a tumult of dissent and revulsion

against the prevailing situation from the working class, from ethnic minorities and from women, that often went unnoticed and unspoken.[9] For fifty years and more, there had been widespread and enduring social unrest. The working class wanted dramatic change, and some urged revolution. The work of the women's movement, focused primarily on extending the suffrage, suffused the political life of the late 19th century and the early 20th century. And ethnic conflict, and especially the accelerating collapse of empire, began to shape the structure of post-war Britain ever more powerfully during the war, and on into the period of post-war settlement itself.[10] For many, even during the post-war settlement period when such issues were being confronted, often for the first time, the struggle of dissent was unrelenting, desperate and unresolved.

The Second World War had brought twenty years of misery to a head. Many of those in power at the beginning of World War Two had served as soldiers in the first Great War. The country had largely been in turmoil ever since. It was commonly agreed that when the troops came home from the first conflict that they had been poorly treated, and ill-managed. They were promised that they would return to a world fit for heroes, and instead they faced widespread unemployment, an established order that was largely indifferent to their suffering, poor housing, and a health care system that was hopelessly inadequate to meet their needs. In short, the world fit for heroes was an illusory and empty promise. As a result of this experience, the new generation were desperate to avoid a repeat disaster. More than anything they wanted to avoid a second global conflict. But if that war was inevitable, then those who fought in it should be treated with the greatest humanity possible. Thus, during and after WW2, when plans for the post-war period were developed, and especially when the Beveridge Report of 1942[11] came on the horizon, the pressure towards equity, and just and equal sacrifice, was overwhelming. The plan received 90% support among the general public during the war, though no-one among the lower orders thought that the establishment would implement it. But those in power were forced to do something dramatic. The tragedies that had arisen in the aftermath of WW1 could not be allowed to be replicated.

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[9] Chapter Four details some of these struggles.

[10] At my English public school, we were told very seriously by a senior master that we were being trained to run the British Empire, as generations before us had done. By the time I graduated from high school in 1965, the so-called Empire had all but dissolved.

[11] The Beveridge Report of 1942 is often considered to be the fundamental plan that outlined the shape of the post-war welfare state in some detail. William Beveridge, a Liberal politician, set out a 'cradle to the grave' strategy aimed at providing social security for all. At the centre of this plan was the demand for a National Health System, which was introduced in 1948 by the Labour government. Beveridge's wife, Janet Philip, played a large but mostly ignored part in writing the Beveridge Report.

The story goes that, during WW2, a soldier, about to embark to fight in continental Europe, asked Churchill 'Will we come back to nothing?'. 'No', promised Churchill, 'there will be full employment'. The ruling categories knew they had little choice but to change things, and change things they did.

A second rabbit hole to be avoided, however, is the one labelled New Left Rabbit Hole, which leads you to the view that nothing happened, and that if it did happen, it wasn't enough, that Labour gave way to reactionary forces, that they didn't take the opportunity to push things further. If you fall down this rabbit hole and are confronted with a series of doors, the one labelled New Left Review will be locked, and covered with a heavy metal bar. A large sign, 'No Entry', confronts you there. A brief argument is set out for you in small print, and posted on the door. 'Capitalism is a machine for producing inequality. Socialism is the only answer'. While I fully accept the inevitably unequal nature of capitalism, which is almost a machine for constructing inequality, it is equally absurd to say nothing changed, and that things did not improve for working people. It is also ridiculous to make the subtler argument, that a few things changed, but that they didn't matter. In fact, this period embodied a tilt in the tectonic plates of British society, with lasting consequences. That it finally fell apart did not mean that for 35 years nothing was different, or that none of these changes lasted. In fact, the whole landscape of British politics had been altered permanently by then.

A *third rabbit hole* may lead you, finally, to an open door. But you won't find the Queen of Hearts here. Instead, through that door you will see a disconsolate group of people discussing the future. This is the gathering of those who still hope that things will improve, that while socialism might have failed, and while the welfare state is under threat everywhere, that there is still a struggle to be fought, that neoliberalism can be turned back, that the tide is turning again towards justice and equality. You could linger here – the food is good, and the company congenial. But then you might simply prefer to wake from your dream, and go back to the life that you already know. You might just settle for the world as it is on the riverbank.

I must admit to being attracted to this third option. Whatever the obstacles, and. however improbable a better future might seem when all appears set against it, there seems to be an enduring impulse in human societies to right the wrongs, to put things straight, and to struggle on. If we are doomed to fall into this category, then the present book might make this more bearable if it can provide some lessons from the post-war experience. In the next section, I set out the approach I plan to take to interrogate this period.

The Dance of Biography and History?[12]

I use biography as a key element in what follows. What new kinds of understandings does biography open to the reader? It is in the 'dialogue with history' that the value of biographical evidence is most convincing.[13] Biography's ability to expose hidden lives, and to connect these personal understandings to the larger stories of history, is compelling. Otherwise we are left simply with bloodless, analytic tales of social structures and policies on the one hand, or with the private twitterings of personal accounts on the other. Bringing history together with biography unblocks some of the answers we need in order to understand these important events more completely.

In social science, the work of history has frequently been separated from subjectivity, especially during the period when historical analysis was powerfully subjected to the influence of the 'Longue Durée' school of Ferdinand Braudel and his Annales School, which took the longest and most distant view of history that was possible. In this account, the story provided of large-scale economic and social events is very far removed from the lives of individual people.[14] It gains an abstract quality that suggests that it is structures, well beyond human understanding or control, that shape our history. Subjectivity had long been criticised, in particular by male academics, as the obverse of science, and thus banned as a subject of study from the highest reaches of academic success.[15] But in the last fifty years, the obsession with structures has been severely criticised for offering a diminished, partial and incomplete vision of what went on. Ethnography, subjectivity and biography have come to occupy the centre of the intellectual universe. At the same time, vigorous critiques of the divisions between subjectivity and objectivity, structures and agency, and other forms of dualism, have rendered the previous categories of science and non-science, sense and nonsense, implausible. This has allowed a range of approaches to analysing political and social events –

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[12] Joanny Moulin, "Introduction: Towards Biography Theory", *Cercles* (35) 2015: 1-11.
[13] Op. cit., page 1.
[14] This is not to say that Braudel excluded the lives of ordinary people from his accounts – far from it. But biography was never a focus of his enquiries.
[15] While men traditionally studied the social structure, and the economic and political shape of cultures in anthropology, it was women who investigated subjectivity, family and sexual relationships, thus being assigned to a diminished role in the academic hierarchy. See, for example, the life of Hortense Powdermaker, discussed in 'Anthropological Stranger: the intellectual trajectory of Hortense Powdermaker', Sean Hier and Candace Kemp, in *Women's History Review,* Volume 11, Number 2, 2002. There are many other similar examples.

biography combined with history, for example – to come into their own, and to display the power of these new approaches.

Thus this book uses the biographies, autobiographies and diaries of key figures, along with the history of key events, to examine the post-war settlement of the 1945-1979 period in Britain. We look at the social ownership of industry, the rise of national health insurance, social housing, extended state education, and the various other elements of the welfare state that emerged at this time. The book seeks to explain how a certain set of ideas came into being, how these ideas were formed into social and economic policies, and what resulted from these changes. It starts with a pre-history, a prelude, formed by the Great Depression and the Second World War, and it ends with the collapse of this historic compromise in the late 1970s.

In the period between 1965 and 2000, French sociologist Pierre Bourdieu brought forward epistemological arguments that revolutionized the way that sociology and allied activities, such as social history, cultural studies, anthropology, political science and other human sciences, ought to conduct their business. His influence was so widespread that, for a period, he was the most heavily cited social scientist in the global community. This book is heavily influenced by these underlying principles.[16] Thus the old dualities between subjectivity and objectivity, between agency and structure, and between idealism and realism are discarded, and the full power of the sociological enterprise is released. What follows, then, is a story in which history, biography, structures and agents, and private human sensibilities, as well as powerful public forces, all have their place. Let us now consider the post-war settlement in more detail.

Socialism and the Post-War Settlement

What exactly was the post-war settlement? For many of those who lived through it, everyday events seemed so 'normal' that no other life could be imagined. While the period started in the wreckage left by World War Two, amid a shortage of almost everything, there was a sense that, in spite of it all, things were slowly improving. Systems seemed gradually to work a little better year by year, more or less. People appeared to get jobs. Wealth apparently increased gradually. Life slowly eased for many people. The post-war settlement refers to the period between 1945 and 1975, characterised largely

[16] For those interested in a fuller account, see Richard Harker, Cheleen Mahar, and Chris Wilkes. 2016. *An Introduction to the Work of Pierre Bourdieu: the Practice of Theory*, London: Palgrave Macmillan Limited.

by full employment, increasing Gross National Product, improving standards of living, enlarged educational opportunities, low levels of inflation, a relative consensus across party lines about major political questions, and an alliance between capital and labour under the management of the state. It was the most extended period of economic growth that the western global system had ever experienced. But rather than being 'normal', as it seemed at the time, it was a period of exceptionalism, prefaced by economic depression and by war, and trailing in its wake social unrest, disorder and increasing social inequality. And, indeed, as many critics were later to comment, this apparently benign period of settlement hid sharp ethnic and gender divides that were only faced directly when this era came to an end.

And what did we mean by socialism at this time? The British Labour Party maintained support for 'Clause 4' of its Rule Book from 1918 until 1995. It required the Party to secure public ownership of industry, of the means of production in Marx's phrase, and this aim was central to the sense people had of socialism during the 1920s.[17] But it also implied the social ownership of much more than industry. It demanded public control of the health system, the education system, the programs of social welfare, the police, the fire service, and the many other elements of society that together constituted the foundation on which everyday life depended. And it was attached to the more general idea of modernization. Instead of the chaotic competition of free enterprise of earlier years, when, for example, three private railway lines would be built in parallel along exactly the same route to attract customers, or competing private buses would careen along the high street, trying to outrun each other in the hunt for passengers, there was to be a rational system of planning, of logic, and of the sensible use of resources. Public ownership was the face of the rational future, which also implied control over wages and prices, the establishment of a state-run health system, the extension of public education, improved pensions – in short, a raft of public provisions for society in general that went far beyond just the social ownership of industry and farms.

What is very striking is that people from very disparate backgrounds - Tory landowners, to bourgeois bankers, working class activists, feminists, along with Labour trade unionists, and independent thinkers of various kinds - came to understand what, in broad terms, had to be done to solve the problems that capitalism had thrown up during the Great Depression. This unexpected

[17] However, Clause Four could be subject to wide interpretation. It never mentions socialism or nationalisation. Instead it refers to 'common ownership of the means of production, distribution and exchange'. This could refer to municipal ownership (ownership by local government), or ownership by worker cooperatives, or consumer cooperatives.

confluence of ideas, along with the experience of the Second World War, allowed the welfare state to emerge as a social structure to shape the second half of the twentieth century so decisively.

Nearly Socialism: The Origins of the Post-War Settlement

After the Second World War, and in the aftermath of a long era in which central governments had held sway, a move towards socialism was clearly discernible among certain advanced industrial societies. Indeed, some researchers in those countries believed that, during the post-war period, the welfare state had gone as far as it could towards socialism, at least within capitalism, and that nothing else remained to be done. In 1960, the British social historian Dorothy Thompson commented in the *New Left Review* that:

> On the face of it, many of the ideas for which the Labour movement has been fighting for generations, have come to reality in modern Britain. It would be quite wrong to underestimate the effect of the Health Service, or of the work of some of the Labour Municipalities in providing social services of the very highest level. But the impetus has died down. In the Labour Movement itself there is a feeling that we are coming to the end of the demands which we can make of public funds - perhaps some slight improvements, say ten bob on the Old Age Pension, a tightening of controls on privately rented property, would be acceptable. But the overall policy of the Labour Party on social questions has not advanced since 1945 - in fact, it has in many ways receded. Yet the 1945 programme was based on the Beveridge Report, issued during the most expensive war in history, and based on the experience of one of the most economically disastrous decades in modern times. (Thompson, 1960)[18]

It is not surprising, given the backdrop of the Great Depression and the Second World War, that the role of government should have become paramount during the post-war years. As many writers have claimed, from the Liberal Party's John Maynard Keynes to the neo-Marxist Nicos Poulantzas, the 1930s was the historical period during which capitalism avoided a suicidal path. This catastrophic outcome had been predicted by Marx a century earlier, and capitalism's self-immolation was only avoided through the intervention of the state.[19] In many of the allied countries which would become participants in the Second World War, governments socialised large parts of the private economy to undergird the war effort - for armaments, for defence, for transportation,

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[18] Dorothy Thompson, *New Left Review*, 'Farewell to the Welfare State', July/August, 1960, page 1.

[19] Keynes famously argued that the state had to intervene in the Depression era to put the economy on track again so that the market economy could finish off the recovery process.

to provide and support troops, and to produce food. A war footing meant a substantial majority of social and economic life was directed by the state towards overcoming the enemy. It was in the context of this complete shift in the direction of society, from worlds in which free trade and free enterprise dominated, to a condition where the state came to intervene in every aspect of both social and individual life, that the move towards socialism was to emerge after the Second World War.

Fifty years later, by 2010, the picture was reversed, and, according to Marxist Erik Olin Wright, the possibilities for a socialist future were at an end:

> There was a time, not so long ago, when both critics and defenders of capitalism believed that "another world was possible". It was generally called "socialism". While the right condemned socialism as violating individual rights to property and unleashing monstrous forms of state oppression, and the left saw socialism as opening up new vistas of social equality, genuine freedom, and the development of human potentials, both believed that a fundamental alternative to capitalism was possible.
>
> Most people in the world today, especially in its economically developed regions, no longer believe in this possibility. Capitalism seems to be part of the natural order of things, and pessimism has replaced the optimism of the will that Gramsci once said would be essential if the world was to be transformed.[20]

This book investigates this phenomenon of 'Nearly Socialism' in the United Kingdom.[21] I had started this project with the more ambitious aim of doing the same work in four countries, adding Australia, New Zealand and the United States to the mix. One hundred pages in I decided that to do the task justice, I would have to write a 1,000 page book which would tax the patience of even the most diligent reader. Part of the reason that I was interested in these other countries was a result of my own experience. I have lived for approximately 20 years in three of them - the United Kingdom, New Zealand and the United States. Nonetheless, while it made some sense to continue with these three, the scope of the task was simply too great and too demanding on the reader. I thus drastically curtailed the ambitions I first held, first dropping Australia, about which I knew the least, and then New Zealand and the United

[20] Erik Olin Wright, *Envisioning Real Utopias,* Verso, 2010, London and New York, page 1.

[21] I was born in the UK, lived there until I was nineteen, then emigrated to New Zealand and stayed for 28 years. Since 1994 I have lived in the United States. The U.K. refers to the United Kingdom of Great Britain and Northern Island, and Great Britain refers to the island comprising Scotland, Wales and England. The term 'Britain' is a shortened version of the phrase 'Great Britain'. I tend to use each of these three terms interchangeably.

States. The book thus now focuses more narrowly, and more deeply, on the United Kingdom alone.

Biography gets as close as it is possible to be to the sensibilities, emotions and deeply-felt attitudes – the habitus, in Bourdieu's lexicon – of the major participants of the time, and thus offers us a window into the consciousness of key figures of this era. It also allows us to cross that absurd divide that has flavoured so many social scientific and historical accounts, that is, between subjectivity and objectivity, when both realms of understanding are clearly needed.

CHAPTER TWO

JANE AUSTEN, THE LIBERALS AND LLOYD GEORGE

Jane Austen

Jane Austin argued that revolution was less likely in Britain than in France because traditional landowners in Britain, by and large, had come to understand a simple truth. Their own welfare, and indeed, their continued existence, was inextricably linked to the welfare of those who worked for them, and on whom they depended for their wealth. Thus while there were still many cases of cruel landlords and badly exploited rural workers, there was also at work a strong reforming zeal that argued that the welfare of the whole community must be attended to, or the whole social structure might come toppling down. Nonetheless, widespread poverty, rural uprisings, hunger and suffering were commonplace during her time. Austen's novels provide several examples of foolish, stupid and selfish landowners, as well as several model landlords, and it is the latter group's actions that she put forward as the preferred model for social stability and social progress.[22]

Austen's novels, which may appear to be mostly about teacups and falling in love, also have a powerful political shadow hanging over them. It is the shadow of revolution in France, only 25 miles away. The militia in *Pride and Prejudice* are not stationed in the south of England so that they can take their summer holidays in Hampshire. Nor are they there, as Austen seems sometimes to imply, only to provide husbands for the multitude of Bennet women. They are there instead, very obviously, to face the possibility of invasion from France. Stories of the mob's pitiless violence against the French aristocracy, the beheadings and the relentless attacks on the rich in France, were widely shared among British aristocratic circles. Austen herself had two brothers who were admirals of the navy,[23] and the awareness of what could happen in Britain was

[22] Wilkes, Christopher. 2013. *Social Jane: the Small, Secret Sociology of Jane Austen.* Cambridge Scholars Press, Newcastle Upon Tyne, U.K.
[23] A third, Henry, was briefly in the militia.

very much in the air. If the British landowning classes did not pay attention to the needs of their own working populations, a fate worse than death could readily be imagined for their country, something truly shocking. Britain could become into France. So, much private and communitarian sharing of food and other resources took place in rural communities, and Austen's novels discuss and explain these exchanges in detail.[24]

The Poor Law was at the heart of England and Wales's early attempts to deal with poverty and unemployment.[25] Enacted first during the Tudors through Acts of Parliament in 1598 and 1601, the Poor Law provided support for the dispossessed in one form or another until as late as 1948, when the Labour Government of Clement Attlee finally put it to death.

By the turn of the 19th century, a reforming spirit was widely at work and under discussion. The French alternative was readily available to be understood. But it was not only the possibility of revolution that drove the shift towards welfarism. The emerging difficulties associated with industrialisation added new fuel to the flames of reform. New regulations started to emerge through Parliament in the 1820's and 1830's which sought to meet some of the political problems that arose from the fact that few people could vote. Central among these activities were the various reform bills which aimed to change the political system directly. Three major acts are important. In 1832, the Reform Act began to shift political power from the old structures to the new. Many political constituencies had been in the gift of landowners, some under the

[24]Austen's novel *Emma* is riddled with examples of a generous landowner, George Knightley, contributing support to the less fortunate in the community, but there are many other examples throughout her work.

[25] There were even earlier attempts to deal with the 'impotent poor'. In 1536, a law was passed to deal with the same issue, and yet earlier efforts were made to deal with vagrants and beggars who could not care for themselves. Generally two versions of the Poor Law are distinguished. The 'Old Poor Law' was enacted during Elizabeth the First's reign, followed by a second Poor Law, the 'New Poor Law' established in 1834 at the beginning of the reforming era. The major change was the move from a haphazard, localised and hopelessly incomplete system run by parishes, to a centralised workhouse system. Workhouses were total institutions in which people lived and worked, though the work was harsh and the food very limited. Families were routinely separated. And even under the old system, as early as 1631, such institutions existed. Historians have pointed out that the Statute of Cambridge in 1388 established a system by which labourers were supported, and can be said to have created the beginnings of the workhouse system, and a disposition by the early state to support workers and to ameliorate poverty, but at the same time to restrict their movements and control their living conditions. But it was not until the end of the Napoleonic Wars in the early 19th century that the need became extreme, and more widely understood.

control of as few as seven voters. These so-called 'rotten boroughs' were largely swept away and replaced with constituencies with larger populations, thus extending the vote to those who had at least ten pounds in property. This did not mean that most people could vote, but it did mean that one in five could now enter the ballot, rather than a privileged few. This was a revolutionary shift in the position of the ruling classes, and it presaged a broader democratic tendency that was to continue throughout the century. In 1867, a second Bill was enacted, which further extended the franchise down the class ladder. This step extended the vote to two million people, including many workmen. A third act of 1884 increased the size of the electorate threefold, and included most rural labourers. But it was not until 1918 that all men over 21 received the right to vote, and not until 1928 that all women of the same age were included. Nonetheless, the trend was inevitable, long-term and transformational.

Accompanying political reform was the trend towards welfare reform. But the 19th century does not tell a story of steady improvement for the masses - quite the reverse. The Poor Law of 1834 provided the poor with clothes and food in exchange for work, but any association with the poor house meant social exclusion for those involved, since such an association was heavily stigmatised. Welfare was largely managed through private charities, and many of these charities were founded on religious principles. Self-reliance was the order of the day, and the role of government was not well supported. By the turn of the 20th. century, there was still no unemployment support, no old age pensions, no systematic health care, and no child support. The death or injury of the main income earner would routinely plunge the family into abject poverty. For many among the privileged classes, the existence of poverty was conceived to be part of a God-given order. Personal failure was imagined to be the root cause of poverty, rather than the existence of difficult or overwhelmingly adverse conditions – lack of work, changes in the economy, or the failure of crops, for example. Alms were given as a matter of charitable service. Education was provided, partially and incompletely, to train workers to take their place in the emerging new industrial order. But it was only towards the end of the 19th century that substantial reform movements started to emerge in any systematic fashion. Poverty now came to be seen in a new way, as emerging from social conditions, from the shift from agriculture to industry, and from the attendant problems that this massive change was causing, rather than solely as a result of personal failures.

Of course, economic insecurity had been widespread long before the advent of the capitalist revolution.[26] Agricultural work had always been subject to the vagaries of the weather, crop failure, change in land ownership, and to wider economic fluctuations. And, as Boyer usefully points out, it was not only economic difference – the difference between rich and poor expressed in income – that was in operation. Not only were wages for ordinary people inadequate to support a family, but much of this working-class work was haphazard and uncertain. Thus, even if a wage could provide adequate sustenance, families could never plan for the future. Economic uncertainty, job loss and loss of income, were floating fears that hung over everyone.

The rise of capitalist industrialisation, however, had brought about a new kind of problem. While rural workers could have often counted on friends, family, the church and the landowner to provide some form of assistance in hard times, the new industrial environment developing in the cities had swept this fragile rural support system away. But this shift also gave rise to an emerging reformist zeal. The hardships brought about by the establishment of the industrial system were so extreme and so widespread that they could not be ignored by the ruling classes, or indeed anyone with a conscience. And clearly these changes were not to the liking of the established order. Lord Salisbury, three times a Conservative Prime Minister in the 19th century, expressed a view of these alterations in the old ways of doing things in clear terms:

> Whatever happens will be for the worse, and therefore it is in our interest that as little as possible should happen.[27]

To review the changes that occurred in the 19th century in welfarism more fully, we need to return to the Old Poor Law of Jane Austen's era:

> The Old Poor Law of 1795-1834 was "a welfare state in miniature", relieving the elderly, widows, children, the sick, the disabled, and the unemployed and underemployed.[28]

The Old Poor Law was universal and comparatively generous and certain, in contrast to less well-financed systems that were found on the continent.[29] The

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[26] George Boyer, *The Winding Road to the Welfare State: Economic Insecurity & Social Welfare Policy in Britain.* Princeton University Press, Princeton, New Jersey, 2019. Much of this section is taken from Boyer's excellent account of the shift from 1830 to 1950 in welfare policy.

[27] Salisbury in Andrew Roberts' *Salisbury: Victorian Titan,* Faber and Faber, 2012, London, page 328.

[28] Boyer, op. cit., page 14.

[29] Boyer, op. cit., page 14.

1830s saw a dramatic change in the use of the Poor Law, however, and these changes were not generous towards those who needed help. An 1834 review of the previously existing legislation restricted its use and reduced relief spending. This tendency towards reducing welfare relief continued into the 1870s, when arguments about the need for self-reliance came to the fore. Fluctuations in public opinion and political tendencies led to a further shift between 1880 and 1914 when it became clear that major problems in moving away from the Poor Law system had emerged.[30] Finally the research work of Booth[31] and Rowntree,[32] among others, was able to expose the widespread suffering experienced by the sick, the unemployed, the under-employed, and the aged, suffering which was not the result of personal weakness and laziness, but rather resulted from shifts in economic circumstances, often global in nature, that were well beyond the control of the individual.

Having read Rowntree's book on poverty, Churchill asked his audience to:

> … consider the peculiar case of these poor, and the consequences. Although the British Empire is so large, they cannot find room to live in it; although it is

[30] Boyer, op. cit., page 15.

[31] Charles Booth, shipowner, positivist, and follower of the early French sociologist Auguste Comte undertook studies of working people during the last part of the 19th century, work which came to greatly influence the social policies of a number of governments. In 1886, he undertook to study the life of working people in London. In a series of studies he was able to show that while the socialists of the day put the poverty rate at 25%, it was, at least in the East End, closer to 35%, and that conditions among the lower classes were horrifying. He continued with his ship-owning business, and the income from this activity funded his research. He argued for the need for old age pensions, which he proposed would help prevent the rise of socialism in Britain. Booth went as far as to live with working people in the poorest sections of the city to find out what they were experiencing, and what they had to say about their conditions.

[32] Seebohm Rowntree was another capitalist who interested himself in the condition of the poor. He studied poverty in York, where his family had business operations. He was the second son of the Quaker Joseph Rowntree, who was a grocer who later became a cocoa and chocolate manufacturer. The younger Rowntree joined the family firm. His research focused on surveying the living conditions of the poor in York. Researchers visited every working class household in the city. The results were published in 1901. He also studied the rich. His work suggested that 28% of those in York lived below the poverty line. He supported the Liberal Party and became a friend of David Lloyd George. His ideas were influential in shaping Liberal Party policies. His later 1951 study was used by the Labour Party after WW2 to propose steps that should be taken to end poverty. The Rowntree Company is a global brand still active in York. It was acquired by Nestlé in 1988.

> so magnificent, they would have had a better chance of happiness, if they had been born cannibal islanders of the Southern seas.[33]

These new sources of information were to propel the British governments of the early years of the 20th. century to shift their focus again. Thus it was that there emerged a move towards welfare legislation. Boyer, using a speech, again by Churchill,[34] sets out the problems of the day, and a suggestion about how such matters could be remedied:

> Unemployment, accident, sickness and the death of the bread-winner are catastrophes which may reach any household at any moment. Those vultures are always hovering around us ... It is our duty to use the strength and the resources of the State to arrest the ghastly waste not merely of human happiness but of national health and strength which follows when a working man's home which has taken him years to get together is broken up and scattered through a long spell of unemployment, or when through the death, the sickness, or the invalidity of the bread-winner, the frail boat on which the fortunes of the family are embarked founders, and the women and children are left to struggle helplessly on the dark waters of a friendless world. I believe it is well within our power ... to establish vast and broad throughout the land a mighty system of national insurance which will ... embrace in its scope all sorts and conditions of men.[35]

The door was now open for the state to take a principal and leading role in meeting the scourge of poverty. Parliament passed the Old Age Pension Act in 1908, and the National Insurance Act in 1911.[36] The state thus established, for the first time in any meaningful way, a form of early safety net designed to stop large numbers of the citizenry from falling into poverty through no fault of their own.

Boyer does very useful work in comparing the level of state support during the 19th century with that seen in the 20th. century. For example, the peak year of state support in the 19th century was in 1848, which he reminds us is the year when the Communist Manifesto was published. In that year about 14.8% of

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[33] The extract is taken from Boyer, pages 180-181. Boyer also provides very useful detail on the debate on the 'Condition of England', the wider debate on the state of the nation surrounding poverty and inequality. See his section 'Social Commentary on the Condition of England', pages 179-183.

[34] Churchill was President of the Board of Trade at that moment. Churchill is cited in Boyer, op. cit., page 16.

[35] Boyer gives the Churchill citation as 'The Budget and National Insurance' from Churchill, Winston S, 1909, *Liberalism and the Social Problem,* London, Hodder and Stoughton, pages 297-317.

[36] Boyer tells us that the National Insurance Act 'established compulsory sickness and unemployment insurance'. (Boyer, op. cit., page 16)

the population was in receipt of public relief and 'perhaps 20% of the working class'. (Boyer, 17) During the 1850s and 1860s about 10% were provided with support, and there was a sharp decline in the 1870's.[37] Compare this to the interwar period of the 20th. Century:

> The situation was completely different between the wars. From 1922 to 1938 an average of 22.1% of the population received public assistance. In 1933, the peak year, nearly 12.9 million persons received some form of social benefit, including 5.1 million recipients of unemployment benefits, 3.4 million recipients of old age, widows or orphans benefits, and 1.1 million recipients of sickness or disability benefits. This sharp increase in numbers receiving social benefits largely was due to the economic shocks of the interwar period, but also to the safety net put in place by the prewar Liberal reforms and expanded in the 1920s.[38]

Lloyd George and the Liberals

David Lloyd George, the only Welshman ever to achieve the office of Prime Minister,[39] was a pivotal figure in the process of engaging the State in the business of national insurance and economic security. By many historians, he is considered the 'father of the welfare state'. Certainly he provided a huge impetus in using the power of government to affect the public good in a way which had never been conceived before. He was a brilliant orator, a social reformer and a long-time member of Parliament. He advocated land reform, taxes on high incomes, and equality for labourers and tenant farmers. Having first been elected to the Caernarvon Boroughs in 1890, he held his seat for 55 years. The Liberals, and their predecessors, the Whigs, had brought a progressive form of capitalism to the table which managed to play a significant part in British politics at crucial moments.[40] While strong supporters of the free market and private enterprise, they were also social reformers[41], with a

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[37] Boyer, op. cit., page 17.

[38] Boyer page 18.

[39] He was Prime Minister from the 6th of December, 1916 to the 19th of October, 1922.

[40] Both Keynes and Beveridge were Liberals.

[41] The situation is far more complicated than it seems on the surface, however. The 'Gladstone Liberals' were all for free trade, low taxation, and freedoms for the individual. But when the 'New Liberals' came to power in 1905, there was soon a shift to the left, opening up a political space for using the government for social reform and welfarism. For an interesting literary account of 19th century liberalism, Anthony Trollope's 'Palliser' novels are fascinating, fully illuminating the divisions between conservatism, elitism and reformist tendencies among members of the Liberal Party during the nineteenth century. See Trollope, Anthony. 1974. *The Palliser novels: Phineas Finn,* London: Oxford University Press; *The Eustace Diamonds,* London: Oxford University Press, 1950; and *The Duke's Children*, London, Ward Lock and Company, 1881.