

**REVOLUTION
BY REASON**

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REASON

*An Account of the Financial Proposals
submitted by OSWALD MOSLEY at the
Thirty-third Independent Labour Party Con-
ference, and endorsed by the Birmingham
Borough Labour Party and I.L.P. Federation*

BY

JOHN STRACHEY

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TO
O. M.,
WHO MAY SOME DAY DO THE THINGS
OF WHICH WE DREAM

PREFACE

REFORMERS have no longer any need to rely on humanitarian or religious sentiments when they demand the revision of our economic system. That system is in decline, and the issue to-day is not whether we should attempt to abolish it, and substitute a new Social order in its place, but rather when and how that now necessary substitution shall take place. Shall it be soon, gradual and peaceful? Or shall it be long postponed, sudden and disastrous? Are we to affect "a revolution by reason," and so achieve a new era of human development? Or does an abyss of chaos, social regression and catastrophe—a dark age of unreason—still separate us from the new era?

At the moment, it is true, we seem willing to regard miserable poverty and overwork, varied by periods of complete and compulsory idleness, as the normal condition to which mankind has been reduced, by having learnt how to command the production of boundless wealth. But if the irony of such a situation misses us, the misery hits. Slowly, but inexorably, this condition of things is becoming intolerable to the mass of mankind; and therefore, whether we like it or not, we must attempt some change.

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I try in the first chapter of this book to bring this general situation to the reader's notice. In the second chapter to give an explanation of how it has arisen : in the third to give another and different explanation : in the fourth to show that these explanations are complementary and not contradictory to each other : in the fifth and sixth chapters, to submit tentative constructive proposals ; and finally in the last two chapters to discuss the chief objections to these proposals.

This suggested outline of a policy is becoming known as "The Birmingham Proposals." They were first set out by Mr. Oswald Mosley at the 33rd Annual Conference of the I.L.P. and have been endorsed, after being much discussed and considerably developed, by both the Birmingham Borough Labour Party and the I.L.P. Federation.

I have described them here, because they form the only proposals that I have been able to discover which do satisfy such reasoning and analysis as I have tried, I fear very clumsily, to set down in these pages. But I am sure that the formulator of these proposals would be the last to claim that they offer the only possible solution. There may be other and different proposals which would also satisfy this economic analysis. Certainly there are numberless variations on the present proposals which may all be found to be improvements. Thus I do sincerely hope that even those readers who do not find

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themselves able to accept "The Birmingham Proposals" will yet examine carefully the modern, but by no means original, economic arguments on which they are based. For, if they cannot find some flaw in those arguments, it behoves them to set about thinking out a better constructive policy. For unless there *is* a flaw in those arguments, some such proposals as these are a necessity of the future.

They are not advanced as a cast-iron policy by every line of which their supporters are bound. They constitute rather a piece of practical pioneer thinking in unexplored territory—territory in which constructive thought is urgently required by the vast problems of a menacing and exigent epoch. Great tasks of Government are ahead of the Labour Party, and it can hardly be amiss for any of its members to tackle, as best they can, the formidable economic problems which confront us. It is certainly possible that fatal objections may be discovered to some of the propositions herein advanced: and that errors may be detected in one or other of the numerous chains of argument which are submitted; for it is human to err. But the hopes and aspirations of those who have been responsible for these proposals will be amply fulfilled, if in the end it is found that the divine sparks of creative discontent have been kindled in a few minds, and the general thought of the movement assisted by the discussion of this book.

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At any rate I offer these pages, rude and uninstructed as I know they often are, in the one hope that they will make people *think*. In the second and third chapters I have deliberately restated much modern economic thought in the simplest and crudest language I could find, in the hope that in this form its significance might break its way through, even to an indifferent reader.

The sources of information and the economic authorities on which I have drawn are far too numerous to acknowledge. Indeed, no particular originality need be claimed for our economics. One aspect of the considerations on which our proposals are based, has been emphasised by one group of thinkers, another aspect by a different group. Thus we owe the very best account of the Socialist conception of the rational planning and organisation of our productive resources to our leader, Mr. Ramsay MacDonald himself. Again it is Mr. Keynes, and his Cambridge economists, who have brilliantly developed the purely monetary aspect. Again, the conception of working-class purchasing power, and its vital importance to the successful working of the modern industrial system, has of recent years been pressed with characteristic vigour by the Scottish Labour movement. The contribution which the Birmingham movement has sought to make is rather to weave these various aspects of modern thought into one comprehensive whole. And on this whole we

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have essayed to build a structure of drastic Socialist proposals.

But I must thank a number of friends who have helped me with suggestions, corrections and objections. Mr. Oswald Mosley, who is the originator of these proposals; Mr. Clifford Allen; Mr. Brailsford; the members of the I.L.P. Finance Committee who discussed them at Easton Lodge during the summer of 1925; Mr. E. M. H. Lloyd, who has twice read the MSS.: his criticisms are always as kindly as they are acute; and also my dear father, whose views, on currency at least, are so lucid and so advanced, that I fear he will be a little pained by the Conservatism of some of these pages.

E. J. S.

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