Chapter II

Ideological Issues

Historically, from its beginning in 1900, the Party was a coalition between socialism and Labourism, between those who yearned to see socialism realised and those who were happy to see labour gain a share of power, between gradualists and revolutionary impulses. The Party was riven between different factions. Therefore, it was not founded on any specific body of doctrine, and lacked a coherent and consistent ideology. The foremost historian of the Labour Party writing of its formative years, speaks of ‘a socialism almost without doctrines, so undefined in its doctrinal bias to make recruits readily among persons of quite different types’. The ideological differences in the Party between different groups continued intermittently till the split.

However, in order to understand the specific ideological cleavages in the Labour party which had contributed to the formal and final split of the party on 24 March, 1981, it is important to examine the ideological moorings of various groups which had federated themselves to the Labour Representation Committee, which, subsequently, in 1906, became the Labour Party. The main constituents of the Party were Social Democratic Federation, Fabian Society, Independent Labour Party, Trade Unions and Cooperatives.

The most active and the oldest organisation of the British Socialist tradition was the social Democratic Federation which was founded by H.M. Hyndman as the Democratic Federation in 1883. Because of the organisation's revolutionary tendencies and Marxist leanings it was constantly at loggerheads with the other groups of the party. The sectarianism and the neglect of the trade unions were responsible for the failure of the SDF to become a mass Marxist Party on the model of European Social Democracy. Hyndman's schematic account also reflected a narrowed Marxism which was not adaptable to British conditions.

It sat uneasily alongside his political strategy, which was a curious blend of political opportunism and theoretical dogmatism. A year later, in August, 1901, the SDF disaffiliated from the Labour Party. The nationalist section of the Federation, under Hyndman, broke away during the First World War and rejoined the Labour Party. While the Internationalist section opposed the war and became in 1920, one of the elements in the British communist party.

By contrast, the claim of Fabianism was to replace Marxism, as the theoretical framework of British Socialists. The Webbs and fellow Fabians stressed the virtues of

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4. S. Pierson, Marxism and the origins of British Socialism, the Struggle for a new consciousness (New York, 1973) p.62

5. Frank Bealy (ed), The Social and Political thought of Labour Party
collective action, not only in the ownership of industries but also in social activities. As Anthony puts it, the Fabians believed that any extension of collectives at the expense of individual activity constitute and advance towards socialism, including the registration by the state of playing card makers, hawkers, dogs, cabs, places of worship and dancing rooms.

Thus the official historian of the Fabian Society records its first historic achievement as having been to break the spell of Marxism in England. A Marxist economy of surplus value was judged to be much inferior to as a tool of economic analysis than a revised Fabian tactic of permeation of existing institutions supported by a social scientific presentation of the case for reform. In 1887, they enunciated their doctrine proposing the use of existing institution, party and parliamentary machinery for the realisation of political reforms which were designed to lead ultimately to the establishment of community ownership of the means of production, democratic control, municipalisation, and the nationalisation, were the methods recommended for achieving these objectives.

The Fabians, therefore, were gradualists, constitutionalist and evolutionary. Unlike Marxists, they considered the state as a neutral apparatus, not an instrument of expression by the capitalist class. The socialist society of their anticipation was one of

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the nationalised monopolies run by technocrats, it was government for the people not
by them. Thus, the Fabians were regarded as the bureaucratic technicians of reforms
within British Socialism, the rational apostles of planned social and economic order.¹⁰

Subsequently, in 1889, Fabian Society, under the title, “The New Fabian Research
Bureau” brought two changes in its policies¹⁰: (a) in the concept of equality of
opportunity – the aim of the Fabian Society was the establishment of a society in which
the equality of opportunity will be assured and the economic power and privileges of
individuals and classes abolished through the collective ownership and democratic
control of the economic resources of the community; (b) the Fabians restricted
themselves to making interpretations to socialism. The Fabians had only two
alternatives for political action, such as, policy of permeation, and the policy of
supporting a socialist political party to the exclusion of all political parties¹¹. In 1919,
the society became a constituent of the Labour Party and of the International socialist
congress and its ideas were incorporated into the basic programme of the Labour Party,
but it could take part freely in all constitutional movements, social, economic and
political which can be guided towards its own objectives¹².

The Independent Labour Party was founded to support independent Labour candidates
and MPs to provide and alternative to the Liberal Party for the working class voters

¹¹ “A Plan of Campaign for Labour,” Fabian Tract, (London), no., 49
and advance socialist policies. The socialist tradition of the Independent Labour Party, the core-base of the Labour Party, has been extremely influential, but not easy to define. Ideologically the ILP was a synthesis of many different strands of socialist thinking and had no clearly identifiable ideology. ILP believed generally in brotherhood of man, fellowship, service and altruism. Its brand of socialism was plain moralism and this ethical touch of ILP soon established itself as the characteristic note of British Socialism. James Keir Hardie, the leading figure in the Independent Labour Party and the personification of the ILP tradition of ethical socialism wished to achieve ‘the Kingdom on earth’: He wrote, “socialism means each for all, not each for self, it was not classes but the system that was at war, both classes being the victims of the system”.

Although, it was ideologically diverse, the ILP’s objectives were clear, to establish a working class political party and through that party achieve the common ownership of the industrial system. Thus, the ILP was not so concerned with defining socialism as to obtain mass support from the working class for its socialist policies. Socialism served as a unifying force of the Fabians, SDF, ILP and other constituents. In much of the ILP literature, socialism stood as a distant beacon, unsullied and untroubled by the practical concerns of the present, with the gulf that this opened up, being filled with rhetorical gush. The grand master of rhetorical gush was J.R. MacDonald who had a major role in shaping the identity of British socialism. According to MacDonald socialism marks the growth of the society not the uprising of

14. See the introduction by Robert Doowse to his edition of James Keir Hardie, From Serfdom to Socialism, (London,
the class, and its watchword was not class consciousness, but community consciousness\textsuperscript{15}.

While MacDonald recognised the basic contradictions in capitalist society and around that the conflict between the employer and the employee was inevitable, in his view it did not amount to class war. Although, he thought that the existence of trade unionism was the purest expression of this antagonism, the Labour Party had been formed precisely because the trade unions had realised that the class was fruitless\textsuperscript{16}.

The political philosophy of trade unions is usually encapsulated in the obscure concept of voluntarism. The British trade unions hardly had a ideological tradition, although some activists might have had various ideological dispensation. As A. Flanders put it, in so far as one can speak of any common ideology shaping or reinforcing the attitudes of British trade unions to the state, it is not the socialism or class struggle, but a devotion to what is called the voluntary system or sometimes free collective bargaining\textsuperscript{17}. The main rational of practice of trade unions to protect the interests of their members whether through free collective bargaining or negotiated agreement with the government\textsuperscript{18}. But, although voluntarism was a unifying ideology of the organised Labour, it allows a plurality of other ideologies to flourish and permits them to use voluntarism as an instrument of convenience. It acts, therefore, as a façade for masking.

\textsuperscript{15} Ramsay MacDonald, \textit{Socialism and Society} (London, 1905) p. 68
\textsuperscript{16} Ibid, p. 70
\textsuperscript{17} A. Flanders, "The tradition of voluntarism", \textit{British Journal of Industrial Relations}, vol. xii, no. 3, November, 1974
a range of ideological proclivities and trends within trade unions. It was in this framework that contradictions within the British trade union movement manifested themselves, and considerably influenced the relations with the Labour Party.

There were two major trends among the unionists. There were those who were both committed to 'voluntarism' and were also democratic socialists. They believed that "the most effective redistribution of wealth and income in the community is... the militants stands of the trade union movement"\(^{19}\). There was a socialist strand whose concept of the Labour movement was one which 'looks outside itself to the good of the society as well as its own betterment, and to a national fellowship as well as its own membership\(^{20}\).

In other words, one can say then the trade union movement had basically two aspects. In the first place, it is an organisation of wage earners, working within the framework of a capitalist society in order to defend its members from injustice and to gain for them advantages. Secondly, it is also in opposition to the existing system of society which it seeks to alter\(^{21}\).

\(^{18}\) Allan Warde, Consensus and Beyond, (London, 1982), p.193
The first aspect related by and large to the materialist aspirations of the trade unions which was bound to bring into conflict with moral and theoretical basis of socialism. George Bernard Shaw of the Fabian Society said of the trade unions, "they were out to exploit capitalism, not to abolish it." In 1961, it was stated that 'the TUC could not and did not start its examination of any problem as a socialist, Liberal, Conservative or Communist. We start as trade unionist and end as trade unionist'. This view is not completely true as the second trend mentioned above provided the fundamental link between the trade union movement and the Labour Party. Moreover, the structure and procedure and the financial base of the Labour Party indicated a degree of integration and dependence on the TUC. Indeed, the assertion that the Labour Party came out of the bowels of the TUC was not uttered by some one on the periphery of Party politics.

The source of strain between the unions and the Labour Party on ideological planes can be traced to the fact that the trade unions are predominantly working class organisations which cannot deny that divisions still exist in modern capitalist society, which their members experience at the place of work. Therefore, the trade unions continue to perform basically a class function, whatever its leaders sympathies for the values promulgated in the community's name. As a result there has been incidents of

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conflict between the Labour Party, Labour Government and the trade unions. Secondly, the trade unions were suspicious that the socialists were attempting to manipulate unions for their own ends. And at the 1905 conference an unsuccessful attempt was made to disaffiliate the socialist societies. The third source of strain was the increasing tensions in relations between the union and the state.

Ironically, at the very same time when Labour established a party that one day might become the government, workers were engaged in activities that might at some stage lead to direct confrontation with the government. In 1911, Arthur Henderson tabled a bill attempting to outlaw strikes, unless 30 days' notice had been given. This move was roundly condemned by the 1911 TUC conference. The Labour Government of 1924 and 1929 unsuccessfully attempted to demonstrate a national consciousness by obviously disregarding their class allegiance their national policies and attempted to use them as agencies in implementing them.

The split between the Labour Government and the trade unions in 1931 rested on the MacDonald cabinet decision to implement cuts in unemployment benefit. MacDonald wished to present the party as the responsible party of the government, which entailed remaining in office and initiating stringency in accordance with economic needs where as the unions saw the parties as representation the interests the working people, whose interest was jeopardised by the cuts. During the 1930s relations between the unions and

27. Leo V. Panich, "Ideology and Intergration, The case of British Labour Party"
the party their commitment to voluntarism. Ernest Bevin noted, “Our movement is a voluntary one and the claim for the state regulation must not be carried too far. It might easily lead one to slippery slope of the totalitarian state under capitalist control”.

Despite the extensive post-war integration of the union leaders into the consultative bodies and other government agencies, and their support for social and economic reforms, the trade unions prevented any reforms which affected their traditional functions and methods. The unions’ main concern was with maintaining a bargaining system in context of a mixed economy, therefore, they retarded attempts at a planned economy.

The unions opposed the National Wage Board and wage restraint in 1951. In 1950s the stress between the party and the unions was due to both internal developments in the party and the conservative government’s initiative in collective bargaining, both of which were received as threats to traditional trade unionism. The tension was exacerbated by the development within a Labour movement with the emergence of a ‘revisionist’ school of socialism. Until 1950s, broadly speaking the party and the unions had clear spheres of influence, party did not interfere in union matters, while the unions stayed out of direct political matters. Tony Crossland, in his Future of Socialism decried the class nature and industrial militancy of the unions. The ‘revisionists’ unlike the Labour Right, were initiators of change and in attacking the class consciousness of

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29. I. Ritcher, Political Purpose in Trade Unions (London, 1973) p.43
the unionists, they were perceived by the unions as criticising the key concepts of voluntarism and aroused the sensitivity of the trade unions. Following the Labour’s third successive electoral defeat in 1959, the revisionist school were increasingly anxious to dissociate the party from the ‘cloth cap’ image which was given to it by the links with the unions. They criticised union control over the party and decision making within the unions. Although at no stage did they wish to jettison the industrial wing.

In 1967 and 1968 the party organisation suffered defeats in the party conferences, at the hands of the trade unions over the Incomes Policies. In 1969, a white paper ‘In Places of Strife’ was published proposing among other things and in certain situations, conciliation pauses, compulsory strike ballots, and the ministerial’s settlement of inter-union disputes. The General Council of TUC rejected the bill, including right wingers such as Jim Conway (AEU) who believed the proposals sounded, “the death knell of British trade unionism, they drive a wedge between the Labour Party and the trade unions.

Throughout the history of the Labour Party it is observed that the trade unions wished to maintain their autonomy as organisations and retain their commitment to voluntarism, which brought them into conflict with the party on many occasions. However, the government was able to pursue its policies due to the tradition of the parliamentary party’s independence from the conferences.

33. *ibid*
On the other hand, there was change of heart in the unions. Samuel Beer had suggested that in the early post-war period a change of purpose occurred in the trade union movement due to its new position of power in national decision-making and the increased influence of working class. This stand presumably drove the Labour Party from its socialist goal of economic planning and led it to embracing a mixed market economy by 1950.35 Secondly, the unions recognised and probably appreciated by virtue of their close allegiance with the party, that it was an aggregative party that was driven within a given programmatic framework, at a consensus of conflicting interests a party which was not acting for one class, but one that admitted the legitimacy and responded to the demand of a broad ranks of classes and interests.36

The fratricidal strife between the “Left” and the “Right” within the party has been endemic since the party adopted a constitution in 1918. But, the fact is that the left and right existed with one level or the other in the party since its inception. The socialists were never united and some of the issues which later divided the Labour Party into the left and right can be traced to difference of approach and interests inside and among the pre-1914 societies.37 SDF left a Marxist tradition which has occasionally shaped Labour Left policies, and has always been a siren call. ILP was the most vocal,

34 L. Panich, n.30, p.179
35 Samuel Beer, n.24, p.188
37 Benn Pimlott, The Labour and the Left in the 1930s, (London, 1977), p.164, Pimlott clarified in the interview to me and said, in the later years the ILP occupied the left and centre position in the Party, as SDF members became Trotskyites and Militants and those of the Fabian Society, the Right
powerful and ambitious socialist influence and source of many of the traditions and attitudes and later regarded as the left-wing.

Thus, on the one hand, the orthodox traditionalist nature of the British trade unionism and the evolutionism of the two dominant strands in Labour’s developing ideology, the collectivism and the state interventionism of Fabianism and the collectivism of the ILP leadership ensure that the objectives of the programme and the organisational structure adopted by the constitution, reflected the fusion of interests. Ralph Miliband has represented the establishment of the ideology of Labourism rather than socialism. The constitution was more concerned with the organisation of the party than principles and objectives. But, the Clause IV of the constitution committed the party to the common ownership of means, production, distribution and exchange. There had hardly been any unanimity over the exact meaning of this Clause and the ways for its implementation. About the meaning, Samuel Beer suggested that the adoption of Clause IV as an ideology was functional to the choice of political independence. Harrison, on the other hand, believed that the Clause IV, rather than being a common objective concealed and accommodated a large diversity of particular concerns. Clause IV, in fact, was rallying point around which many different ideologies and interests assembled.

38. Ralph Miliband, n26, pp.61-62
39. S. Beer, n24, p.149
40. R.Harrison, n. p.259
With regard to the implementation of the clause, R.H. Tawney remarked "In 1918, The Labour Party finally declared itself a socialist party, it suppoed that it thereby became one. It is mistaken, it recorded a wish that is all, the wish has not been fulfilled." Ross Mackbin suggested that, in 1918, there was scarcely even a wish, 'the socialist objective was implanted in to the Constitution partly as a sop to the professional bourgeoisie, and that this was so, helps to explain why the trade union accepted it as easily as they did. However, the Fabian tradition envisaged that the objective of Clause IV would be achieved through a gradual process in which the Social Democracy would proceed the inevitable common ownership and equality on the keynesian pattern. According to Keynes, "Social Democracy is a state based upon the mixed economy and a high level of social welfarism, growth and employment with as much individualism as possible within the economic and social circumstances that exist in Britain." The Trade unions interest of free collective bargaining was inimical and conflicting with either social Democracy or Socialism.

Throughout the 1920s the mainstream ideology of the Labour Party embodied its long-term objective, the creation of Socialist Society step by step. The dominance of Fabianism, the limited objectives of MPs and trade unionists and the absence of a potent intellectual wing indicated that radical deviation from the strategy and policy were unlikely. This was epitomised by Sidney Webb’s presidential address to the 1927

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42. ibid
Labour Party Annual Conference in which he said, "First, let me insist on what our opponents habitually ignore and, indeed what they seem intellectually incapable of understanding, namely, the inevitability of our scheme of gradualness."

During the 1920s, the left wing of the ILP got alienated from the party. The party's leaders and the majority of the party rejected the ILP proposal that Labour should affiliate to the Third International. A section of the ILP was critical of the hostility shown towards Lenin by the Labour leadership over affiliation. The events of 1926 General strike alienated the ILP further, which protest about the diluted socialism of the leaders. The Right of the Party saw the strike as a constitutional threat, which challenged the stability of the Liberal Democratic state and the parliamentary system of government. The left was critical of the party's reluctance to take a stand on the event of a class struggle issue. The 1920s have been very tumultuous for the party. The socialist wing of the Labour movement was deeply affected by a period of unparalleled industrial unrest, and by the philosophy of direct action; probably the strongest anti-constitutional campaign the country has ever known. Rejecting the existing governmental institutions as the product of capitalism, regarding compromise as immoral and urging the use of General Strike for political ends. Direct Action had strong trade union backing, but little support in the parliament. It created a style of politics which no Labour leader could ignore, but which almost all rejected. It was in these bitter and strife-torn years in the aftermath of first World War that a deep and

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45. Moscow's reply to the ILP, published by the Celf Wing Group of ILP, Glasgow, 1920
46. Ben Pimlott, n.37, p.166
lasting hostility developed between electorally oriented parliamentary leadership and a revolutionary or semi-revolutionary outer fringe.

The 1930s passed off smoothly in so far as ideological issues were concerned. The party underwent a minor split when MacDonald, with some of his colleagues defected to form the Nationalist Government. Labour's mainstream ideology was very comprehensively restated by Evan Durbin, in his book, *The Politics of Democratic Socialism*. But, the ideology typified by Durbin held less attraction for the Labour left/

The ILP seceded from the party in 1932. The belief of the party leaders that socialist measures in general and nationalisation in particular could be achieved constitutionally through the mandate and the parliament met opposition from the left. They demanded that party should embark upon the programme of massive nationalisation.

Stafford Cripps argued that if necessary Labour should be prepared to invoke emergency power to implement policies. According to Samuel Beer, the struggle between the Left and the Right in the 1930s was about the means, rather than about the ends, about the speed with which the party should move towards the socialist Commonwealth of the future, not about the goal, because, both the factions believed that the ultimate goal was the socialist society and the essence of socialism was common ownership.

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48. Sir Stafford Cripps, *Can Socialism come by Constitutional Methods* ([London, 1934]), p.4
In the 1940s, a number of principles were reinforced. A Labour government would plan in future through economic controls, nationalised basic industries and services, extend social services and promote international co-operation. Whilst there was high degree of unity between the Party’s leaders and the influential trade unionists like Ernest Bevin and Waiter Citrine, Aneurin Bevan and George Strauss indicated that there was no unanimity about the party’s immediate priorities. Moreover, the socialists in the ‘keep Left’ group were demanding more radical proposals, namely nationalisation. The Right in its attempt to defeat the pressure from the Left had constantly argued that the Labour could not win an election in the name of nationalisation. The challenge of the left was unsuccessful if measured against the adoption of the programmes “Labour believes in Britain (1949)” which was particularly non-committal on nationalisation. However, the potential for the division in the party and the development of Leftist force was signalled by the resignation of three ministers from Attlee’s second government. Ananvasi Bevan, John Freeman, and Harold Wilson, resigned over Gaitskell’s imposition of charges of teeth and spectacles in 1951. The charging for the false teeth and glasses was seen as a blow to the principle for health service. This resignation inaugurated a period of factional warfare of unprecedented bitterness which for a time seemed likely to split the party irrevocably.

In the early fifties, after the war, the philosophy of revisionism, led by Anthony crossland was challenged by Bevan. The revisionists observed that, as a result of 2nd World War and the implementation of 1945 programme, the structure of the capitalist

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49. S.H. Beer, n.24, p.126-62
and the nature of capitalism had changed. Anthony Crossland asserted that if by capitalism meant an advanced industrial society in which privately owned concerns operated with little governmental interference, that capitalism had transformed since 1945.\(^{50}\) He, further, agreed that Labour should place more emphasis on classless society and the equality as objectives and reject the concept of wholesale nationalisation. This questioning of the relevance of nationalisation as an at-all-costs priority was shared by Roy Jenkins,\(^ {51}\) R.H. Tawney\(^ {52}\) and John Strachy.\(^ {53}\) All maintained that capitalism had changed and that Labour should revise its policies towards creating equality, not through nationalisation for its own sake, but through the redistribution of wealth. Jenkins said in 1953, the mixed economy would exist for a long time, perhaps, permanently. The underdog’s condition would be improved by pervasive state action throughout the society. The welfare state was to become bigger, better and eventually all-embracing.\(^ {54}\)

Aneurin Bevan’s “In Place of Fear” (1952) challenged the view that the post-1945 developments were significant enough to induce a revision of the Labour’s more traditional objectives. He argued that the basic class and power structure in Britain remained the same. Even though, there was more state intervention, the private


\(^{51}\) Roy Jenkins, “Equality” in Crossman, n.49, pp.71-72


\(^{54}\) The Times, (London), 23 June 1983
enterprise was reluctant to concede the disposal of economic surplus.\textsuperscript{55} Public expenditure was regarded as infringement on private and individual commercialism still conflicted with collective social values. The attitude that capitalism generated, he maintained, were the same.\textsuperscript{56} He argued against the limitation of state control, which did not necessarily limit the personal freedom. It was rather a means of releasing the individual from the bonds which three capitalist society forced on him. Bevan wrote, “Under capitalism, the hope of individual emancipation was crushed by the weight of accomplished power.”\textsuperscript{57} He also pointed out that the battle in the Labour Party was being fought back and forth between extremes, and suggested a middle ground between the adherents of the Left and the Right.\textsuperscript{58}

Thus, the growth of Bevanism had heightened the leftist clamour for more nationalisation. This had led the party to a virtual split after the 1951 election debacle. But, Leaders like Gaitskell fought hard and temporarily halted the encroachment of the Left and outlined the contours of social Democracy. The tenents, Gaiskell put forth were, (a) the Labour Party must fight for the underdog and the oppressed, (b) it must advance social justice and an equitable distribution of wealth and income, (c) it must aim for a society without snobbery, privileges or restrictive social barriers, (d) it must adhere to belief in fundamental equality of all races and people, (e) it must seek to build a society based upon fellowship and co-operation, a good life having idealism and

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\item A. Beven, \textit{In Place of Fear}, (London,1952), p.78-80
\item \textit{Ibid} pp.89-90
\item \textit{Ibid}, p.2
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material satisfaction, and (f) it must accept the need for public planning as basic principle of socialism and view that the public interest etc. must come before the private interest etc. Bevan was doctrinaire, not ready to sacrifice basic principles, in pursuit of parliamentary majority, Gaitskell was programmatic ready to bargain with capitalism, because, he felt that, would be the way by which the Labour could ever gain power. 59

After the II World War, in particular after the 1951, the state had extended its control over the economy, and in other sectors. There was a national health service, a unified system of health and unemployed insurance, and the reform of the educational system. The main problem facing the Labour Party was where to go next. The question was to what extent had capitalism been transformed. And how far ought the party to go towards accepting that a transformation had taken place, and adapt its policies accordingly.

Thus, in the fifties, there was a clear-cut division between the fundamentalists on the left and the revisionists on the right about both speed and style of journey towards socialism. The fundamentalists accepted the analysis that ills of capitalism were irremediable, and drew the traditional socialist conclusion, that exploitation could be ended and socialist justice be established only when the means of production were socially owned. The revisionist Right believed that capitalism had changed fundamentally since the war and saw the mixed economy in which strong and profitable

private sector co-exists with the public sector. The ‘Keep Left’ group of 1940s, the first organised attempt to influence a change in the policies of the leadership, was persuading the Foreign Secretary, Aneurin Bevan specifically to pursue an independent international role for Britain.

In the 1950s, Crossland was of the view that the Attlee Government had laid the foundation of new potentially socialist order.\(^{60}\) The government had fulfilled its historic mission, the nationalisation of half a dozen of major industries the construction of an all-in-system of socialist security, free health service and the tentative application of planning to the national economy. These achievements seem to have exhausted the content of British Socialism.\(^{61}\)

The 1959 election defeat precipitated intra-party conflict by bringing existing fractures out into the open. And the rift between the fundamentalist and the revisionist reached its peak. The Clause IV controversy emanating from the social reformist proposal that the party abandon its constitutional commitment to public ownership was direct consequence of the election result.\(^{62}\) Many people reacted to the Clause IV issue most vociferously, Douglas Jay wrote that the party should drop further nationalisation from its programme, eschew class rhetoric and even change the party’s name to Labour and

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\(^{60}\) Allan Warde, n.18, p.25
\(^{61}\) ibid
\(^{62}\) Allan Warde, n.18, p.61&64
reform from Labour and radical. He said, "We are in danger of fighting under the label of a class war which no longer exists."

Jenkins urged that Labour should recognise the electoral unpopularity of nationalisation. He said, "I think we should examine whether we cannot achieve our great aims, social justice and reasonable Planning of nation's resources without creation much more in the way of public monopoly..... we must kill the misplaced view that Labour Party is a dogmatic nationalised party, existing primarily to pop more and more industries into the bag."

The Right maintained that the defeat was the consequence of outdated working class image of the party and too much emphasis on public ownership. Gaitskell, in the Party conference of 1959 remarked about the need to reform clause IV of the party constitution on the ground that it was inadequate as statement of the party's objectives, because it implied that public ownership was an end, instead of means to an end. The suggested revision of the clause IV was a direct challenge to the Left by the Right, and represented a lack of faith in the party's fundamental constitutional objectives. Gaitskell was, however, obliged to drop his pursuit of constitutional revision in view of the likely combination of trade union and constituency parties at the 1960 Annual Conference.

64. The Times, 5 November 1959
In the mean time, a right wing ginger group was set up in June 1960, to mobilise support in the constituencies and the trade unions for Gaitskell's leadership and against unilateralist fundamentalist left. The manifesto of this group sought to reserve "the views of great mass of the Labour supporters against those of doctrinaire pressure groups, and to strengthen what is called the central tradition of the party – a non-doctrinal, practical, humanitarian socialism a creed of conscience and reform, rather than a class hatred." The group called Campaign for Democratic Socialism was the precursor of Social Democratic Party (SDP).

In 1960, Roy Jenkins made a fighting defence of Gaitskell's attempt to amend the clause IV. He said, "We exist to change the society, we are not likely to be very successful if we are horrified at any suggestion of changing ourselves." Roy Jenkins in a long speech in the Annual Conference said, I am in favour of sensible and well argued extension of public ownership but, I am also in favour of healthy, vigorous, profitable private sector. Eric Heffer and others on the left attacked him furiously, Neil Kinnock denounced Jenkins as splitter. Barbara Castle feared that by re-opening the party's wounds he had lost Labour party election.

The leadership's defeat of the defence policy at the 1960 conference and its reversal the following year and the establishment of the Campaign for Democratic Socialism as an

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70. The Times, 28 February 1974.
71. The Times, 27 July 1977
identifiable Rightist group marked the end of ten years of sporadically bitter intra-party conflict. In 1961, a new policy statement "sign posts for the sixties" reflected and to some extent introduced a new image and purpose. Its tone was modernist non-rhetorical and conciliatory.  

With the death of Gaitskell and accession of Wilson, Labour passed from an era of ideological conflict to one of pragmatism and compromise. Wilson's tone was leftist, yet he was really of the centre, a distinct advantage in winning support from the left and the trade union leaders. At the 1963 Annual Conference, he expanded the technological revolution theme. In his view, the key to socialist advancement and technological progress was education. "In all our plans for the future, we are defining and restating, our socialism in terms of the scientific revolution" he said. But that revolution cannot become a reality unless we are prepared to make far reaching changes in social and economic attitudes which permeate our whole system of society. 

During the 1960s there was relatively little ideological debate partly because many theorists were too pre-occupied with governmental business, but, also because the left had been appeased and discovered that it had little fire and too few able politicians to permeate the pragmatism of Labour policy. However, the opposition to Vietnam war and In Place of Strife revitalised the left towards the end of the decade.

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72. Castle Diaries, p.156
In the 70s the spectre of the constituency parties raised up against them was an old nightmare of the Labour Right. Richard Crossman’s Diary for 1953 records Jenkins saying, we on the right feel that every force of demagogy and emotion is against us. In the constituency parties which are now opposition minded the Bevanites have it all their own to turn as it did in 1930s from the opposition mindedness to the constructive policies.76 In the late 70s Jenkins and number of others began to doubt that the tide would never turn again. The Left felt, the broad church is to be demoralised, and the socialism might instead of historic quarrel instead of historic compromise, in which each side saw only the cloven feet of the other.77

In the 1960s and early 1970s, Anthony Wedgewood Benn emerged as thinker of some influence and foresight. He maintained that the result of applying technology had not created the sort of society that Harold Wilson had envisaged, because, the institutions had not adapted to the new concepts of change.78 He claimed that one reason why the Labour lost the 1970 General Election was that it failed to emphasise the need for greater equality, industrial democracy, the ending of priviledge and an increase in public expenditure.79

In the seventies, a Labour member remarked in one of those despairing moments, that the modern Labour Party had become half-corrupt and half-communist. The Labour

75 ibid
Left owes little to early English socialism or indeed to Marxism. It has vulgarised both the traditions in its quest for power.\textsuperscript{80}

Lord George Brown, as early as 1972, had given his view, "We have been taken over by a collection of principle who call themselves activists, they are for most part people who do not believe in our social democratic outlook, in which case the constituency party consists of the extremists who have moved in and those fellows have now captured control of the Labour movement at every level.\textsuperscript{81}

A very important day in the history of politics of Labour Party was 15 December 1970, on that day the full dimension of Labour's transformation became apparent. The issue was the appointment of Bevan, as the National Youth Officer.\textsuperscript{82} By the end of fateful of seventies, Labour had produced a leadership class, who in no way were linked organisationally to the communist parties, had developed a brand of socialism, and general political disposition which was in more fundamental sense communism.\textsuperscript{83}

However, opposition gave the party to rethink and in particular to concentrate upon issues like industrial democracy and the public accountability of industries. These traditional objectives had been ignored during the party in power. The outcome was the Labour's programme(1973) the most socialist policy document since the formulation of

\textsuperscript{79} Ibid, pp.16-28
\textsuperscript{80} S.Hassler, n.64,p.56.
\textsuperscript{81} Ibid,
\textsuperscript{82} The Times, 7 December, 1972.
\textsuperscript{83} S.Hassler, n.64, p.56
the document *For Socialism and Peace*. It proclaimed "We are a democratic socialist party and proud of it."\(^{84}\) 1973 programme called for a massive and irreversible shift in distribution of wealth in favour of working people,\(^{85}\) which represented a different mood.

In 1978, the traditional relationship between the CLP and the PLP was completely overturned by the militant campaign for Labour Party Democracy. Although, Wilson successfully defeated the commitment to nationalise 25 industries, the Right had lost the policy battle.\(^{86}\) The two elections were fought on radical proposals of 1973.

The post-election scene was the domination and the drift towards the Left. The Left pointed out that the Right-wing dominated the parliamentary party of 70s and the government of 1974-79 was much of the radical programme of 1972 was watered down. The Industrial Bill and the funding of the National Enterprise was diluted.\(^{87}\)

The fundamental and the irreversible shift in the balance of power and wealth in favour of working people and their families did not come about, nor did the Denis Healy’s promise of wealth tax which will bring the howls of anguish from the rich.\(^{88}\) After the defeat of 1979, the ‘Left’ concentrated on the organisational issues in the name of Campaign for Labour Party Democracy (CLPD) as they felt that the organisational

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\(^{85}\) Ibid
\(^{86}\) PeterHan, n.41, p.174
\(^{87}\) *The Times*, 23 July, 1980
\(^{88}\) Ibid.
structure was the obstacle in the implementation of the socialist programme. This campaign subsequently had led to the split in the party in 1981.

While studying the history of the split of the Labour Party, one comes across four major areas of ideological controversies. First, there has been continuous confusion over the ends and means, the goal of socialism and the means to achieve that goal. Secondly, there has been fierce debates about the public ownership of means of production, distribution and exchange. Third, the fight for and against the retention of the famous clause IV of the party constitution, and finally, the issue of workers’ control or industrial democracy or joint management.

**Ends and Means**

There had been wide variety of meaning of socialism in the Labour Party. While one section of the party, namely SDF called for a distinct party based on the recognition of class war, Ramsay MacDonald of the Independent Labour Party defined it, “Socialism marks the growth of the society, not the uprising of class. The consciousness which it seeks to quicken is not one of economic solidarity, but one of social unity and growth towards organic wholeness.”89 Thus, the socialist thought would provide many definitions to the word socialism - some in terms of ownership, some of co-operation, some of planning and some in terms of income distribution. However, the end seems to

be common to all the bewildering variety of doctrines. And these ends consist of certain morals, human values and aspirations.

The confusion and controversy centred around the question of means. Sam Aaronvitch pointed out four competing strategic conceptions about the means to socialism. The first held primarily by the Right and some part of the centre was to maintain the status quo. This was to purge the Left and cement essentially the right and centre-right leadership in the tradition of Attlee, Gaitskell, Wilson and Callaghan. The second idea held by the Left was for the Labour Party to become, in the shortest possible time, a through going socialist party with a bold and uncompromising socialist programme pursuing the socialist transformation of Britain. The third strategy was that the Labour Party must be transformed into a revolutionary party, completely urged of the right and centre and of the soft left. The fourth was that the Labour Party must move along the path of socialism but, in a prolonged process.

In the light of the above strategy, the different constituents interpreted and criticised the policies of the party from time to time. The right of the party thought that the nationalisation of the industry and planning are not the only means to the fuller and richer life they seek for the British. They believed that individual rights and dignity could be secured from the business community, largely through taxation, subsidies and customary control which otherwise meant that the socialist society should be gradually

preceded by mixed economy and social welfarism. This view was held by Crossland in Socialism Now where he argued that the nationalisation would make little contribution to the objectives of equality.\(^{92}\) A contrasting view was held by Stuart Holland in the sixties who completely rejected revisionism. He contended that the Labour Party had failed to control the strategic sectors of the economy, because, of its inability to control the private sector. He said, "It is on the question of state power and government control that the Crossland has been proved wrong, and with it the revisionist thesis of which he has remained the foremost advocate in post-war Britain.\(^{93}\) R.H.S Crossman pin-pointed the shortcomings of welfare capitalism. According to him, under welfare capitalism, though the national income was more fairly distributed than before, the concentration of the capital and so of the capital and so of the economic privileges remained unchanged. Further, profits, salaries, and wages, were still determined not by national interest, but by traditional method of Laissez faire. And finally, though certain basic industry had continued to remain in the hands of small group of managerial and civil service elite. Therefore, Crossman cautioned the party leadership that there could be no advance to socialism unless each of these problems was honestly faced.

Reg Race, a Labour Member of the Parliament, belonging to the fundamentalist faction said, "The mixed economy solution to Britain’s difficulties is on its last leg, it can no longer deliver the kind of reforms and fundamental change which many sections of the working class want to see."\(^{94}\) According to Reg Race, there were only two routes open

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94 Reg Race, "Democracy in the Labour Party" Labour Monthly, (London), July 1979, pp.308-9
to the British economy; (a) to go back to highly competitive free enterprise system, 
based either on the immediate changes, which the Thatcher Government was proposing 
or (b) move forward to a highly planned economy which meant fundamental changes in 
the economic philosophy and accountability in other directions.  

Public Ownership

The concept of public ownership has been a bone of contention in the Labour Party 
since the Party’s constitution was drawn up in 1918. Although the party constitution 
did not precisely define the concept, both groups the Leftist and the Rightist had tried 
to interpret it in different ways. The Leftist argued that the root of the capitalist evil 
was the payment of rent, interests and profits to a property owning class who thereby 
deprived the workers of their full products of their labour, it was therefore, necessary 
to take over the area of production and arrange for what had hitherto gone into either 
to the workers or the community as a whole. Attlee, in retrospect, said of 1945 
manifesto, “Its ultimate objective was the creation of a society based on social justice 
and in our view, this could only be attained by bringing under public ownership and 
controls the main factors in the economy.

Nationalisation was not an end in itself but an essential element in achieving this ends, 
which we sought, (controls were not desirable for their own sake, but because they 

95. Ibid.
were necessary in order to gain freedom, from the economic powers of the owners of the capital. 96

The controversy over the public ownership was exacerbated in the post-1950 election debacle. The right-wingers attributed the failure of the Labour Party in October 1950 election to the party’s continued adherence to such unpopular concept as nationalisation and working militancy and believed that Gaitskell would have won if the confidence of the electorate had not been unnecessarily alienated by the image of the Labour Party as dogmatically wedded to wholesale nationalisation.

On the other hand, the Left criticised the failure of the Attlee Government to nationalise major private sectors. According to R.H.S. Crossman, “What we got were not nationalised industries, but centralised bureaucratic state monopolies. The Nationalised Board for example, is neither public enterprise, responsible to Parliament, nor an efficient profit making monopoly, is a hybrid, neither fish, nor fowl.” 97

In defence of public ownership, Crossman wrote, “It would be strange indeed, for the Labour Party to abandon its belief in the central importance of public ownership, when the superiority of the socialised economy is being triumphantly vindicated in the world affairs.” 98

97 C. Commerce, “Crisis of British Labour Party; Socialist Concept under fire”, Commerce (Bombay), 25 June 1960, pp.142-50
The Rightists argued that if the public ownership was accepted as the surest means to socialism, it could lead to conclusions which would be quite irreconcilable to what the socialists had in mind when they used the word Socialism, the conclusion like the one that the Soviet Union is completely a socialist country even though it denied all the values the Western socialists have normally read into the word. Similarly, if socialism was defined as economic collectivism or state control economic life, then Nazi Germany would have correctly been called a socialist country. But, in neither case the end-result be described as socialism by most socialists.99

Further, the rightists point out that, according to clause IV of the declaration adopted by the socialist international at Frankfurt in 1951, "The socialist planning does not presuppose public ownership of all means of production. It is compatible with the existence of private ownership in the important field"100 While the continental socialist parties have abandoned the public ownership ideal, the British Labour Party remained stubbornly fixed to its earlier course, in line with the Clause IV of the party constitution.101

The Clause IV controversy

This particular clause became a bone of contention for a long time to come.

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99 C.A.R. Crossland, a.31, pp.66-67
101 Ibid, p.55
The concept of public ownership was embedded in Clause IV of the Party constitution. It reads, "To secure for the workers by hand or by brain the full fruits of their industry and the most equitable distribution thereof that may be possible, upon the basis of the common ownership of the means of production, distribution and exchange and the best obtainable system of popular administration and control of each industry and service."\(^{102}\)

Crossland stressed that if the Labour Leaders had stopped harping on public ownership, a moderate Labour Government would have been elected.\(^{103}\) The revisionists attributed the dismal performance of the Attlee Government to the rigid adherents of fundamentalists to nationalisation. Crossland believed that the party militants blindly adhered to the concept of the public ownership largely owing to the influence of the left wing leaders. Who intellectually accepted a mixed economy, but adhered to the dogma of wholesale public ownership. The adherents of this concept derived the legitimacy to their approach from the extremist phraseology of the party constitution. Crossland wrote, "The Labour Party should have one over-riding aim for next three years to adapt itself, without surrendering any basic principles to the realities of social change and present itself to the electorate in the mid-20\(^{th}\) century guise."\(^{104}\)

Gaitskell sought to revise the constitution after three successive defeats of Labour Party in 1959. In the Annual conference at Blackpool, Gaitskell urged the British socialists to distinguish between the means and the ends. He made two clear

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\(^{102}\) R.H.S Crossman, n.96, p.114

qualifications, such as that he had no plan to take every sphere of production, distribution and exchange into public ownership and secondly, nationalisation and public ownership was only a means not an end in itself, towards socialist goal.\textsuperscript{105}

The stoutest defence of Clause IV came from R.H.S. Crossman who denied that the constitution contained any extremist phraseology. On analysing the wordings of the clause, Crossman said that it did not commit the Labour Party to the wholesale nationalisation or further nationalisation of all industries. He suggested that the proper way to counter the hostility to the nationalisation was not to re-write Clause IV but, to admit frankly the mistakes of Attlee Government and workout precise proposals for decentralising their oligarchies, and subjecting them to full public control.\textsuperscript{106}

Moreover, the so-called fundamentalists had maintained that the nationalisation of the predominant part of the economy remained the essential condition for the creation of a socialist order of the society and further argued that the deletion of Clause IV would help to confirm the Labour’s Party’s regression to Liberal infantilism.\textsuperscript{107}

Hugh Gaitskell was trying to save the party from tearing apart. Under his leadership, both Gaitskellites and Bevanites showed remarkable resilience on principles in order to

\textsuperscript{104} Crossland, n0,97,p.68
\textsuperscript{105} Hugh Gaitskell, "Public Ownership and Equality", \textit{Socialist Commentary} (London), vol.XIX, June 1955, pp.65-70
\textsuperscript{106} R.H.S.Crossman, n.96,p.115
achieve a workable agreement. Thus the party steered through one of its gravest crisis, and move along despite the defeat at the polls.

**Industrial Democracy**

The demand for industrial democracy has a long history in the British Labour movement going back to Owen’s ambitious co-operative Builders Union of 1832, and reaching the climax in the stormy decade of I World War when syndicalism briefly caught the imagination of British Unions. The Fabians opposed the direct control of socialised industries by workers and favoured exclusive parliamentary control while the trade unions opposed exclusive parliamentary control and favoured some form of direct participation by the workers in the control of the industry. The Webbs argued that the trade union would have to remain independent and uncompromised in identification with managerial decision in order to fight for the workers point of view, against bureaucratic stupidity and official oppression.¹⁰⁸

The Fabians’ concept of state and the government led them to the rejection of the idea of workers’ control. First, the Fabians argued that the acceptance of parliamentary supremacy is the expression of the majority will. Not only workers control, but all other attempts to infringe upon the supremacy of the parliament or to weaken the parliament was consistently opposed by the Fabians. Secondly, they viewed that socialism rested on democracy, on majority rule, and majority rule on parliamentary supremacy. To
have any official, ultimately responsible to some agency other than parliament was the denial of the whole meaning of the British constitution.\textsuperscript{109}

However, the tide of workers control during the 1 World War received in the 1930s, when the Labour movement after a protracted debate with no direct workers representation on it. This led, in 1932, a trade union leader to lament, “The workers are workers and are doomed to remain hewers of wood, and drawers of water under the perpetual control of their bosses, substitution of bureaucratic management for capitalist management would fail to provide the economic self-government that is the promise of socialism.\textsuperscript{110} In 1934, Labour programme said, “The employees in a socialised industry have a right which should be acknowledged by law to an effective share in the country and direction of the industry.\textsuperscript{111}

The 1945 government was not committed to the concept. Sir Stafford Cripps could say in 1946, there is not yet very large number of workers in Britain capable of taking over large enterprises until there has been more experience by the workers of the managerial side of industry. I think it would be almost impossible to have worker controlled industry in Britain, even if it were on the whole, desirable.\textsuperscript{112} This comment reflected a confusion which remains to this day between the concept of workers acting as

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\textsuperscript{109} Sidney Webb, “Socialism, True and False”, \textit{Fabian Tract}, no 51, 1894, p 16
\textsuperscript{111} Labour Party, \textit{For Socialism and Peace}, Labour Party (London,1934)
\end{flushright}
managers and the more realistic objective of managers acting for workers or with them for capital.\textsuperscript{113}

In the 1950s the demand was again received when the fundamentalist desired the first task of socialism should be to challenge the centralisation of power. The growth of vast centralised bureaucracy, they opined, constituted a grave potential threat to Social Democracy.\textsuperscript{114} Aneurin Bevan also endorsed this concept.

In the 1960s the debate gained momentum. In the Labour Party Conference the National Executive set up a working committee to study the merits and demerits of industrial democracy. The committee prepared a comprehensive document on industrial democracy. The essence of the document was that the constituents of the party had unanimity on two principles, such as, (a) the workers had the right to determine their economic environment by participation in a wide range of decision within management, (b) workers participation must be identified with trade union organisation and representation of workers, industrial democracy was desired to be secured under the following five heads; (i) the development of the individual worker (ii) participation of the workers (iii) the extension of government by consent in industry, (iv) industrial efficiency, (v) strengthening the principle of social accountability.

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\textsuperscript{114} R.H.S Crossman, "Socialism and the New Despotism", \textit{Fabian Tract} (London), February 1956, p.56
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The critics of the concept argued that the workers and trade union representatives did not have the technical, administrative and commercial experience to participate constructively and effectively in the running of large scale commercial enterprises. Secondly, it was an impossible objective that workers should directly and equally share in management.

It was unrealistic in view of the scale and technological content of many managerial decisions. Thirdly, the workers' interest would conflict with those of management so that the attempts at participation in decision making and at sharing in control would undermine the independence of workers organisation, the most important of all determinants of industrial democracy.115

G.D.H.Cole opposed industrial democracy and asid, "Ability and not representation should be the criterion of appointment, we cannot afford to risk failure and confusion by trying to be too democratic at the start."116 He further pointed out that unions had no desire in management, but, had job problems and secondly, the representation of Labour on the government boards would only open the doors to demands of other interests for representation and thus, an industry would be run by half hazard collection of interest groups.117

116. R.A.Dahl, n.110,p.878
117. Ibid.
In opposition to the foregoing points and in defence of workers management the workers maintained; firstly, the real ownership should include a process of learning how to combine specialist knowledge with bureaucratic influence not whether to abolish specialist management. The extension of participation of workers should lead to major and rapid development of adult education and training which would equip the participants better for the role they were called upon to play. Secondly, even the political democracy was subject to some problems and limits. It was in this sense that Rossaue argued that there had not been and could not be complete democracy. Thirdly, there are many areas of co-operation within which joint management could be secured, while the participants could maintain their independence and their right to disagree when the need to do so appeared to outweigh the advantage of continued co-operation. Robert A. Dahl rightly summed up the arguments as, "the debate over the workers' control is the inherent conflict between those to whom socialism is a means of economic planning and those to whom it is a means of reconstruction of the positive function of the workingman in industrial societies." 118

118 Robert A Dahl, no.108,p.887