

THE CRISIS AND THE CONSTITUTION:
1931 AND AFTER

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THE CRISIS AND THE CONSTITUTION:

1931 AND AFTER

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THE CRISIS AND THE CONSTITUTION: 1931 AND AFTER

I

INTRODUCTORY

Most people have taken the result of the General Election of 1931 as a verdict of emphatic approval for the course taken by Mr. Ramsay MacDonald in the crisis of August last. His victory was the most overwhelming in our history ; for his opponents, it was a catastrophe more complete than even the most vindictive of their critics could have predicted. Of the former Labour Cabinet which separated from Mr. MacDonald, a solitary member survived the election ; and among the two hundred seats lost by the Labour Party were many that had formerly been regarded as its strongholds. So dramatic was the resultant spectacle that men have assumed that a new epoch in our history had begun. There was a big economic issue to be solved ; the National Government had a majority sufficient to ensure its solution. That, certainly, was the predominant mood on the morrow of the election. Mr. MacDonald had asked for a doctor's mandate. He had now only to diagnose the disease and prescribe the remedy.

Yet, in fact, as the first mood of elation fades, the meaning of the General Election becomes less clear, and few pretend to interpret its results with any confidence. Was it a National victory or a Conservative triumph? Mr.

MacDonald is as emphatic on the one side as Lord Stonehaven on the other. Was it due to a panic about the people's savings, a fear that the pound would follow the franc and the mark? The quidnuncs have made their calculations, but one man's guess is as good as another's. Was it a verdict of disgust with the Labour Government? But Mr. MacDonald and Lord Snowden were the main architects of that failure. Was it a pronouncement for tariff reform? Liberals deny this as ardently as Conservatives affirm it, and there are four Liberals still in the Cabinet. Certainly no observer who was honest with himself would dare to say more of the result than that the people, emphatically, did not on polling-day want the Labour Party returned to power.

It returned Mr. MacDonald at the head of a "National" Government. But what does a "National" Government mean? Does the Government remain National if, for example, the Samuel Liberals withdraw from it through hostility to a Tory demand for full-blooded Protection? Does such a withdrawal mean the end of the mandate? Would Mr. MacDonald then conceive himself bound to consult the electorate upon the rights of so changed an administration? Would the King accept his advice that a dissolution was desirable in such circumstances when Mr. Baldwin or Mr. Neville Chamberlain could form a new Tory Government with an ample majority? Or, suppose that Mr. MacDonald himself becomes obnoxious to the Tories. Could a new Government be formed without him? Has he an understanding, has he thought it necessary to have an understanding, about these matters with his new colleagues? Has he, further, any understanding with the King about the exercise, under different circumstances, of the prerogative of dissolution?

These questions, obviously enough, are vital. For if the Cabinet does not succeed in remaining united, resignation of the Liberal part of it, with or without Mr. MacDonald, might alter the contours of policy. A resignation that was not accompanied by a general election might

make all the difference to British action, both national and international, in the next few years.

No one, in fact, can consider the events of the last half of 1931 without seeing that they raise constitutional problems of the first importance. They raise them, in part, in that delicate realm of half-defined conventions in which the precedents themselves are so dubious and so contradictory as to place even the specialist in a position where judgment is difficult. Nor is this all. They raise them also, in that wider realm where what has to be considered is not merely the character of our constitutional conventions, but the very prospects of constitutionalism itself. It is, I think, fair to say that not for the last century of our politics have issues so vital become the inescapable material of public debate.

For what the crisis of August 1931 really means, in the constitutional realm, is our inability to answer with any assurance certain questions. What is the relation of the Prime Minister to his Cabinet? Is he, as classical theory assumes, simply *primus inter pares*, or is he their master? What is the relation between the Cabinet, and the rank and file of Members of Parliament, upon whom it depends for its support? What is the actual position of the Monarchy in our politics? Does Bagehot's famous summary of its functions as advice, encouragement and warning still hold? Or are the facts more subtle than this ascription of influence without power would seem to imply? What bearing had the crisis upon the future of parties? Is the fission among those of the left merely a phase, or does it point to a fundamental reorganisation of alignments with at least the possibility that our future lies with the group-system rather than with the historic antagonism of two major parties? And, behind all the events, what light does the crisis throw upon the problems of political method and the forms of political institutions? Has evolutionary socialism deceived itself in believing that it can establish itself by peaceful means within the ambit of the capitalist system? Is it the inevitable function of a legislative

assembly, at any period of major events, to be no more than the formal organisation through which the executive obtains the legal registration of its will? These, as I venture to think, are the issues that have been raised. They are clearly of the first magnitude, if only because they involve a reconsideration of the first principles of our peculiar political system. The discussion which follows is simply an attempt to analyse some of the possibilities which need to be weighed.

II

THE CRISIS AND THE CABINET

IN the last century of our constitution a statesman has most usually become Prime Minister because he had been chosen as its leader by a party which possessed, or seemed likely to possess, a majority in the House of Commons. Exceptions, as when Mr. Gladstone became Prime Minister in 1880, though Lord Hartington was the formal leader of the party, or Queen Victoria's choice of Lord Rosebery in 1894, do not really invalidate the general rule. The thesis of our constitution is the straightforward one that the King must choose as his Prime Minister the man whom the party which is in a position to carry on the Government designates as its leader. For with us, party Government is the vital principle of Parliamentary Government ; and no party is any longer willing to assume that the monarch's personal sentiment has, as under the early Hanoverians, any right to influence the choice.

The Prime Minister who accepts the commission to form a Government proceeds to the selection of his colleagues. It has been elementary with us, not only that he has a free hand in doing so, but also that he is entitled to ask for the resignation of any of his colleagues at any time in the history of his Cabinet. He acts, of course, at his peril. Powerful influences must be placated ; the dropping of an eminent colleague may, as with the enforced resignation of Lord Palmerston in 1851, lead to the defeat of the Government. But granted wisdom in the Prime Minister, and the normal give and take of human relations, the system with us has been found to work well in all normal situations.

It does not, of course, mean that the Prime Minister is the master of his Cabinet. He must take men he may not want ; he must appoint some of them to positions for which he thinks them unsuited. It is well known, for instance, that Mr. MacDonald did not want Mr. Henderson at the Foreign Office in 1929 ; and only the fact that, upon other terms, Mr. Henderson would have preferred to remain outside the Cabinet led to one of the outstanding successes in that Department in modern times. The Prime Minister, moreover, must carry his colleagues with him ; failure to do so, as with Mr. Asquith in 1916, and Mr. Lloyd George in 1922, may easily lead to his own destruction. The Prime Minister is not, like the President of the United States, a leader whose policies may remain unaffected by differences with his colleagues. They are collectively responsible with him for what is done ; and the decisions taken in the Cabinet may be, as we have learned from various revelations by Cabinet Ministers of the past thirty years, a matter of counting heads and deciding, subject to any Minister's right to resign, by a majority.

One power, however, the Prime Minister possesses which he need not share with any or all of his colleagues ; he has an independent right to hand to the King the resignation of his Ministry, or, alternatively, to ask for a dissolution of which his Cabinet is in ignorance. Again, of course, he does so at his peril ; for an error of judgment may easily mean his supersession as leader. A Prime Minister who resigned or dissolved without consultation as a habit would obviously fail to secure the service under him of colleagues in whom his party had confidence. But Mr. Gladstone dissolved in 1874 without consulting his Cabinet ; and if, in 1924, there were members of Mr. MacDonald's Cabinet who knew that he had decided upon dissolution after the Campbell case, not every member of his Cabinet was consulted.

It is in the background of these traditions that the crisis of last August must be set. A Cabinet committee examined the financial position, and made certain tenta-

tive recommendations to their colleagues. These, meanwhile, were submitted to the leaders of the Opposition, who suggested additional economies and reserved their right to make additions to the proposals in the House of Commons. There came into the field, whether from international or other pressure we do not fully know, a recommendation for a reduction in unemployment pay against which there was a majority in the Cabinet. Mr. MacDonald found himself faced by the threat of vital resignations if he acceded to the proposed reduction. He himself favoured it, as did some of his colleagues ; but it was known that a majority of the party in the House of Commons would vote against the reduction. As time was of the essence of the position—since the loan necessary to preserve the Gold Standard could not otherwise, it was said, be obtained—Mr. MacDonald offered his resignation to the King. After consultation with Mr. MacDonald and the leaders of the Opposition parties, the King accepted Mr. MacDonald's resignation as head of the Labour Government, and commissioned him to be the Prime Minister of a new administration in the Cabinet of which the two Oppositions and four of his Labour colleagues found places. The whole Labour Party in the House of Commons, with the exception of fourteen members, at once went into opposition to the new administration ; and at a meeting of the party Mr. MacDonald was deposed from the leadership, Mr. Arthur Henderson being chosen leader in his place. At a later meeting of the National Executive of the Labour Party, all its members who were associated with the new MacDonald administration were formally expelled from its ranks.

For such a sequence of events there is no parallel in British history. When Mr. Asquith formed the Coalition of 1915 he carried his party with him. When Mr. Lloyd George became Prime Minister in the second Coalition of 1916 a large section of his party supported him and entered his administration. Mr. MacDonald formed a Coalition with four out of twenty-one colleagues, and the support,

known only after the event, of one-nineteenth of his Parliamentary party. In the steps that he thought it right to take, he did not consult his colleagues, who learned of the new administration simultaneously with the announcement of their own demise as a Cabinet. He did not consult his party which had never, throughout the crisis, the opportunity of discussing with him events so momentous. He completely changed the character of his associates in the House of Commons by an independent act of judgment in which only a handful of his former supporters was allowed to share. He became overnight the leader of men who had, during the previous two years, been denouncing the inadequacy of his policy and his leadership.

Extraordinary situations beget extraordinary events ; and no one can probe successfully into the motives of a complicated situation. Mr. MacDonald has explained that the rapidity of the crisis demanded an equally rapid action ; and his new associates have congratulated him on the courage which severed the relations of a lifetime before the requirements, as he considered, of national necessity. We need not make too much of the fact that Mr. MacDonald's position in the Labour Party was increasingly uncomfortable. Nor need we unduly emphasise the fact that, in the light of the economic and international situation, the idea of a Coalition Government had probably been present for some considerable time in Mr. MacDonald's mind. The problem calls for the scrutiny of facts, and not of motives ; these have to be left for the historian of the future, with ampler materials before him, to judge.

What we have to decide is somewhat different from the historian's problem. We have to analyse the consequences of the fact that the commission of the King to his Prime Minister is personal. The Crown does not know, because it is above, party considerations ; so long as the Prime Minister can form a Cabinet with a majority in the House of Commons, it is theoretically a matter of indifference to

the King from what directions that majority is obtained. The Prime Minister, in the face of a national emergency simply, so far as the Crown is concerned, borrowed his opponents' majority to carry on the Government of the country.

But the matter is, in fact, less simple than formal analysis seems to make it. The assumptions which underlie that analysis are of the gravest importance. They seem to be five in number. (1) When a Cabinet is in disagreement, however small the numbers he can command, the subsequent disposition of forces is in the hands of the Prime Minister. (2) There is no need for him to consult his colleagues upon the strategy he proposes to pursue. (3) There are no rights in the Parliamentary party which has made him a leader to have any say in the making of events. (4) Though he is himself practically devoid of any following in that party in the House of Commons the decision of opposing parties to accept his leadership entitles him to continue as Prime Minister even though he has no longer any recognised party position. (5) Continuing as Prime Minister, he retains all the rights, even though his position has become almost wholly personal in character, which are normally related to his office.

When Mr. Asquith found, in 1916, that he could no longer carry on his Government, he resigned after prolonged consultations with his colleagues; and the Lloyd George Cabinet which followed was largely a re-shaping of the previous administration. With Mr. MacDonald's coalition, this was not the case. Defeated in his own cabinet, he did not simply resign and ask that Mr. Henderson be commissioned to take his place. That, on the precedents, would have been one normal course for him to follow. Alternatively, had he consulted the Labour Cabinet, their knowledge of the position would probably have resulted in the advice of total resignation with the suggestion that if asked for advice, he give to the King his counsel to summon Mr. Baldwin to form an administration in which Labour would have had no share. It did not

occur to his Labour colleagues that Mr. MacDonald would, without consulting them, place their opponents in power under his leadership.

For, clearly, the whole theory of collective Cabinet responsibility is gravely attenuated if, in any serious position, the Prime Minister is the master of its life and fortune. The conception which underlies Mr. MacDonald's action is that since his colleagues did not agree with him, their utility as colleagues was necessarily ended. He acted in relation to them as an American President might act to recalcitrant colleagues without the constitutional sanctions which the former possesses. It is true, of course, that Mr. MacDonald, by so doing, risked his future position in the Labour Party. But he also risked, not only the right of his Cabinet to live ; he also assumed that he was entitled to transform the largest party in the House of Commons into the opposition without the assent of his colleagues, or of the party itself. He acted, not in co-operation with those who had made him their leader, but against them. He built his strategy not on the forces of his friends, but the strength of his enemies. The underlying thesis of his action was, no doubt, that he was himself indispensable in a position of national emergency, but it is a dangerous thing in a democratic State when any man, however eminent, builds his strategy upon the basis of his own indispensability.

In modern times, no man has become Prime Minister merely as a person ; it is to his position as a party leader that he owes his Premiership. His autocracy is limited by the degree to which he can carry his colleagues and the party with him ; which is to say, in other words, that he can be autocratic only by consent. But Mr. MacDonald has acted upon the view that his rights go much further than this. As Prime Minister, he assumes, his decision upon policy and strategy outweighs that of all save one-fifth of his immediate colleagues. Upon an eighteenth-century view of our politics, he is doubtless right. But it

is more difficult to feel that what he has done conforms to the notions of the twentieth century.

For suppose that he has a fundamental disagreement with his colleagues in the new Coalition. Is he entitled to ask for their resignations and having, somehow, formed a new Government, to seek anew the suffrages of the electorate? If he quarrels with the Conservative section, is he entitled to advise the King to send for Sir Herbert Samuel? Or could he assume that his present colleagues had become a public danger and either seek the co-operation of his former colleagues in the Labour Party, or ask the King to send for Mr. Henderson with a view to the latter seeking a dissolution? Is it not, in fact, clear that none of these things is possible? Mr. MacDonald, without a party, has no power save that which comes from the willingness of Liberals and Conservatives to support him. Once that willingness ends, he has no constitutional position open to him save that of a private Member. His leadership, in a word, has no continuity about it because it has no party behind it.

But that surely means that, in August last, the strategy he adopted was a violation of what must be implied in our politics if they are to work. For, otherwise, whenever a Prime Minister can make a bargain with his opponents, the Cabinet is at his mercy. He can install its opponents in power, and trust to a general election in the hope of regularising his position. Even if he did this from the highest motives, the position would be a wholly undesirable one. Either party alignments have real meaning, or we are watching what is, in fact, a sham-fight between parties in which the leader can be indifferently on either side. The effect of abusing an autocratic power, which is only workable on the condition that its use is limited to occasions where those affected consent to its use, is inevitably a sense of betrayal which goes to the root of things. A Cabinet treated as Mr. MacDonald treated his late colleagues cannot avoid the feeling that they have

been tricked by the employment of a weapon devised for quite different purposes.

For the whole essence of the right to resign or to dissolve is not to permit a Prime Minister to appeal from his colleagues to his opponents; it is to permit a Cabinet defeated in the House of Commons, or desiring a refreshment of its authority, to seek a new-mandate from the electorate. No Cabinet in the past would have accepted the operation of that power by the Prime Minister alone on any other terms. And from this the inference should surely be drawn that its operation cannot now safely remain the sole prerogative of the Prime Minister. He must share its exercise at least with the Cabinet. They partake of responsibility for his policy; they are entitled to share with him in making the strategic decisions upon which the shaping of policy depends. A decision to resign or to dissolve ought, at the least, to be a Cabinet decision if collective responsibility is to be real, and if the party is to be reasonably safeguarded against the possible errors of its leader.

A mistaken decision in this realm, it must be remembered, may well have momentous consequences. Lord Rosebery's disagreements with his colleagues in 1895, sent the Liberal Party into the wilderness for ten years; and one of the consequences of his decision was the South African War. Mr. Baldwin's sudden decision to dissolve in 1923 brought a Labour Government into office for the first time. Mr. MacDonald's decision of 1931 bids fair to alter not merely the fiscal system of Great Britain, but the whole character at least of Imperial relationships as well; while there are symptoms also that it may involve grave changes in the character of our constitutional arrangements. Surely it is clear that possibilities so vast ought not to depend upon the judgment, however noble its motive, of a single man.

To this it may be replied that the conditions of an emergency such as that which Mr. MacDonald confronted are different from those of a more normal time. No one,

certainly, can deny that it was imperative for Mr. MacDonald to take rapid decisions. That is true even though he might have foreseen the crisis in February—when Lord Snowden claims to have warned the House of Commons of its approach—or in June, when the Hoover Moratorium revealed the desperate condition of the City; and he might even, as late as the last week of July, when the May Report was in his hands, have begun to take effective steps to acquaint the Cabinet and the party with the tendencies in his mind. No emergency, however desperate, can excuse his failure to consult them about a change of front so vital as that upon which he embarked. Their complaint against him is not merely one of desertion. It is also one of a secrecy so complete that they cannot be said, during the last months of the Labour Cabinet, to have had any real or continuous access to his mind at all. The real indictment against Mr. MacDonald during the emergency is that he never seems to have acted upon the assumptions which collegueship upon the basis of collective Cabinet responsibility necessarily implies. Even to the last hour he never really explained to them—though they were constitutionally entitled to the explanation—the full bearing of his negotiations with the Bank of England and its international allies.

Nor does the thesis of emergency rule out alternative conduct on Mr. MacDonald's part. If he so desired, he could have advised the formation of a Baldwin Cabinet. He might have served in it; he might, as a private member, have given it independent support. What he did was bound to have the impact upon his party that was least desirable—the impression that he was lending to its opponents a force which was its creation and that at a period when it would need all its strength to safeguard its principles from attack. How little, indeed, Mr. MacDonald and Lord Snowden thought of collegueship was shown by their conduct after the formation of the Coalition, and particularly during the General Election. For neither of them had the slightest scruple in revealing

the details of Cabinet discussions to the secrecy of which they were bound by the most elementary principles of English public life. Lord Snowden, with vehement affirmation from Mr. MacDonald, discussed in public not only the proceedings of the Cabinet, but the motions proposed, the votes taken, and the personalities involved in each of these. That was a revelation of the attitude of mind in which they approached the making of an agreed policy. So little did they care for the implications of past collegueship that they were prepared, in effect, to violate the oath of secrecy which they had taken as Privy Counsellors in order to gain support for the new administration. And in doing so, it may be added, they were at pains to make the revelations in which they indulged so partial and biased that the public was never in a position to see them in their proper perspective. What would Mr. MacDonald have thought of Mr. Henderson if the latter had published, without consultation, the facts about the dissolution of 1924?

The emergency, in short, merely explains the need for rapid action; it does not explain Mr. MacDonald's secretive procedure, on the one hand, or his assumption, on the other, that he was indispensable to the solution of the crisis. It has been argued that he saw more deeply than his colleagues; that he was merely executing a strategic defeat which, like that of Lenin in 1921, was deliberately conceived to redound to the advantage of his party. The analogy is a poor one; for when Lenin adopted the New Economic Policy in 1921, he did not oust the Communist Party from power and associate its opponents in the application of the new experiment. Mr. MacDonald, of course, spoke of limited commitments for definite purposes, of which the chief was to maintain the Gold Standard. But, within a month, his new Government abandoned that Gold Standard amid a chorus of ecstatic eulogy from those who, a few days before, had denounced the Labour Government for its inability to safeguard the pound from danger. The whole crisis had arisen, not over

the question of a balanced Budget, but over such a way of balancing it as to obtain from America and France the loans necessary to remain on the Gold Standard. The balancing of the Budget itself was, apart from satisfying the conditions of the international bankers, a simple matter upon which there was no disagreement in the Labour Cabinet. The abandonment of gold was, in effect, a declaration that the essential purpose for which the new Government had been formed was null and void. Yet it does not seem to have occurred to Mr. MacDonald that the situation so made cast a grim light upon his exercise of his powers as Prime Minister only a few weeks before.

Mr. MacDonald, of course, now discovered a new emergency purpose in the necessity to redress the balance of trade—which was bound to right itself automatically in our departure from the Gold Standard—and in the need to maintain the value of the pound at the best figure possible. But the first of these items of policy was not new; it had been a staple subject of political discussion for years, and Mr. MacDonald himself had played a leading part in opposing Tory remedies for grappling with our supposedly excessive imports. Upon the second, obviously there could be no difference of aim between any of the political parties. Mr. MacDonald, in a word, unhesitatingly threw his Labour Cabinet to the wolves, and then proceeded to the announcement that there were no wolves at all. For if the maintenance of the Gold Standard was not vital to our position on August 24th, it is difficult to see why exactly Mr. MacDonald went over to the other side. Certainly, it was not to get the Budget balanced since his Labour colleagues were unanimous that this must be done. If it was to maintain the conditions upon which the Gold Standard could be preserved, it is difficult to see why he remained in office once he had failed to maintain them. We are then left with the thesis that, in totally new circumstances, he believed that his new colleagues could, under his leadership, do more for the country than the Labour Cabinet. But as he explained with vehemence

that he had abandoned none of his former convictions—to the very essence of which his new colleagues had been opposed for the whole of their political lives—the basis upon which he proposed to proceed was a little difficult to understand. Perhaps he hoped that, under his leadership, they might be converted to socialism. Yet that does not seem the dominating motive of their policy since the meeting of the new Parliament.

I am driven, therefore, to the conclusion that Mr. MacDonald's actions during the crisis call for a revision of the hitherto accepted powers of the Prime Minister. They should not be exercised by him in lonely eminence, but transferred to the Cabinet as a whole. The implications of collective Cabinet responsibility must surely be that the termination of the Cabinet's existence should be determined by the Cabinet as a whole. Otherwise, as the crisis showed, the Prime Minister remains so completely the master of its fortunes that it is, in any supreme moment, wholly at his mercy. An error of judgment on his part may not only destroy its policies, but deprive it of power for long years. Authority so vast ought not, in a constitutional state, to be vested in a single person; and that the more when it is remembered that the Prime Minister's position is not a personal one, but inseparably linked to his character of party leader. It is a contradiction of that character to leave him in unimpeded control of its destinies.

III

THE CRISIS AND PARLIAMENT

THE function of Parliament has been changing rapidly in the last generation ; and its part in recent months has brought out with some sharpness the rôle it seems destined to play in the future. While the Labour Party was in office, the fact that it did not command a majority largely served to obscure the transference of power from the legislature to the executive that has been the chief characteristic of our political system since the turn of the century. Throughout the nineteenth century Governments were made and unmade in the House of Commons. The legislative function of the latter was real ; and the private Member played an essential part in its operation. But the growing pressure of business made it increasingly impossible for the private Member to remain a free agent. The fundamental initiative passed to the Cabinet, and to effect its purposes the Cabinet was bound to control the time-table of the House. The private Member could criticise, he could question, he could seek to obstruct, but the House was transformed from an assembly which made, into an assembly which accepted, policy. The place where the effective decisions were arrived at was increasingly in Whitehall and not in Westminster. The private Member whose party was in power voted against it at his peril. For not only did a Government defeat on any issue which it chose to make a question of confidence involve its resignation ; his hostility, in a period of rigid party organisation, might easily make it dubious whether he would be re-adopted for his own constituency. The House of Commons, in all matters of major concern, has become the organ of registration for any Cabinet which has a majority at its disposal.

Nothing shows this change so well as the growth of delegated legislation. The modern Parliament cannot hope to debate in detail the clauses of complicated measures ; partly because it lacks the time, and partly because their nature is too often of so technical a character as to be unsuitable for discussion by a large assembly. Modern legislation, moreover, involves a flexibility in application unattainable if the Departments of State are to be deprived of the opportunity of relating principles to facts. The tendency, therefore, has become inevitable to make Acts of Parliament a conveyance of general powers to Whitehall, the precise details of which will be filled in by Order in Council or Departmental regulation. A later Parliamentary sanction may be specifically demanded for the policy authorised under delegated powers ; but the more usual technique is to give to it the force of law unless Parliament, of its own volition, deliberately intervenes.

There is no need, as the purists do, either to regret the fact of this development, or to regard it as the outcome of a " conspiracy " by civil servants, greedy, like any bureaucracy, for an increase of power. Complicated social administration requires a different technique from that demanded by the simple police-state of the first three-quarters of the nineteenth century. This was seen as long ago as 1861 by John Stuart Mill. " A numerous assembly," he wrote, " is as little fitted for the direct business of legislation as of administration. There is hardly any kind of intellectual work which so much needs to be done not only by experienced and exercised minds, but by minds trained to the task through long and laborious study, as the business of making laws. This is a sufficient reason, were there no other, why they can never be well made, but by a committee of very few persons. . . . It is impossible that these conditions should be in any degree fulfilled when laws are voted clause by clause in a miscellaneous assembly."

Nothing shows how fully this principle has necessarily come to be accepted in practice as the experience of the

recent emergency. When Parliament rose at the end of July, the idea either of a national crisis or a Coalition Government was not within the vision of either House. It is fairly certain that the Prime Minister had devoted considerable thought to widening the basis of his administration; there had been discussion of the idea in Court circles; and one or two journalists had played with the desirability of his doing so. But when Parliament was prorogued the idea of any startling change in the political situation was nowhere foreshadowed.

The crisis came in August. The change of Government was effected without any discussion save between the party leaders; and when Parliament met, it was presented with a *fait accompli*. Not only so. To grapple with the declared need for public economy, the new Government was empowered to embark upon economies, not by the ordinary methods of Parliamentary procedure, but the much more drastic and rapid technique of Orders in Council. After the General Election of October, new fiscal legislation was passed by which the President of the Board of Trade was empowered to impose duties, up to one hundred per cent. of their value, upon all imports, the amount of which seemed to him abnormal. The power was limited to six months' duration; and its exercise was safeguarded by the requirements of a report to Parliament for its approval. But this does not conceal the fact that, for the first time since before the Revolution of 1688, the control of expenditure and revenue had become, through the process of delegated legislation, a function of the executive and not of Parliament.

The implications of this rapid evolution are, I think, tolerably clear. In any situation where rapid action is required control by the executive will replace control by Parliament. The latter body may be asked to sanction the lines upon which control may proceed; but since the Bill authorising the powers demanded will be drafted by the executive, and made a matter of confidence, the Cabinet is, in fact, pretty sure to get what it wants if it

has a strong majority behind it. Anyone, then, who considers the sequence of events since last August—the change in Government, the decision to abandon the Gold Standard, economy by Orders in Council, taxation by the Board of Trade—will find it difficult to avoid the conclusion that our Government has become an executive dictatorship tempered by the fear of Parliamentary revolt. Of the four grave changes I have mentioned, two were done without asking the consent of Parliament until they were already complete; and two sought Parliamentary sanction as a matter of form rather than of substance. The limit of the system is, of course, that the dictatorship must not outrage such public opinion as can make itself seriously felt in Parliament; it must be discreet and not outrageous. It must, moreover, bear in mind that, at most, there will be within five years a General Election in which its proceedings will be judged by the people as a whole without any certainty of approval and with at least the possibility of a desire for change. But, subject to these limitations, the abdication by Parliament of its substantial authority is as complete as is compatible with the outlines of a constitutional State. There is little essential difference between the Government of Germany by Presidential decree, and that of Great Britain by Cabinet fiat for which Parliamentary approval is virtually certain. Nor could anything, I think, hinder the growth of this development except a return to minority Government.

And that return, in any one of its possible forms, is wholly undesirable. It means the substitution of the politics of manœuvre for the politics of policy. It means a Government which takes its stand not upon clear principles to which it is committed, but to such a fragmentary conception of those principles as may hope to stumble through the division-lobby to a majority. A minority Government, on our experience, has neither unity of outlook, nor firmness of will. Its very weakness is an invitation to the Opposition to wreck its purposes, not for the sake of doing the right, but to belittle its record

at the next general election. Half measures are introduced, and they are reduced either to quarter measures, or no measures at all, by the necessity of avoiding defeat. Minority Government clouds in any Cabinet directness of purpose and clarity of vision. It subordinates ends to means, and strategy to tactics. In a period of emergency, it is obviously futile. For crisis demands bold and decisive action, which is the one course to which a minority Government cannot commit itself. For the whole of its experience has been not a drive to decision, but a search for compromise. The question it asks of itself is not what it can do, but by what shifts and expedients it can best hope to stay in power.

That, certainly, was the character of the last Labour Government. It never set at all definitely before itself a clear end it was determined to pursue except in foreign policy; and there only partly because Mr. Henderson revealed a natural bent for its development, and partly because it is a tradition of British politics that foreign policy shall be excluded from the realm of ordinary political conflict. But in every other aspect of policy, education, coal, transport, agriculture, finance, it pursued a policy of half measures. Its minority position struck it from the outset into impotence. A bold Prime Minister, indeed, might have insisted from the outset upon challenging the Opposition to defeat a determined policy of Socialist reconstruction; but a faith in the power of Socialist legislation has never awakened a responsive echo in Mr. MacDonald's mind.

I infer from this the probability that the period of minority Governments, as we have known them since the war, is over; that if Labour ever again takes office as a minority it will be for the purpose of a challenge that will issue rapidly into the control of actual power, and not merely for the purpose of remaining in office. If this is the case, it will become essential in the next years to adapt the procedure of Parliament to functions very different from those for which its present forms were devised. The

Parliament of the future will be largely a principle-confirming assembly ; and the executive will have in a growing degree, not merely the power to regulate detail, but the authority to issue ordinances indistinguishable in character and importance from legislation. That will mean the reconstruction of Parliamentary procedure to enable it to check, where desirable, the action of the executive. It will mean that the processes by which the latter acts will be more carefully devised in origin and more exactly observed in operation. It may well lead, as in France, to a growth of the committee system in the legislature ; and it might easily, with every prospect of gain, lead to the association of officials, as in municipal bodies, with the intermediate stages of legislation. Above all, I think, it is pretty certain that the function of Parliament which will emerge as vital is that of ventilating grievances ; and, from this angle, it is probable that large experiments in the relationships of the private Member to the administrative process will be made.

One other point in this connection it is worth while to emphasise. If, as I have argued, the power of the executive will be greater in the coming years, it is clear, I think, that it will need more adequate organisation for the performance of its task. Certain things are clear. (1) The modern Cabinet is even more overwhelmed by its burden than is Parliament itself. Not only is it too big for a genuinely corporate mind to emerge, but most of its Members are too immersed in departmental business to be able to give serious time and thought to matters of general policy. The necessary agenda of business is greater than any Council, large or small, can possibly get through with genuine discussion. It is almost certain that we must have in the near future both a smaller Cabinet, the Members of which only concern themselves with the largest Departmental issues, and a much greater degree of devolution on both territorial and functional bodies of lesser authority than Parliament than we have so far considered. The reconstruction of the Cabinet will involve both the re-

grouping of ministries, and the emergence of the Under-Secretary—thus far, as Disraeli saw, the great failure in our Governmental personnel—into far greater importance. Devolution will mean a relationship between Parliament and local bodies rather of that loose type now exemplified by the position of the Church of England Assembly, than of the tight control embodied in the typical position of a modern County or District Council. And it is tolerably clear, also, especially as socialisation develops in a State driven by international necessity to abandon *laissez-faire*, that we shall require in all the major industries the institutions which make possible there, in their appropriate sphere, an approach to constitutional Government.

But more than this is required. If, as I assume, the executive is to grow in power (2) then we shall need also an adequate system of consultation with the interests affected by its activities. There is bound to grow up a much more complete and representative system of advisory bodies the views of which the Departments will have to take into account before they act. There is, of course, a good deal of consultation now; but, save for statutory exceptions, it is informal in character and depends upon the discretion of the Department concerned. It is difficult to doubt that, in the future, as the executive exercises a growingly wider authority, Parliament will insist on effective and prior consultation as the necessary prelude to action. This greater executive power, moreover, is bound to result in a growing volume of problems connected with the interpretation of statutes which it will be difficult to leave to the Law Courts as at present organised; and we shall find ourselves driven either, as on the Continent, to a system of *droit administratif*, or to the reorganisation of our Courts to cope with a function for which they are now largely unsuited. If, moreover, executive action is, as I am suggesting, in large degree to replace the present detailed legislative process, then (3) it is probable that Parliament will in the administrative sphere become more and more a body rather like a series of Royal Com-

missions, watching and enquiring into the process of administration and reporting to itself upon desirable change. It is not, indeed, unlikely that this will become one of the most important of Parliamentary functions. For the weakness of the Royal Commission is its tendency, even when unanimous, to become *vox clamantis in deserto* ; it has been said that, on the average, where it is unanimous, nineteen years elapse between its Report and consequential action. But a Parliamentary Commission reporting to the House of Commons has a very different position and power. It might well become, and it is wholly desirable that it should become, the chief safeguard of the citizen against bureaucratic excess.

THE CRISIS AND THE MONARCHY

IN the recent crisis, the great unknown factor in the political equation has been the position of the Monarchy. Englishmen rarely ask themselves in what fashion the Crown actually works in the British Constitution. They accept it as a mystery which, on the whole, seems to suit the national genius almost as well as it did when Bagehot, sixty years ago, brought out its activities into the light of that half-amused examination we now know to have been so partial and so incomplete. For the publication of the *Letters of Queen Victoria* has made it clear that the distinction he sought to draw between the "dignified" and the "efficient" parts of the constitution rests upon a foundation far less solid than he suspected. It is true that the King can no longer dismiss a Ministry or refuse his assent to an Act of Parliament. It is true, also, that his position very largely depends upon his ability to maintain an attitude of dignified neutrality between parties. It is clear, also, that the supposed influence of the Monarch upon foreign affairs is mainly a legend without even the power to edify. It is even doubtful whether his pressure could any longer exclude a politician he disliked from membership of the Cabinet.

But the influence of the Monarch is wide and pervasive, and it is felt in a score of different ways. He has the right, at the earliest possible stage, to see all the papers; he must be consulted, and he can express his views. It is clear enough that a monarch who takes his duties seriously is a force to be reckoned with in our system. It is not merely that his place at the very centre of affairs gives him an opportunity of continuous scrutiny and knowledge.

It is not only, also, that what comment he may choose to make must be treated with a respect not normally accorded to the opinions of other men. We are still a highly deferential people ; and the immense social prestige of the Monarchy gives to the King's views a weight and an authority it is impossible to ignore. The *Letters of Queen Victoria* made it clear that no Prime Minister can afford not to take these into account. He cannot hope to go on his way regardless of the opinion of the Crown. He must reply to its arguments, weigh its considerations, satisfy its susceptibilities, in a way, and to a degree, of which the implication is clearly that if the Crown is a reserve power, it is one of which the possible exercise must never be forgotten. That was made clear in the crisis over the House of Lords in 1909-11 ; two general elections were necessary to satisfy the scruples of the Monarch. It was made clear again in the conflict over Home Rule, when the Tory party deliberately decided that an appeal to the King over the heads of his Ministers was a possible way of staving off the hour of their defeat. The facts remain obscure ; but no one can read what has been so far allowed to appear without the sense that any view of the Crown as merely a dignified relic of a once vital authority is a serious under-estimation of its influence. The Crown is a pervasive and active agent largely, no doubt, of emollience, which no student of the Constitution can possibly afford to ignore.

The fact that the Crown is an " efficient " not less than a " dignified " part of the Constitution seems to have emerged in an interesting way in the recent crisis. Mr. MacDonald informed the King of the disagreements in the Labour Cabinet, and appears to have indicated the necessity of resignation. At that stage it may be argued, there were two courses open to him. He could, with the assent of his colleagues, have tendered his resignation to the King and, if his opinion was invited, advise the latter to send for Mr. Baldwin, as the head of the next largest party in Parliament. So to have acted ought to have implied that Mr. MacDonald had obtained the assent of his

colleagues to that course. For the essence of his position was that he was Prime Minister as leader of the Labour Party, and to ignore the opinions of his colleagues would have been to constitute himself the dictator of the party's fortunes. Or, alternatively, he might have felt that in view of the difference between himself and his Cabinet, and the meagre support within it upon which he could count, he should himself resign as Prime Minister, advise the King to send for Mr. Henderson, and leave the latter to carry on as best he could with a reconstituted Cabinet. Either of these courses would have been strictly constitutional since it would have taken account of the fact that Mr. MacDonald was not the Prime Minister as Mr. MacDonald, but as leader of a party within whose discretion it was to unmake him as leader if it so desired.

Mr. MacDonald took neither course. There were, it is clear, repeated consultations between the Prime Minister and the Palace. Certain meetings stand out. Upon the King's return from Balmoral, Mr. MacDonald had an audience with him in which, no doubt, he acquainted the King with the difficulties of his position. The King then saw Mr. Baldwin and Sir Herbert Samuel, after which Mr. MacDonald had a second audience. It was then announced that Mr. MacDonald had resigned as Labour Prime Minister but had accepted a commission to form a new administration in which Mr. Baldwin and Sir Herbert Samuel would serve under him.

We have, of course, to deal with these objective facts, since we do not know any of the details which culminated in the final results. The King, obviously, saw Mr. Baldwin and Sir Herbert Samuel as the head and acting head of the Tory and Liberal Parties respectively; they took their places in the new administration as the pledges of party support. That is not the case with Mr. MacDonald. He had ceased in fact, and ceased, almost immediately in theory, to be the Labour Leader, once he separated himself from his Labour colleagues. He entered the new Government not, like Mr. Baldwin or Sir Herbert Samuel,

as a party leader, but as a private Member of the House of Commons—no doubt a very eminent private Member—who was, for the special emergency, the King's nominee for the place of Prime Minister. To the support of his new administration he brought only a negligible group of followers. He was as little a democratic choice for the Premiership as Lord Bute in 1760 or the younger Pitt in 1783. He was chosen by the King to carry on the Government, borrowing the majority necessary for that purpose from a Coalition of his opponents. So striking a union of opposites to oust a third rival from power has hardly been known since the Fox-North Coalition of 1782. But whereas the latter administration was made in the King's despite, the Coalition of 1931 was made at the instance of the Crown without any sort of consultation with the Ministers who were ousted from power.

The new Cabinet, in fact, was born of a Palace Revolution; and the importance of that origin is none the less great because it has been so brilliantly concealed from the public. One could have understood Mr. MacDonald supporting a Baldwin Government as a private individual; one could even have understood him entering a Baldwin Government as a Minister, the more strongly to emphasise his separation from his former colleagues. But it is difficult to understand his re-emergence as Prime Minister without a party behind him. For party lies at the very base of our political system. It was the party which, in 1922, made Mr. MacDonald its leader by a narrow vote over Mr. Clynes. If the latter had continued as leader, and Mr. Macdonald had dissented from a Government of which Mr. Clynes was the head, Mr. Baldwin and Sir Herbert Samuel would not have consented to serve under him. Once Mr. MacDonald dissented from the policy of his party, his significance in our politics became purely personal in character; it can only have become more than that by the significance which the King chose to attach to him at a period of crisis. It is to be observed that the King did not consult any of Mr. MacDonald's Labour

colleagues on the position. He knew the views of the Labour Cabinet only as these were represented to him by Mr. MacDonald; and it was, indeed, the latter who informed his late colleagues that they were no longer in being as a Cabinet and that a new administration was in office. Crown influence has rarely exerted so profound an influence in modern times. Nor is it in any way beyond the mark to say, as Mr. Leonard Woolf has said, that "the precedent might be developed so that the Crown could be used to break down the democratic system of party Government, and to introduce, under the disguises so inevitable in Great Britain, a system not materially different from that of a dictatorship."

Indeed, it may well be argued that this has been the real result of the General Election. For the presence of Mr. MacDonald at the head of the new administration served largely to conceal from the mass of the electorate the essentially Tory foundation upon which it was built. Mr. MacDonald was allowed a generous proportion of offices for his non-Tory colleagues; but he has to govern upon the basis of satisfying the dominant party in his Coalition. At every critical point he is their prisoner, since he cannot carry any policy in the House of Commons which does not commend itself to them. How far that was the intention of the electorate last October, it is, of course, impossible to say. Mr. MacDonald, no doubt, assumes that it was as a National Government that he obtained his majority. But the point of importance here is the fact that his actions to compel a "national" outlook from that majority depend, in the last analysis, not upon him, but upon the King.

For were he to disagree with his Tory colleagues, and to resign, the King could at once send for Mr. Baldwin, who would find no difficulty in forming a Tory administration. Were Mr. MacDonald to feel that a purely Tory Cabinet was a violation of the compact upon which the election was fought, and to ask for a dissolution, what would be his position? He can hardly have a prior guarantee of a

dissolution in his pocket ; for were he to part with the Tories, he would have to make practically the whole body of his ex-Labour Party supporters Ministers, in order to appeal to the country. His right, in fact, to a dissolution is inherently vitiated by the fact that his position in his own Cabinet has a purely personal, and not a party significance. If he were to suggest a dissolution during which the administration was carried on until the will of the electorate was made known, the King would have the very powerful reply that a dissolution in a situation where one party in the House of Commons had nearly five hundred Members was an impossible request ; and he could point to strong emphasis by eminent politicians as recently as 1923 that the power of dissolution is still the personal prerogative of the King. Mr. MacDonald, if he were asked by the King for his counsel, could hardly advise the King to send for Mr. Henderson or Sir Herbert Samuel, since either of these expedients would entail a dissolution in its turn. Mr. MacDonald, in a word, can be happy so long as his Cabinet is harmonious. Immediately disagreement develops, the centre of authority passes from his hands. For he is merely there as the King's favourite, a person, and not a representative leader. And it is inherent in his position that he can only cease to be the King's favourite by building a new party of his own. The logic, in short, of recent events is that once Mr. MacDonald differs upon an important point from the Tories, we shall either have an ordinary Tory Cabinet, or a manœuvring for position in which the real balance of power will turn upon the will of the King. In such an analysis, the Crown becomes something more than the " dignified hieroglyphic " of Coke's immortal phrase.

V

THE CRISIS AND POLITICAL PARTIES

EVENTS, of course, may take a quite different direction. A crisis so dramatic as that through which we have passed is bound to leave its impact upon the structure of parties. British experience has become so accustomed to the attractive simplicity of a two-party system that it is perhaps a little wont to over-emphasise its relation to nature. In fact, of course, apart from the United States of America, a two-party system is a luxury which no other modern State has continuously enjoyed. The more common form is the group-system in which we watch, from the extreme right to the extreme left, an almost infinite gradation of units between which it is very difficult, except at the extremes, to differentiate in practice. Certainly a foreigner confronted by the bewildering spectacle of the French Chamber or the German Reichstag might be pardoned if he felt that the niceties of difference were too subtle for his immediate understanding.

Since the war, we have had in Great Britain three parties which have played an important part in the House of Commons. Until the events of last August, it appeared not improbable that they would be fairly rapidly reduced to two—the main body of Liberals being absorbed by their rivals. But the future is now less certain. If the new MacDonald Government reaches agreement upon the fiscal question, the relations of the Coalition parties may well become that kind of close alliance from which the Liberal-Unionist Party ultimately developed. In that case the essential dividing-line between parties might be set by their attitude to Socialism; the essential debate would be a simple one largely turning upon the mainten-

ance or destruction of a society divided into economic classes. Or if, as may well be the case, a serious division develops within the Cabinet the schism between the Liberals may become permanent, and the followers of Sir John Simon only may be absorbed by the Tory Party. If, in that event, the Samuel Liberals went into opposition, coalition between them and Labour would obviously be difficult ; for the crisis made their very different attitudes to the place of currency and banking in the State of quite seminal importance. Nor must we omit the possibility that Mr. MacDonald may resign ; and it is at least possible that the refusal of Labour to receive him again into its ranks would be followed by an attempt on his part to create a permanent group of his own. Its character, indeed, might well be indeterminate ; for in the few brief months since he became " National " Prime Minister, it is clear that there is, within the Tory Party, a cleavage between " right " and " left," which the circumstances of his resignation might easily make of vital significance.

Nor is the permanent unity of the Labour Party a safely predictable thing. Observers who describe it as a close coalition of very different attitudes are not without considerable warrant for their views. The general programme of the party may provide a general rallying-ground for them all ; but there are wide variations of exegesis. Some of the trade union Members in the late Parliament—even in the Labour Cabinet—could not reasonably be described as Socialists at all ; Mr. J. H. Thomas, for instance, seems to have found his spiritual home with Tory imperialism, and it is difficult not to feel that only historic accident prevented him from crossing the floor long ago. Similarly, Mr. MacDonald and Lord Snowden were, in the last few years, rather Gladstonian Liberals than Socialists, and it is not easy to see any real spiritual affinity between them and, say, Mr. Maxton. There is a real division, once more, between evolutionists like Mr. Sidney Webb, who put their trust in the accumulated results of piecemeal change, and the Members of the Independent Labour Party who want

a large dose of drastic Socialism as the first act of the next Labour Government.

Anyone, indeed, who looked below the surface of party organisation in this country would not find it a very difficult task to discern these groups of persons as distinct in the political emphases they make as those of the Continent. There is far more unity of outlook between Labour and Tories of the type of the late Lord Henry Bentinck than there is between the latter and Tories of the type of Colonel Gretton. There is much more intellectual kinship between a Liberal like Mr. Keynes and the Labour Party, than there is between Mr. Keynes and an uncompromising Victorian individualist like Mr. Runciman. Problems obviously arise—I think myself quite unreasonably—for many Socialists because of the special relation of the Labour Party to the trade unions. And the history of the Labour Government's attempt to deal with the raising of the school-leaving age showed that there are in all parties men who put the claims of their religion emphatically before the claims of their political faith.

Our age is one of rapid and vast adjustments to a changing and ever more complicated environment. Does this mean that in the face of the problems we confront the ordinary alignment of parties into right and left will break down, that, before the pressure of novelty, we shall drift into a group-system almost without being aware of it? I do not myself think so. The challenge to the forces of prosperity in this country is so direct that their consolidation seems to me inevitable whatever may be the differences between them. They will swallow up those Liberals who, like Sir John Simon, regard the advent of the Socialist State as unmitigated disaster. The propertied classes of this country have far more interests in common—as the election of 1931 showed abundantly—than differences making for separation. The very fact that the circumstances of the crisis forced Labour to attack the central institutions of capitalist finance, and to make its future policy necessarily hinge upon that attack, will make it difficult to undo much of the work of consolidation that

has been effected. On this side, indeed, the crisis may rather be taken as the rapid development of an evolution that has been long proceeding in Great Britain—the linkage of Right and Left among the owners of property to resist the changes in the structure of society demanded by the forces of Labour.

Until the war, the drift here revealed in its full intensity was hidden by the fact that the social service State was only in its infancy ; and the great wealth of the country did not make its cost a serious burden upon the middle and upper classes. The war, with the immense legacy of debt which it bequeathed, has entirely altered that position. Every serious addition to the cost of social services profoundly alters, through the taxation it involves, the kind of life the propertied classes may hope to live. Nor is that all. In a period, like the present, of prolonged economic depression, so long as the burden of debt is maintained, we reach pretty quickly the limits of taxable capacity and, therewith, the possibility of expanding the social services. To shape the life of the community on anything like seriously Socialist lines, it is discovered that redistribution by taxation rapidly reaches saturation point. Socialists are then driven, as in investment, coal, agriculture, transportation, into plans of wide ambit for the Socialised ownership and control of the means of production. They are compelled to strike at the root of a society in which the motive of private profit-making has so far been predominant. And every principle they seek to translate into terms of action necessarily narrows the area within which a capitalist society can continue to express itself.

The result is the inevitable one of consolidating the forces of capitalism against those of Socialism. That is the real meaning of the post-war decline of the Liberal Party. Its historic mission ended when the margins of concession which capitalism could hope to make began to be reached. Instead of the party conflict being waged on the frontiers of power, it began to be waged at its very centre. In the General Election, the Labour Party was defeated essentially

because the electorate was thrown into a panic by realising that the consequences of its victory would be a definite challenge to habitual institutions. But that mood can only be given some degree of fixity if capitalism is able to recover its pre-war prosperity. It cannot continue indefinitely to carry the present burden of the debt, the unemployed and the social services, together with the enormous load of the defence forces of the Crown, unless it enters a period of recovery which again provides it with those ample margins for concession which it knew in the hey-day of its power. That is the only atmosphere in which Liberalism, as a political force, might revive. Unless it comes, it will remain only as a dwindling reflection of a historic moment, to disappear completely as the men who give it the prestige of their personality one by one move from the scene.

On the Right, therefore, I believe the impact of the crisis will be that of consolidation and not of dispersion ; that result is written in the necessary evolution of the economic forces at work. For revival of trade in the sense of a recovery of the pre-war position of Great Britain is impossible except upon terms of international economic changes so vast that these would, in their turn, alter profoundly the whole character of world-capitalism. Were we to abandon the new mercantilism into which we have drifted since the war, a new society might conceivably emerge ; but it would entail the abandonment of national control of matters like tariffs, banking and currency, migration, access to raw materials, and the international planning of at least these things. The sovereign State, in the historic form in which we have known it, would necessarily disappear. Instead, we should have a world-community in which the States we now know would be no more than units of local government, autonomous only in matters of private incidence. Such a development, no doubt, is the road of obvious common sense ; but it would demand an interference with the motive of private profit so vast as to be incompatible with the survival of a capitalist society.

The consolidation of the Right is bound, I believe, to produce a parallel consolidation in the forces of the Left. Whatever the differences between the adherents of the Labour Party, the impact of the crisis upon them has not been doubt of their Socialism, but an enhanced estimate of its urgency. In perspective, their two years of office seems to them a revelation not of the necessity of making terms with capitalism, but of the impossibility of patching it up. They blame themselves for their failure to move to the reconstruction of its foundations. The more they reconsider the character of their programme, the more they feel called upon to purge it of the " Liberal " elements characteristic of its effort under Mr. MacDonald's leadership. The socialisation of banking, the national ownership and control of coal, transport and electric power, the transformation of agriculture upon the basis of the national ownership of the land, the social direction of investment, these have moved, within the space of months, from being principles for academic discussion into actual proposals to be given statutory form as a living and immediate programme. It is significant that there is little dissent within the party about the aims, or even the methods of transformation ; the differences are upon questions of the rate of advance to their realisation—a matter which office, and not opposition, can alone decide. And in this context, the virtual unanimity with which the party decided against Mr. MacDonald is important evidence of the reality of the consolidation which has been effected. The change has not been a personal one, for men have only been its more or less passive instruments. It has been born of the experience of the crisis itself. The result of the defeat has been a realisation of the nature of the battle to be fought to which only a crisis like that of last August could have given so clear an outline.

This attitude, it may be emphasised, has been sharpened, and not diminished in intensity, by the peculiar character of the defeat suffered by Labour. It made the mistake in office of seeking to survive by accepting a Liberal tradition which was already obsolete. Under Mr.

MacDonald's leadership, it sought merely to extend the boundaries of Social reform. When it made the treatment of the unemployed, instead of the reconstruction of industrial organisation, the pivot of its domestic policy, it was in grave danger of assuming that a mere policy of cash concessions to the underdog would suffice to win popularity for it. The election taught it how erroneous were its assumptions. There was, in fact, no such thing as an "unemployed vote," or a "teachers' vote," for which it thought it could angle. Panic, at the first experience, could always outbid in weight of appeal an emphasis upon a policy of concessions; the unemployed man who was bidden by Labour to remember his cut of ten per cent., in fact accepted its opponent's insistence that a Labour victory might be fatal to the ninety per cent. that was left. The lesson for Labour has been the important one that what matter are the central principles of its philosophy and not its temporary expedients. Why panic could spread was, as it has come to see, most largely because, outside the realm of foreign affairs, it had failed to make men believe that it put faith in its own principles. And this, again, has had the result of consolidating its forces by giving to them a penumbra of pungent immediacy which they have never before possessed.

I believe, in this background, that the effect of the crisis upon parties will be to hasten a return to the two-party system. And I believe that this result will be definitely to the national advantage. The three-party system made against both clarity and honesty in politics. It prevented a real national verdict upon policy. It put Governments into power which could not test the principles they affirmed. Tory Cabinets were put in office on the condition that they did not operate the one remedy in which they declared that salvation was latent; and each Labour Cabinet was cheerfully endured because it lacked the power and the courage to experiment with its faith. Where, therefore, the years since the war have called for vision and action, we have had instead a period of woeful inertia which will appear incredible to the future historian

who measures the effort against the problem. The crisis has had in it this at least of good that it has compelled political parties to act upon their basic assumptions. They are driven to do what is the purpose for which they exist—to bring their ideas to the test of action. The experiment, no doubt, is a tremendous one, if only because the life of a whole people depends upon it. But it had become essential that the experiment should be made.

One final remark may be made in this connection. Mr. MacDonald's victory is so disproportionate to the votes cast for him in the country, that the claims of proportional representation have been urged with added vigour since the election. On the view I have here put forward, such a change in the system of election would assume the proportions of a serious disaster. For it would perpetuate the dangers which attend upon minority Government not only by maintaining in being the three-party system, but, quite probably, encouraging further fission. Thereby, it would weaken the executive power at a time when only strength and coherency in the Cabinet can make for honest and straightforward government. It would encourage a drift towards government by coalition in which the power of the electorate to make the Government would be replaced by the effective transference of that authority to the House of Commons. Nor is continental experience of the operation of proportional representation encouraging. In Germany, particularly, its results have realised all the worst prophecies of its critics. In the light of post-war knowledge, it appears to be built upon a wholly mistaken diagnosis of the evils from which democracy suffers. In its anxiety to make Parliament an exact mathematical mirror of the distribution of national opinion, it forgets that the direction of a clear stream of tendency through affairs is not less urgent; and this direction cannot be attained if we start the adventure of Government with methods of which the tendency is to paralyse the executive power. Our system has, of course, its limitations; but, worked with goodwill and common sense, these do not seem likely to destroy the purpose at which it aims.

VI

THE CRISIS AND POLITICAL METHOD

THE most vital aspect of the crisis has been the problem of political method that it raises. British politics has always been built upon the assumption that, because the main parties were agreed upon what Cromwell would have called the "fundamentals" of the national life, they could afford to quarrel without conflict upon its incidentals. In Government by party, in a word, the Opposition takes office with the understanding that acceptance of its will by Parliament gives it the right to rule the country in accordance with its principles. Each party accepts, however much it may dislike, the legislation of its opponents in the belief that, when it can obtain power, its will, in turn, is sure of translation into statute. Both parties, doubtless, must so act as not to outrage the sentiments of any considerable part of the electorate, and so prick it into insurgency. But, granted normal wisdom in a Government, the thesis of Parliamentary government is that the party which can command a majority in the House of Commons is entitled to govern in terms of its will.

Obviously, also, Parliamentary government could not endure if it were otherwise. Everyone remembers how, in 1914, the refusal of the Conservative Party to accept this assumption over Ulster, brought us face to face with the prospect of civil war. In any country where either a party, or an influential section of the citizen-body, will not accept the right of Parliament to legislate in terms of the power confided to the Government of the day, the peaceful compromise of political issue is impossible. We in Great Britain have always insisted, the Labour Party not less stoutly than others, that all differences of opinion

between citizens can best be settled by the mechanism of the ballot-box.

“Democracy,” Mr. Kingsley Martin has written, “breaks down wherever there are deep religious and national differences within the same national state; the clash between the investing class and those who have no property is more fundamental still.” That remark throws a light upon the inwardness of the crisis upon which too much emphasis can hardly be made. Mr. MacDonald broke with his Labour colleagues on the ground that the credits necessary to maintain the pound could not be obtained unless a cut was made in unemployment pay. At bottom, there was no difference over the need to balance the Budget, and little over the character of the economies involved in that action. But the difference on which the division emerged was held to be fundamental.

We do not, of course, know specifically upon what information Mr. MacDonald's view was based. He may have built it (1) upon the judgment of the Bank of England. The latter may have advised him, either as a fact of which it had definite knowledge, or as its interpretation of the knowledge at its disposal, that this was the case. Or (2) he may have been specifically informed, either directly or through the Bank, from Washington that a cut in unemployment pay was, as he himself told the House of Commons, “a condition of the borrowing.” Obviously, he felt that, without the loan, the future of the pound was in grave jeopardy. That explains his separation from his colleagues; it does not justify his decision to oust them since the underlying assumption of that act was his title to place their opponents in power without consulting them.

But the really serious implication is in the basis upon which the case against the Labour Party was constructed. Its central argument was that if Labour was victorious at the polls, a flight from the pound was certain. It was represented that a Labour victory must mean a grave financial crisis of the kind that Germany had known in the period

of inflation. Capital would fly abroad ; foreign deposits would be removed ; and in the ensuing panic the pound would sink to the level of the mark. All investments would then be rendered worthless. This method of propaganda must be set in the background of the history which preceded it. Everyone knows that one of the causes of the flight from the pound was the outcome of the attack upon Unemployment Insurance organised by the capitalist interests of Great Britain. They deliberately painted a picture of a vast work-shy population maintained in comfort and idleness by the Government. They did so because the return to the Gold Standard involved deflation, and deflation, in its turn, involved lower wages, especially in the sheltered industries. But the level of unemployment pay was the main safeguard against lower wages ; therefore that level had to be reduced. Capitalist interests, being unable to persuade the Labour Government to embark upon this reduction, deliberately painted a black picture of Great Britain's approaching bankruptcy in order to injure the nation's credit abroad. *The Times* played a particularly notable part in this campaign of misrepresentation.

It was, of course, nonsense in fact to say that this reduction was essential to balancing the Budget. There were many other ways in which a balance could be effected, and when Lord Snowden met the Trade Union General Council, just before the fall of the Labour Cabinet, no such cut, as he informed it, was in his mind. Whether the demand for it came from foreign or domestic pressure, the reduction in unemployment pay was consciously selected as a symbol, that symbol was reinforced by the attitude taken, with interesting haste, by the Liberal and Conservative Parties, and Mr. MacDonald yielded to their pressure without regard to the views of his colleagues. On the events up to this stage I venture two remarks. (1) If the pressure for reduction was from Washington, then a foreign State was not only dictating to us that the Budget must be balanced, but also *how* it must be bal-

anced. Does Mr. MacDonald regard this as within the boundaries of legitimate interference? Would he have regarded the condition of a reduction in our expenditure upon defence as equally valid? If he would not, once the Budget was in fact balanced, the path to which was direct, why did he think interference of this kind justified? (2) If the pressure was domestic, and not foreign, what title did it give Mr. MacDonald to accept the views of his political opponents rather than those of his political colleagues? Why did he not, then, either resign with his colleagues, or leave the issue, as constitutionally he should have done, to the decision of the House of Commons?

But the next stage is still more important. As in the months before the election, so during the election itself, capitalist interests set themselves to organising the flight from the pound in the event of a Labour victory. It sought to secure (and succeeded in securing) an atmosphere in which the electorate was bluntly told, as ardently by Mr. MacDonald and Lord Snowden as anyone, that it must either return the Tories to power to preserve the interests of property, or precipitate a financial crisis, in which, said Mr. Isaac Foot, the Minister of Mines, "we might well be faced with the necessity of a Committee of Public Safety to secure people against the dreadful consequences of famine and social chaos."

It is vital to realise the implications of this strategy. We are informed that the electorate cannot choose a Labour Government, with a programme like that set out for acceptance last October, except at the cost of a grave financial crisis. Either, therefore, the people of Great Britain must go on returning a Conservative majority, or the Labour Party must announce such a change in policy as will quiet the fears of the investing class. The alternative, to repeat Mr. Foot's grave phrase, is a "Committee of Public Safety to secure people against the dreadful consequences of famine and social chaos." This is equivalent to an announcement that a Labour Government will be prevented by financial interests from pursuing a Socialist

policy if it is returned to power. The will of the House of Commons cannot prevail. The will of the electorate is impotent. The centre of effective authority lies in the hands of a small knot of financiers, responsible, let it be added, to no one, who will have the fate of the nation in their hands. If they are dissatisfied with the plans of such a Labour Government, they will, in effect, wreck the pound.

Let me put this in a slightly different way. Labour has accepted the basic assumption of the Constitution that the proper way to create a Socialist régime is to have a mandate from the electorate to do so. It was said in effect, both during the crisis and in the election, that if this mandate were given, the financial interests, and their political representatives the Tory Party, would take action against it which, *mutatis mutandis*, would be equivalent to the action taken by Lord Carson and his friends against the Home Rule Bill in 1914. That way, obviously, lies dictatorship. For it is a deliberate sabotage of the Constitution, a denial that its essential principles are valid when they work to the detriment of the propertied interests of the country.

When, a few years ago, the late Lord Balfour surveyed the development of the British Constitution in the light of Bagehot's analysis, he made one observation upon its future that it is worth while to bear in mind. "Let the political parties be reduced to two," he wrote, ". . . but let the chasm dividing them be as profound that a change of Administration would in fact be a revolution disguised under a constitutional procedure. Does not this illustration . . . show how delicate is the political machinery whose smooth working we usually take as a matter of course? . . . Is there any ground for expecting that our Cabinet system, admirably fitted to adjust political action to the ordinary oscillations of public opinion, could deal with these violent situations? Could it long survive the shock of revolutionary and counter-revolutionary violence? I know not. The experiment has never been tried. Our

alternating Cabinets, though belonging to different parties, have never differed about the foundations of society. And it is evident that our whole political machinery presupposes a people so fundamentally at one that they can afford to bicker ; and so sure of their own moderation that they are not dangerously disturbed by the never-ending din of political conflict."

It would be difficult to improve upon that statement ; and it would be difficult also not to conclude that Mr. Ramsay MacDonald's attitude has brought us up against the dangerous position Lord Balfour feared. The difference between the National Government and the Labour Opposition to-day is an irreconcilable difference of fundamental political philosophy. The accession of Labour to power would be little less than that " revolution disguised under a constitutional procedure " of which Lord Balfour wrote. On the experience of the last election, its decision to challenge the citadel of financial power would be accompanied by the threat to organise a flight from the pound which seeks either a Tory victory or a compulsory revision of Labour principles. The latter result is not likely to be attained, on the contrary, the implied threat is only likely to make Labour more conscious of the need to capture the citadel it challenges. Long ago, it was warned both by Mr. MacDonald and Lord Snowden that its accession to effective power would be followed by sabotage from the City. It has experienced the truth of their warnings ; though it was, perhaps, a little unexpected that the authors of the warnings would themselves lead the City to the task of their fulfilment.

What, of course, is significant in the Government's strategy during the last election is the fact that it fulfils something more than the predictions of Mr. MacDonald and Lord Snowden. It is an explicit acceptance of the Communist position. For the latter argument has always been that the forces of property will only accept constitutional safeguards if these work to their own advantage. If they do not, the Communist has insisted, there is no

method to which they will not stoop in order, at any cost, to obtain possession of the Government of the country. It is an announcement that the forces of Conservatism regard Constitutional Government as bankrupt if it demands from them sacrifices they are not prepared to make. Their temper and their strategy alike are a challenge to all that the Labour Party has fought for ever since it came into existence. For the plain implication of the threat is that Conservatism will not permit the peaceful transformation of a capitalist into a Socialist society. Virtually, it is an attempt to suspend the right of Labour to become by constitutional means the Government of the day by the announcement that a Socialist majority will coincide with the overthrow of financial stability. That was the policy pursued in the recent crisis. It was amazingly successful. If a reaction from its consequences were, some years from now, to bring Labour into power, would Conservatives refrain from a repetition of its effort?

Two questions are clearly involved. On the one hand is the national, on the other the international, position. A victorious Labour could not abandon its ideal merely because its opponents threatened to sabotage them. Immediately on the assumption of power, it would have to take steps to deal with the prospect Mr. MacDonald has now made it evident that it confronts. Probably it would have to declare a state of emergency, and, if then necessary, utilise the special powers provided for that circumstance by the Act of 1921. Such a prospect, of course, opens up enormous vistas. The assent of the House of Lords would have to be secured; and it is at least conceivable that this might be difficult to attain. That would necessarily involve a demand for the creation of peers on a scale more vast than has ever previously been contemplated. Such a demand involves at once the prerogative of the Crown in an environment of peculiar gravity. It was not for nothing that Lord Rosebery prophesied that the House of Lords would pass in a storm. For the exercise of that prerogative—unless the peers gave way—

would immediately require institutional reconstruction greater than any we have known since the Cromwellian epoch. Were it refused, or were a general election demanded, on the precedent of 1910, the neutrality of the Crown would be so gravely impaired that a new metaphysics of limited monarchy would become necessary. And it is doubtful if such a metaphysics is now available.

On the international side, the position is not less complicated. If the advent of a Labour Government means an immediate and precipitate withdrawal of foreign balances from London, the experience of the crisis has shown us how serious is the threat to our financial stability. A flight from the pound is easily workable in that fashion ; and no one can predict its consequences. And such a flight would acquire double significance from the fact that its psychological motivation would so largely depend upon the attitude of British finance to a Labour victory. If British finance organises, as during the period when the Labour Government was in office, predictions of woe and disaster, a sensitive and timid money-market seems inevitably destined to respond. The power is an immense one ; have we the right to predict that it will not be used ? Have we the right when a paper like *The Times*, which boasts of its independence and is governed by a National Board of Trustees to safeguard that independence, can use its columns for a campaign which can hardly have had any other result than to undermine foreign confidence in our financial soundness. That was done when Labour was dependent for each act of policy upon Liberal support. What would *The Times* be willing to do if Labour seemed in sight of independent authority ?

And what would be the result if British finance acted neutrally ; but was unable to allay panic in the foreign investor's mind ? Again, the recent crisis seems to provide at least the approach to an answer. Any sudden and widespread withdrawals of foreign deposits in London might easily produce a critical situation in which the City, despite a desire to display goodwill, would grow increas-

ingly nervous about the presence of a Labour Government in power. Possibly, if the international situation was stable, the general nervousness might be allayed ; for a serious financial crisis in London would, as we now know, have world-wide repercussions. But if the international situation were to be as critical as it was at the time of the recent crisis, it seems tolerably certain that a Labour Government would have to strain every nerve to overcome the difficulties it would confront. It is, indeed, hard to see how it could feel any confidence in its position until it had completed the socialisation of the major instruments of banking and financial control.

What is the implication of this analysis? At least, I think, this : that the road to power is far harder than Labour has, so far, been led to imagine. If it retains its faith in Socialism, it will meet a challenge that does not passively accept its right to govern in a Socialistic way. Practically the whole Press will be aligned against it ; and, involved in that hostility, there is the danger that foreigners may profoundly misunderstand the stability of the credit-structure of the country. It may meet, also, with serious hostility from finance ; and that may give to the natural timidity of investors who are confronted by Socialism the proportions of a panic. Under those conditions, a Labour Government would have no alternative but to embark upon drastic emergency measures ; and if these had to be embarked upon, no one could predict the consequences of their use.

- Those consequences, I would add, are not necessarily revolutionary, though it is, of course, tempting to think in communist terms and make them so. Before such a situation a Labour Government without the will systematically to apply a deliberately Socialist policy might easily find itself as bankrupt of the determination to govern as its predecessors of last August ; and, in that event, it would either move rapidly to the Right, thereby ceasing to be Socialist at all, or give way once again to the forces of Conservatism. Such a failure, of course, would be the

bankruptcy of the Labour Party in its present form. The Left would split into fragments, the more radical of which would either drift into Communism in sheer disgust at Parliamentarism, or only slowly cohere again after a long and difficult period of opposition. We should have for years a period of virtual Tory dictatorship.

The alternative seems to me to depend very largely on the will and temper of the trade unions in the coming years. They are the source of its strength, the essential foundation upon which the Labour Party depends. It was, indeed, largely because Mr. MacDonald had drifted so far apart from community of feeling with the trade unions that the crisis took the form it did last August, and that, perhaps, explains Mr. Henderson's emphatic pronouncement that he proposes a greater measure of co-operation with them than was the case with his predecessor. If the trade unions develop a coherent view of their place in the State, if, also, they develop the necessary institutions to give effect to that view, a determined support of the Labour Party on their part would make all the difference to its authority as a Government. It would mean that the trade unions would have to conceive themselves as the protective rampart of the Labour Party in office. They would have to be animated by a will which refused to see it tricked of power as in last August. Its members would have to display a solidarity more intense, a conviction of the worth of Socialism more profound, than at any previous time in our history. That strength would have to be apparent to the outside world as a contingently revolutionary force which would be called into play by any such betrayal or strategy as the last crisis brought into instant being. Were that temper present, it is possible that the antagonism of the Conservative forces to a Socialist Government would bow to the inevitable.

But nothing less than this seems to me the necessary temper; and it requires for its attainment a different trade unionism from that of to-day. For it must be remembered that the keen loyalty to his union of the modern

worker has been not a little blunted by developments in the modern State. The slow replacement of the old craftsman by the semi-skilled ; the weakening of the miners' and railwaymen's power to paralyse by the coming of oil and road transport ; and above all, the provision of services by the State such as the Labour Exchange and unemployment insurance, which were once the almost distinctive monopoly of the unions, have bred a generation of workers who do not realise what the conditions of industry were in the " 'eighties " and " 'nineties " of the last century. Were it not for the solidarity shown in the General Strike of 1926, one might be tempted to doubt whether trade unionism has anything like the hold to-day in the industrial field that it had before the war. And if not in industry, how much less is likely to be its power in the political realm, especially since the Trades Disputes Act of 1927 has sought to capitalise the political indifference of the average worker ?

If the Labour Party is seriously to consolidate a possible victory in the future the conversion of the trade unions to Socialism is the essential task that confronts it. For in the last election, innumerable trade unionists and their wives must have supported Mr. MacDonald's Government ; the results in the mining constituencies of Durham alone make that evident. Labour policy will need re-statement so as to capture again the enthusiasm with which, just after the war, it felt the prospect of a new world open before it. It will have to learn to avoid that poison of power by which Mr. MacDonald was so seriously infected ; the sense that merely by being in office it has realised itself. It will need the kind of religious enthusiasm for its ends which Russian Communism displays ; the ability to convince its opponents that nothing can turn it from its goal. If the trade unions can breed that spirit among their members, the attainment of power by Labour might, at the next occasion, mark a real turning-point in British history.

But such a temper has its dangers not less than its

promise. It might easily breed that sense of irreconcilable antagonism between parties of which Lord Balfour spoke. In that event, the character of the British struggle might well assume the form that Marxian prophecy has foretold. The capture of power by Labour might mean the organisation of resistance by the forces of capitalism. We might easily enter upon a grim epoch of civil war.

Detailed prophecy in these realms is clearly out of place. It is always worth while to remember that, unlike the peoples of the Continent, Great Britain has always displayed something akin to a genius for political compromise. It is not impossible that the recent defeat of Labour was due more to its own lack of faith in its own victory than to the strength of its opponents. It is at least possible that a different attitude on the part of Labour on the next occasion would produce in Conservatism a healthy respect for its right to govern. Differently from 1789, or 1848, or 1917, the powerful vested interests of Great Britain may concur in the erosion of their authority.

Yet the recent crisis permits us to doubt this prospect ; and that doubt entails upon Labour the obligation to consider the alternative. The crisis made it clear that Labour may be betrayed by its own leaders ; that finance-capital, on an international scale, will combine to threaten social security when its own power is challenged ; that theories of constitutional form will be adjusted overnight to suit the interests of Conservatism. All this, inevitably, makes one pause before accepting the traditional hypothesis that the mere conquest of a majority is a sure road to a Socialist victory. It is a necessary path to follow ; but the recent emergency makes one wonder whether the serious problems will not begin when its end is reached. It is because that is so patently the case that one insists upon the platitude that only by the making of eager Socialists can Socialism be achieved. For only men with the courage at all costs to adventure their faith will be given the power to try it.

VII

CONCLUSION

THE crisis, I have said, permits us to doubt the prospect of peace. For we cannot lightly presuppose a basic unity of outlook upon the problems of national life when one party in the State has, even if with the temporary approval of the nation, set definite limits to the area in which the will of the other may operate. That approval may be withdrawn at the next election, with the result, as I have sought to show, that the delicate equilibrium of our Constitution may be destroyed. The Labour Party may find itself confronted by a challenge so grave that it has no alternative but to meet it with a full perception of the possible results.

But to meet it wisely and successfully, it must prepare itself for the onset of the challenge. If preparation means anything, it means an end alike of our characteristic indifference to doctrine, and of our peculiar isolation from the forces of the international movement. We need now a discipline of the mind as well as of the heart, and that does not come from the rhetorical affirmation of ethical righteousness. We cannot remake a civilisation by incantations.

We are engaged in a battle for social and economic equality. We need to scan the experiments of the world for the principles and the methodology we require. We need the patient tabulation of our own experience, the certainty that, at the appropriate moment, we can use it for our own ends. We need something of the unceasing and relentless scrutiny which enabled Bentham, a century ago, to indicate the foundations upon which English Law could be remade. We need, not less, the inexorable faith

of Lenin in the coming of our opportunity, his unrelenting preparation to be fit for the hour when it came. British Socialism has passed the stage when it could indulge itself in the carefree dreams of youth. The time has come when it should assume the intellectual responsibilities of manhood.

APPENDIX

WHILE this pamphlet was passing through the press, it was announced (January 22nd, 1932) that members of the Cabinet were unable to agree upon fiscal policy. A departure from the traditional doctrine of collective Cabinet responsibility was therefore authorised, by which four ministers (Sir Herbert Samuel, Lord Snowden, Sir Donald MacLean and Sir Archibald Sinclair) were to be permitted to speak and vote against the proposals of their colleagues in Parliament.

No one, I think, will argue that collective Cabinet responsibility is a fundamental law which Ministers are never entitled to abrogate. It is an expedient—though a vital one—which has become the corner-stone of the Cabinet system only because it has been found in the past to work well. It ought not to be abandoned unless the reasons for doing so are so overwhelming that no possible alternative can be found.

On January 23rd, 1932, Sir Herbert Samuel issued an explanation of the decision that had been taken. Though he admitted that the plan was "unprecedented, anomalous, illogical," he defended it on a number of grounds. These appear to be the following: (1) The dissident Ministers were in agreement with their colleagues on all measures except fiscal policy; (2) in the face of important international events, especially conferences on disarmament and reparations, it was important to preserve a united national front; (3) resignation would not have prevented the majority policy from going into effect; (4) resignation would have been a grave embarrassment to the Prime Minister since it would have ended the "National" Coalition; (5) resignation might have involved a dissolution which could not be justified within three

months of the previous election ; (6) " any change of Government which is now practicable would not weaken, but strengthen, the tendencies to which we take exception " ; (7) the principle of collective responsibility is important essentially for preserving party discipline " in Governments founded on a party basis. This (the National) Government is not founded on that basis."

Sir Herbert Samuel's statement, however, can hardly be said to dissipate the difficulties the observer must feel. Fiscal policy is at the very root of the Government's programme ; it has ramifications which influence decisions on domestic, imperial, and international affairs. Are the dissident Ministers to be regarded as having no responsibility for decisions which grow out of the new fiscal policy ? Are they to be present at Cabinet meetings where these are taken ? Does their right to speak and vote against their own colleagues extend to such consequential decisions ? We need, surely, to know at least the answers to these questions before the innovation can be safely commended. It looks as though a system is being created in which Cabinet Ministers have no responsibility save where they may wish to assume it.

Nor is this all. On the principle announced by the Cabinet, what is virtually a free vote of the House is taken on a vital theme because Ministers are in disagreement ; for a privilege extended to a part of the Cabinet must clearly be extended to the rank and file. On this basis, it is difficult to see why the Labour Party should not be taken into the Government. They would reinforce the point made in the sixth principle of Sir Herbert's defence, and whenever they dissented from a Cabinet decision they could always be given liberty to speak and vote against it. Indeed, it is difficult to see why Party Government, in the future, is necessary at all. A Cabinet need only take a decision by majority, and leave its minority free from the classic limitations. Then the House of Commons could decide, and problems of conscience need no longer oppress

the Minister who is troubled by a policy which he feels to be disastrous.

Sir Herbert Samuel does not deal with the position that arises in the constituencies. Can one section of the Government run candidates against the other section without the result affecting the coherence of the Cabinet? Nor does he deal with the position of the Prime Minister to which his conclusions lead. Does the latter now decide that, if he does not object to dissent upon major issues, he may treat it as irrelevant? Can he pick the issues to which relevance attaches? Could he, when he is tired of one particular combination, seek a fresh shuffling of forces and go on governing if he extracted a majority from the House? Is he now definitely, as I suggested in this pamphlet, a purely personal force, devoid of all party significance? Is there a conscious approximation, also, of his position in the Cabinet to that of an American President?

Sir Herbert Samuel does not clearly explain what exactly are the limits of the liberty Mr. MacDonald has conferred upon the dissidents. Do they simply make a speech in Parliament explaining their dissent? Are they—it is a vital way of expressing genuine conviction—to fight the proposed tariff in Committee, and, again, on the public platform? If they are, is collegueship really possible on the terms that one part of the Cabinet shall devote itself to destroying what the other part regards as essential to national well-being? If they are not, can they be taken as sincere and public-minded men who, upon a matter they regard as vital (since without their liberty to dissent they would not stay in the Cabinet) propose to deprive their party and the nation of the only counsel that can really be effective?

Sir Herbert Samuel offers the prospect to us that the presence of the dissenters in the Cabinet may act as a check upon excessive zeal in the majority. But that would be even more true if, as I have suggested, Mr. MacDonald were to add, say, Mr. Lansbury and Sir Stafford Cripps to the Cabinet; is it not in fact clear that the reason why Mr.

Baldwin and his followers have allowed the departure from precedent lies in the fact that the dissidents have, in reality, no power to prevent the majority from having their way? And does not this point to the possibility that, unless Sir Herbert Samuel and his friends will fight in the Cabinet exactly as though they were on the front Opposition bench, their influence in the Government will, on these matters, be less than if they were out of it? If they do fight against the majority with all their zeal, will it be possible, human nature being what it is, for the Cabinet to remain in general harmony?

Sir Herbert Samuel, again, does not examine the boundaries of the precedent he has assisted to create. If repression in India ultimately disturbs Lord Sankey, may he attack it in the House of Lords while remaining Lord Chancellor? If Mr. MacDonald himself (I admit it is unlikely) were suddenly to realise how seriously Sir John Simon has betrayed the Covenant of the League and the Kellogg Pact over Manchuria, would he also have liberty to dissent from the Treasury bench in the House of Commons? Have the makers of this innovation, in a word, at all seriously considered the prospect that it implies?

Sir Herbert Samuel speaks as though the difference which has arisen is upon one point only over a wide range of policy. That is formally true and substantially false. The new tariff will have immense implications for the Imperial Conference at Ottawa in the Spring. It will give rise to important wage-issues, both particular and general. It will bring into view the question of the efficiency of particular industries and the steps a tariff will involve in relation to them. It will lead (as all tariffs lead) to diplomatic negotiations with foreign countries. On all these matters, the Cabinet is bound to speak with two minds, according as its parties think a tariff is, or is not, desirable. Is unity of counsel, or honesty in counsel, possible in these terms?

At the back of Sir Herbert Samuel's defence there are really two considerations of real importance. The first

is that the country desires the present National Government. But that is only true so long as it is a Government ; so long, that is, as it has a united outlook upon matters of importance. As it is, behind the façade of Coalitionism, it has now decided to become a strictly Conservative Government on the essential theme which divides the Liberal from the Conservative Party. How, in this context, it can be regarded as National, it is difficult to understand.

Sir Herbert Samuel's second assumption is the duty of the dissident Ministers not to embarrass Mr. MacDonald for fear of a general election in which, as he clearly implies, the Conservative Party would get a majority. But this is the hypothesis (1) that Mr. MacDonald is indispensable, a view inadmissible in a democratic State ; (2) that a general election is inevitable if the dissident Ministers resign. This assumes (a) that Mr. MacDonald would not go on without them ; (b) that the King would grant him a dissolution if he asked for it ; (c) that the results of a general election would be as bad for Free Trade as the present position. On the first two of these assumptions the public, though possibly not Sir Herbert Samuel, has no information. The third is pure guesswork in a realm where one prophet is as good as another. But it may be said on this head with emphasis that if, on Mr. MacDonald's view, withdrawal of Liberal support does not entitle him to continue as Prime Minister, that he ought then to consult the electorate ; it is very dubious political morality to withdraw that support in fact, while seeking, by constitutional improvisation, to retain it in form. Has Sir Herbert Samuel behind him either the support of Liberal Members of Parliament or of the Liberal Party in the country? In so far as these have spoken, they appear (with the exceptions of Lords Grey and Crewe) to dissent strongly from the action the dissident Ministers have taken. On this view, Sir Herbert's action is not representative of the will of the Liberal Party ; it is a purely personal decision. The fact,

then, emerges that the National Government is, effectively, a Tory Government in which certain non-Tory statesmen are permitted to remain on the understanding that, despite their dissent, Tory measures will go into effective operation. A position more likely to destroy the meaning of principle in politics it would be difficult to find. Nothing has shown more conclusively the value of collective Cabinet responsibility, in short, than the implications contained in the defence of its abandonment.