

SPECIAL NUMBER—TRADE UNION PROBLEMS

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Notes and Comments: Trade Unions in a Changing World

Trade Unions in the Welfare State B. C. Roberts

Trade Unions and Wage Policy Donald J. Robertson

Strikes H. A. Clegg

The Structure of Collective Bargaining Guy Routh

Trade Union Organization H. A. Turner

Trade Union Leadership John A. Mack

Joint Consultation and Workers' Control N. S. Ross

**The Role of Trade Unions in Increasing
Productivity** R. Harle

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NOTES AND COMMENTS

Trade Unions in a Changing World

THE trade union movement, no less than the Labour Party, is being forced to reconsider its position and to think out new policies. Many of the questions with which the unions are concerned are of great national importance; and it was for this reason that the editors of *THE POLITICAL QUARTERLY* decided to devote the present issue to a discussion of the principal problems and difficulties facing the trade unions to-day and to-morrow. The articles deal with matters of labour policy affecting wages and conditions of employment; with organization and leadership of the unions; with the position of the T.U.C.; with staff problems and finance; with strikes and inter-union disputes; with the outlook of the rank and file; with the attitude of the unions towards industrial democracy and greater productivity.

Trade unions were created in order to maintain and improve the standard of life of their members. They were devised to provide working class wage-earners with an instrument to restrain the unlimited power of employers, to prevent the grosser forms of exploitation, unduly low wages, excessively long hours, victimization, and other evils. They also provided benefits to assist their members in case of sickness, unemployment, and so forth. The unions were for long opposed by the law, and had to fight against repressive action by the government as well as against the hostility of employers. All that, however, belongs to the past, and the unions are to-day not merely recognized in the fullest sense of the word; they have become, in Sir Winston Churchill's phrase, a fourth estate of the realm. They are treated with respect and consulted by the Government (whether Conservative or Labour) on a wide range of subjects. Representatives of the T.U.C. are to be found on royal commissions, departmental committees, and the principal advisory bodies appointed by Ministers. Most of the leading employers and employers' associations go far beyond recognition in their relations with the unions. They are not only conciliatory but anxious, by implication at least, to give trade unions a considerable share in the responsibility for keeping the economic system running smoothly; for maintaining and improving our position in world markets; and for expanding production.

All this represents an immense change in the balance of forces

in our society, a decisive shift in the centre of gravity towards organized labour. It marks a spectacular advance in the political and economic status of what was formerly called the working class, but which now includes large numbers of technical, professional, and managerial employees, many of whom belong to the better-off sections of the middle class.

The trade unions, by reason of the very success of their movement, find themselves to-day in a position of increasing difficulty. They are now called upon to play a role which is very different from that which they have filled in the past or were designed to fill. They are expected to find answers to complex problems affecting the economy as a whole; and to display economic statesmanship of the highest order on a broad front.

The most immediate question facing the unions concerns wages. As Mr. Roberts points out, the whole future of the welfare state depends on our ability to overcome the inflationary tendency which now afflicts the economy; and this can only be achieved by increasing the volume of goods and services or by reducing purchasing power. Although wage increases are not the only cause of inflation, they are an important source of it; and something must be done to check wage demands if the danger of a vicious wage-price spiral, to which Mr. Robertson calls attention, is to be avoided. So far as government action is concerned, there are only two possible policies: either much more drastic fiscal and financial control to reduce purchasing power, or wage-fixing by governmental authority—a policy which would be opposed to the principles of free collective bargaining. So far as trade union action is concerned, the only possible way out is to adopt a national wages policy. The aim of this would be, not to establish central determination of wages but to indicate the principles on which wage claims must be based if further inflation is to be avoided.

But this type of overall control would not necessarily contribute anything towards achieving an acceptable system of differentials. Labour party politicians often talk as though equality was the most cherished aim of the movement, but Mr. Roberts and Mr. Robertson both emphasize the serious dissatisfaction of trade unions with the equalizing tendencies of wage settlements in recent years. It is by no means clear how much equality the British people really desire; nor in the long run will it prove feasible to insist on differentials—which is only another word for inequality—between wage earners of different categories, while

seeking to eliminate inequality outside the wage earning section of the community.

Although trade unions are scarcely within sight of anything resembling a wage policy, it can be said that most union leaders are aware of the relation between wages and prices; that some of them realize the bearing of prices on the maintenance and expansion of our export trade, the balance of payments, and the continuance of full employment. But much more is needed from the leaders than mere awareness.

All our economic troubles could be solved by a comparatively small increase of productivity. Trade unionists in this country are no doubt more conscious than in the past of the importance of productivity in raising living standards; and as Mr. Harle shows in his article, something is being done by the unions in increasing productivity. But some of their most deeply ingrained attitudes will require changing before large strides can be made in this direction. Why, for example, do the plumbers and gas fitters' unions insist on a mate accompanying every man doing even the simplest job in a private house? Why do collective wage bargains put so much emphasis on minimum earnings, and pay so little regard to the maximum? Why is shift work outside the realm of discussion in many industries where costly plant is used only for eight hours out of twenty-four? If the truth be told, the subject on which least is known is the vital question of incentives; and it is strange how little light our contributors are able to throw on this crucial factor in the productive process. Much more study and attention needs to be given to this question.

The avoidance of stoppages due to trade disputes is a matter which has received a good deal of public discussion in recent months as a result of the three strikes on the railways, in the docks, and on the national newspapers. Various methods of outlawing strikes by compulsory arbitration, by forbidding unofficial strikes, and other means, have been proposed. Mr. Clegg states that in his view there is no cause for alarm in our recent experience. Indeed, our recent record compares very favourably with that of many other leading industrial countries, and above all with that of this country in previous decades. He tells us bluntly that it is absurd to get panic-stricken over a loss of four million working days in a year and declares that there is no valid reason so far for making strikes illegal.

The T.U.C. could no doubt act as a conciliating influence in preventing trade disputes from developing into strikes; or in

ending them more promptly when they do so. But in order to be more effective in this and other directions, the General Council of the T.U.C. needs to be greatly strengthened in its relations with affiliated unions, over which at present it exercises almost no control.

It is not only the relations between the individual unions and the T.U.C. which need remodelling; but also the relations between unions. Each of the three major stoppages mentioned above was the result of an inter-union conflict. There are many causes of such conflicts, as Mr. Turner explains, ranging from demarcation disputes to rival claims to the membership of specific groups of work-people. But he, like Mr. Clegg, is not convinced that stoppages caused by inter-union conflicts could be reduced by legislative restrictions. The real cause of these sectional conflicts appears to be the difficulty of adapting or adjusting the organization of trade unions to the changing pattern of industry and the evolving needs of their members. It may well be that no principle of trade union organization, whether industrial or craft or general, can solve the problems of organic growth in a dynamic economy; but surely much more could be done to revise the basis of organization when it has become anachronistic or a probable danger to industrial peace.

Perhaps the most serious problem of all concerns the leadership of the unions. A deep-seated suspicion of authority, Mr. Mack observes, is one of the most characteristic features of the British trade union movement, and this has produced a mass of checks and balances in the union constitutions. The running of the unions is in the hands of only about 3,000 full-time officials. This small force is served by a totally inadequate band of clerical and other assistants. The full-time union official is usually grossly underpaid and overworked by comparison with corresponding positions in other occupations. He has to discharge great and increasing responsibilities without adequate financial resources or sufficient qualified staff. All this is said to spring from the desire of the rank and file to prevent bureaucratic domination; but whatever the cause may be, the result gives the impression of shabby treatment.

How, in such conditions, can trade unions expect to acquire the research staff and the educational services which they desperately need if they are adequately to fulfil their new role in the welfare state? The answer is that they cannot. How, again, can the leading officials be expected to give time and energy to major

questions of long-term policy and strategy, if they are continually working under conditions of intolerable pressure? Again the answer must be that it is impossible.

Despite such adverse factors as these, there are many favourable aspects of the situation to take into account. The trade unions of this country are on the whole responsible bodies whose activities have done and are doing much to achieve industrial democracy in industry, and to unite the nation politically and socially. In conjunction with employers' associations they have built up a tremendous fund of goodwill which helps to overcome conflicts of interest between management and labour, and to reconcile divergences between the national interest and sectional interests. The important conclusion which emerges from this special number is that it is high time for the trade union world to face up to some of the difficult problems which confront it. None of them are insoluble. All of them can be dealt with at leisure better than in time of crisis. But they need to be attacked with courage, resolution, and vigour; and above all by a determination not to be bound by the fetters of outworn traditions and habits of thought.

TRADE UNIONS IN THE WELFARE STATE

By B. C. ROBERTS*

EVERY nation, to a greater or less degree, has become a welfare state, and in almost every country there is a trade-union movement of one kind or another. The development of the welfare state and the growth of trade unionism are, of course, not unconnected events. Both are products of the industrial revolution; the breakdown of the domestic system of production and its replacement by wage-earning factory employees, living in mass urban communities, created the conditions for the rise of trade unions, the establishment of mass democracy, and the adoption of the collectivist doctrines which have resulted in the welfare state.

Trade unions of workpeople provided the first open challenge to the doctrine of *laissez-faire*, though Adam Smith noted that employers in the eighteenth century were disposed, in practice, to act very differently from the principles he expounded. By freeing employment relations from the shackles of outmoded customs and laws, *laissez-faire* proved to be the social catalyst which turned a technological evolution into an industrial revolution. It did not, however, provide a lasting basis for a cohesive society; the hazards and uncertainties of competitive capitalism spurred labour to action to secure a new system of order and security. In spite of a period of suppression by law trade unionism was gradually developed to satisfy the workers' need for protection against the unbridled power of their "masters" and the loss of their ability to earn through unemployment, sickness, injury and old age. Since employers could not tolerate the harsh implications of an absolutely free market economy any more easily than their employees, they too eventually turned to co-operation and developed associations for the purpose of regulating prices and combating trade-union demands. Gradually there evolved, under the principles of nineteenth-century liberalism, a firmly established system of trade unions, and a structure of agreements and conventions for regulating industrial relations. To-day every in-

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dustry and trade has some form of voluntary procedure for the purpose of collectively establishing basic conditions of employment.

The state now provides assistance to the parties, when the agreed procedures prove inadequate, through its conciliation service and arbitration machinery, but among the industrialized countries of the world Great Britain has the most autonomous system of industrial relations. The tradition of minimum intervention by the state owes its strength to the principles of political and economic liberalism which trade unionism was established to counter. Though amended in many respects by the adoption of collectivist practices, these principles still fundamentally influence our way of doing things; no organizations are more vehement in their defence of them in relation to their own rights and liberties than the trade unions.

Trade unionism in Great Britain is based on the liberal principle of voluntary association; and it is accepted that trade unionism is a necessary expression of the freedom of individuals to combine to achieve their own sectional welfare goals independently of the state. In the dictatorships trade unions are also regarded as essential institutions, but their main function is to implement industrial and labour policies determined by those who hold the reins of power. They are, in other words, administrative agencies of the state; their structure and functions can be altered by the state and are, indeed, altered to suit the needs of state policy. In Great Britain the liberal tradition and the power now enjoyed by the trade unions have so far presented an effective barrier to any desire on the part of governments to intervene beyond a certain point with their established autonomy.

Many British trade unions have supported socialism as a desirable political goal, but while they have pressed for the intervention of the state against the power of private business interests, they have demanded for themselves full freedom from state control. It is against this background of traditional attitudes and with the necessarily ambivalent behaviour of the unions in mind that we must examine their role in the welfare state.

Though the foundations of the welfare state were laid a long time ago the advances that have been made since 1945 constitute in themselves a social revolution. The system of social security, full employment, and a remarkable increase in the real income of the great majority of the population have produced a standard of prosperity that far exceeds anything known before to-day. More-

over, these massive achievements have been accomplished at a time when Britain has been faced with the tremendous task of overtaking the arrears in capital investment caused by the war, with an extremely heavy burden of military and other foreign commitments, and with a pressing need to overcome chronic balance of payments deficits.

The achievements of the post-war years are considerable by any standard of comparison, but what is perhaps most significant about this social revolution is that it has been carried through without serious class conflict and with far fewer restrictions of personal or collective freedoms than might have been anticipated. Yet it is perfectly obvious that these social and economic changes have imposed a great strain on the resources of the community. The welfare state has exposed and exacerbated difficulties that are endemic in a nation of 50 million people living tightly packed on a small island; an island that lacks most raw materials and cannot produce enough food from its soil to feed adequately much more than half its inhabitants. The succession of economic crises and the continuous rise in prices are indications that we are overstretching our economy. In the long run our ability to maintain the welfare state will depend on overcoming the constant tendency towards inflation, by increasing the output of industry and by restraining our appetites for a higher level of immediate consumption than available resources will permit.

Responsibility for finding a solution of our basic economic and social problems rests primarily on the government and parliament, and it is for them to give a firm and clear lead to the country. We cannot, however, return to *laissez-faire* and we must not, in the interest of maintaining a free society, adopt policies that will give the state powers that will completely undermine the strength of voluntary associations to act independently. Much depends, therefore, in a democracy like ours, on the willingness of the trade unions and employers' organizations to face the issues that the welfare state has posed. The leaders of most unions have often demonstrated that they are well aware of the responsibilities which the welfare state imposes on them, but, as yet, they have not found solutions to a number of difficult problems. Their task is not an easy one, since the unions have inevitably been deeply influenced by the environment in which they grew up. Mass unemployment, low wages, cut-throat competition and inferior social status were the factors which shaped the strategy and tactics of the unions. As a result there is a constant

tug-of-war between the emotional responses of the members, conditioned by the past, and their rational appreciation of the need to face problems that stem from brimful employment, high wages, and the power which large-scale unions now wield.

Whatever the validity of the argument that raged amongst economists before the last war, as to whether the resistance to wage cuts shown by the unions was responsible to a large extent for the continued unemployment, few would maintain to-day that there was no link between wage levels and the problem of inflation. It does not follow, of course, that rapidly rising wages are the sole or even the main cause of inflation; but there can be no doubt that once the fire has been started they are one of the main sources of the fuel that keeps it roaring away. Wage levels can only go on rising if they are financed by an expansion of the credit system and this is ultimately under the control of the Government. Thus rising wages due to trade-union pressure are a necessary, but not a sufficient cause of inflation. Since the right of workpeople to combine to protect and advance their vocational and social interests is an essential part of a democratic society the question of which is the best way of reducing inflationary pressure without undermining the principles of free collective bargaining is of crucial importance.

It would seem that there are broadly two choices before any government. Either it can cut down the rate at which it injects money into the economic system by budgeting and monetary policy, or it can impose a system of direct controls over wage determination. Whichever method is chosen the net result must be to slow up the advance in money wages; the effect on real wages will, however, depend in either case on a variety of factors, and some of them will not be easily controlled, especially those that arise out of the foreign trade situation.

The advantages of the budgetary and monetary method of dealing with the problem is that there need be no direct interference with the system of free collective bargaining. So long as the demand for labour is not allowed to outstrip the supply too far, wages can be left free with reasonable hope that they will find the right level. In theory, there would seem to be no reason why the Government should not handle the economic controls with such delicacy and perspicacity that an exact equilibrium between demand and supply could be maintained at the level of 1 per cent unemployed. In practice it is clear, as events in 1955 and previous years have shown, that such a massive machine as the British

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economy cannot be operated with a judgment fine enough to avoid lurching into balance of payments crises when the fairway is so narrow. It is, therefore, likely that a somewhat higher degree of unemployment, perhaps fluctuating between 1 and 3 per cent, is the price that would have to be paid for maintaining a steady price level and free collective bargaining. If the unions are not prepared for this risk, then what chance is there of their accepting the alternative policy?

If the second course were to be followed, and the unions have so far set their faces against it, wages would be checked by the decree of some national wages board or government regulation. Profits would also have to be regulated and prices controlled by government order. The result would be, if these measures were effective, a check to purchasing power, but if the inflationary pressure was eliminated by these means, the demand for labour would fall and unemployment would tend to rise. If, however, the controls were evaded, or the wage policy-makers gave way to pressure, as they did in America when these methods were tried, the result would be a continuance of the inflationary trend. It is extremely difficult to fix wages at exactly the right level by regulation, as experience has proved in all the countries that have tried to do it. However, the grave disadvantage of this method of dealing with the problem is that it involves repressive legislation that is destructive of free collective bargaining if it is effectively enforced.

From the point of view of comparing experience in another country which has very similar economic problems, the report of the Swedish Federation of Labour—L.O.—Committee on the Trade Unions and Full Employment, published in English in 1953, is of major interest. The report is not in favour of central wage-fixing machinery operated by the state—which has been tried in Sweden. It also rejects the suppression of inflation by price and profit controls since these are negative in their effects and they have a distorting influence on production. "What must be done is to maintain such a general level of purchasing power as does not allow of large profit margins or—to put it differently—which does not allow wage increases to be foisted on to prices." This means that the L.O. Report recommends that the general level of purchasing power should be kept below that which would "secure full employment automatically everywhere". The "islands of unemployment" that would appear as a result of keeping purchasing power within non-inflationary

bounds must, it suggests, be tackled by specific measures. These might, on the one hand, consist of "public works, subsidies to individual firms and the placing of state orders with firms and in localities where, otherwise, unemployment would arise. On the other hand, they should consist of measures to encourage the voluntary transfer of labour to firms, trades and localities where the prospects of expansion are favourable. Much greater importance than hitherto should be attached to incentives to labour to transfer to places where it is most needed."

If this type of policy were adopted it would require from the trade unions an agreement to co-ordinate their wage policies in order to avoid any attempt by one union to secure an advantage over another, and thus promote a competitive race. Such a policy is perfectly feasible in Sweden, where the central organization has great authority over its affiliated organizations, but it would not be easy to achieve in Britain where the T.U.C. does not possess power over its affiliated unions comparable to that wielded by the L.O. Since the wage-restraint policy broke down in 1950 the British Trades Union Congress has had no policy on wages, except to make a rather half-hearted plea to the unions to exercise caution in their demands. The unions do not wish to make the economic situation worse; they want to see the inflationary pressure and the constant price increases reduced, but they are so far not prepared to accept any alternative economic policy to the one which is causing the difficulties. The dilemma in which the unions in Britain find themselves is one which they share with every other interest group. They do not want to be the section of the community that suffers from the cold when the inflationary fire is damped down. The extinguishing of inflation is necessarily a rather unpleasant business, but the discomfort to be borne is not nearly so great as the pain that inflation can produce if it is allowed to continue.

The unions may have legitimate grounds on which to oppose the present Government's economic policy, but if every attempt to reduce the inflationary pressure is to be met with an increase in wage demands which when resisted are backed up by stoppages of industry, it will mean that the balance of payments will be seriously affected by the loss in production. If, on the other hand, the demands of the unions are conceded and the Government wavers in its anti-inflationary policy, with the result that credit is further over-expanded, a continuance of the inflation will be inevitable.

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The right to strike is regarded as fundamental by most free societies, but it may well be asked how far the economic and social conditions of the welfare state make any difference to the exercise of this right.

When the unions were small and weak and the nation had a large cushion of unused resources on which to fall back the unions could throw their full force against the employers with little fear of the damage that they might do to the whole community. Now if a strike is launched in a key industry and is at all prolonged, the danger to the nation's economy becomes immensely significant.

If the level of employment were reduced and the balance of payments situation vastly improved it would not be necessary to worry to the same extent about the possibility of strikes, and indeed the unions would be entitled to press as hard as possible for higher wages. Our situation would then be similar to that which exists in America where the unions bargain vigorously and use the strike weapon freely to gain their demands, but so long as we face our current economic situation we cannot emulate the Americans in this respect, even if this were thought to be desirable.

The condition for the exercise of any right is that it should not do far more harm than good. This test is not, however, in the nature of things an easy one to apply; it is obvious in the case of strikes that they must to some extent damage the innocent, but all our social processes which allow groups to have the power of protecting and advancing their interests necessarily have this drawback to some degree.

If it becomes clear that strikes are threatening the structure of the economy some effective means will have to be found to deter their occurrence. After the railway strike of 1955, the Government appears to have given consideration to the suggestion that strikes ought to be restricted by law, but the T.U.C. made its view absolutely clear that any such step would be strongly opposed. Subsequently the annual congress of the T.U.C. gave its General Council powers to intervene in industrial disputes, involving its affiliated organizations, at an earlier stage than had previously been the case.

It is worth while again comparing the position of the T.U.C. with the Swedish L.O. in relation to the question of strikes called by affiliated unions. In Sweden the L.O. exercises control over the strike policy of the unions by its management of a central

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strike fund. No union which organizes a strike that involves more than 3 per cent of its members is eligible to draw on the central strike fund unless it has first received the sanction of the executive committee of the L.O. Thus the power to withhold the financial support of a strike is an important aspect of the authority enjoyed by the L.O. over its affiliated unions.

The British T.U.C. has no similar weapon at its command, but its influence is not negligible and was used with considerable effect in the three major disputes of 1955. So long as the unions co-operate with the T.U.C. and recognize that they have a responsibility not to use their strength without regard to the effects on the whole community, there can be no case for any legal restriction on their right to strike.

Though the unions, from the public point of view, would be irresponsible, and from the point of view of their own members foolish, to oppose Government attempts to reduce the inflationary pressure by militant action, they naturally feel that they are entitled to resist changes that make their members seriously worse off compared with other sections of the community. The more, therefore, that the Government seeks to shift the distribution of income in favour of the higher income groups the more likely are the unions to resort to big wage demands and strike action. The fundamental issues of income distribution and the exact character of the welfare state cannot, however, be settled by industrial disputes, as these are matters more properly determined in a democracy at the ballot box. The extent, therefore, to which it is legitimate for the unions to cite Government policy as the factor excusing their behaviour is limited.

Padoxically, the unions themselves are not particularly satisfied with the results of the more egalitarian levels of income.

During the past fifty years there has been not only a substantial redistribution of income from the higher to the lower income groups, but also a remarkable narrowing of the differentials between the rates of wages of unskilled and skilled workers, and between the wages of manual and clerical workers. Inflation seems to have been a potent factor in this process, but it has not been the only one. The general advance towards greater equality, technological changes in industrial processes, the organization of unskilled workers, the growth of industry-wide negotiations and the making of demands for flat-rate increases, have all contributed to the narrowing of differentials. The general reduction in the gap between the lowest and highest incomes brought about

by social policy has been fought for and welcomed by the trade unions, but many groups of workers now feel that they have suffered unfairly from the narrowing of differentials between different categories of wage earners, and there are signs that this course of development is beginning to produce a stirring of revolt. The newspaper and railway disputes of last year were both in part caused by dissatisfaction arising out of wage differentials. Whether this problem will solve itself if the inflation is cured, or whether the bargaining power of certain unions will make a satisfactory solution more difficult, if not impossible, is still an open question.

The need to change industrial wage structures in the light of technological developments and in the interest of obtaining higher rates of production is a pressing one. Again the question is raised whether the existing system of collective bargaining is capable of achieving the changes that are required. If the present structure of collective bargaining has become outdated how best can it be re-formed? Is this another instance of where the situation is such that only a much more radical approach, say, by the unions agreeing to a less centralised system for the determination of wage rates, could effect a cure?

The question of wages is only one of the factors to be considered as major causes of industrial unrest. The status of the worker, his relationship to the supervisory element, from foremen to senior management, the size of the working group, the technological character of the industry and the kind of work that has to be done, these and many other aspects of industrial life have a powerful bearing on the attitudes and behaviour of men at work.

The development of joint consultation in industry has grown out of a realization that there is much more to the creation of good industrial relations than the recognition of trade unions and the payment of higher wages. Joint consultation can mean, however, many different things. At one extreme it may be no more than a reluctant concession by a cynical management in order to side-track criticisms of its autocratic behaviour, that it will discuss with employees questions that do not normally enter into collective bargaining. At the other it takes the form of an elaborate system of joint committees with power to advise on almost every kind of managerial problem. Whatever may be the pattern of joint consultation that has been adopted, there is one thing that can be said about it with certainty, and that is that it has not proved to be the panacea that will eliminate conflict in industrial relations.

There are few instances in either public or private industry where it can be said that the introduction of joint consultative committees has resulted in a radical improvement in industrial relations. This is not to say that in large undertakings a system of joint consultative machinery is of no value, but it does mean that consultation alone does not eradicate the deep-seated causes of industrial conflict. In certain respects the development of joint consultative machinery may even have retarded, rather than advanced, the improvement of industrial relations. There is reason to believe that in some instances joint consultative committees have led to frustration and dissatisfaction on the part of both employers and workers and in the worst cases conflict has actually been created. In many instances the unions take only a perfunctory interest in joint consultation and often in practice their representatives seek to turn consultative committees into an extension of collective bargaining. There is need to consider the relationship between negotiations and consultative arrangements in the light of experience.

Though the unions have not made much effort to ensure the success of joint consultation they have in recent years, as a result of the efforts of the T.U.C. Production Department, paid increasing attention to the application of modern techniques of work study. Their primary motive has been to protect the interest of their members; to ensure so far as possible that workpeople do not suffer when time-study methods are used and labour is re-deployed. The participation of unions in these developments is a long way from being a universal practice, but whenever it has occurred it has given them a more direct interest in the problems associated with the raising of output, since in the solution of these problems they have been able to obtain immediate and tangible rewards by way of higher earnings for their members. So far, however, only a few unions have seriously begun to give their stewards and officers the training necessary to handle these new problems.

Technical developments in industry, the growth in complexity of trade-union functions and the increase in the size of the unions have placed increased responsibilities on trade-union leaders. The job of trade-union official is rapidly becoming a professional occupation, demanding a high degree of skill that can only be obtained by experience and training. The selection of trade-union officials, their tenure of office, the income they receive and their opportunities for promotion have become in the large

organizations matters of crucial importance, but there is, on the part of many trade unionists, reluctance to face up to these questions that arise from the legitimate fear of strengthening bureaucratic control and consolidating the power of the leadership.

Fear of bureaucratic centralization is justified, but the problems posed by the welfare state make escape from this trend very difficult to achieve. The more complex economic and social problems become the more need there is for professional leadership and centralization of authority. Hence the oft-repeated suggestion that the T.U.C. ought to be given much greater power over its affiliated unions.

Representing as it does the majority of unions and the great bulk of organized workers the voice of the T.U.C. is listened to with the respect and deference that politicians must pay to the words of the leaders of a pressure group that numbers millions. The national prestige of the T.U.C. is not matched, however, by the power of its General Council, which cannot compel an affiliated organization to follow the policies it would like to see adopted. The ability of the General Council to command support rests upon a careful consideration of the interests of affiliated unions and a subtle exercise of initiative and discretion; it must always bear in mind that it will have to face an Annual Congress, and in the last resort a union may prefer to be disaffiliated rather than accept a policy to which it is opposed.

Representatives of the smaller unions voiced the fear at the last Trades Union Congress, and have often done so before, that an extension of the powers of the General Council would mean the further domination of the trade-union movement by the leaders of a relatively few large organizations. Many trade unionists do not believe that this would be in the best interests of democratic trade unionism.

The tradition of autonomy is so strong it is unlikely that the unions would give the General Council the power which the central organizations of the Scandinavian trade-union movements possess, but the course of events will almost certainly result in a gradual extension of the functions and authority of the T.U.C.

One way in which development is likely to come is by the provision of better services for the affiliated unions. The T.U.C. already provides an extensive range of services and when its new headquarters building is occupied in 1956, it will be better equipped to extend its activities. The move from Transport

House to the Memorial Building in Bloomsbury may prove to be of more than mere geographical significance, since the separation of the T.U.C. from the Labour Party, which will be staying at Transport House, is almost certain to be encouraged by the change. How far and how fast the T.U.C. will be able to go in developing its work from its new headquarters will depend on the readiness of the unions to make a larger income available. On the basis of the present affiliation fee there is little room for an expansion of research, publicity, educational, and other activities.

It is interesting to compare the affiliation fee paid by Swedish trade unions to their central organization, the L.O., with the amount paid by British unions to the T.U.C. In Sweden, the unions contribute 90 öre per month, or 15s. per member per year, whereas in Britain the unions pay to the T.U.C. an annual fee of 6d. per member. This enormous difference illustrates the degree to which power is centralized in the Swedish trade-union movement by comparison with the British.

Another example of the significance of the centralized control of trade-union funds in Sweden is to be seen in the remarkable development of the labour press. Thirty per cent of the annual affiliation fees is put aside for the financing of labour newspapers, which are published daily in most towns and cities in Sweden. This coverage of the population enables the central trade-union organization to get its views across to the rank and file members in a way that it is quite impossible for the British T.U.C. to emulate.

There is one important step, however, that the T.U.C. might take to secure a better understanding of the nature of the problems inherent in the present economic situation among both officers and rank and file of trade unions. The suggestion was made by Mr. Charles Geddes, in his Presidential Address to the last Trades Union Congress, that the T.U.C. "should prepare an economic survey of the post-war years and draw conclusions for the future and that this, after consideration by the General Council, should be considered by a special conference of executives with a view to formulating a national trade-union economic policy." The General Council of the T.U.C. has given no indication, at the time of writing, that it intends to adopt the suggestion of Mr. Geddes. The Council is, of course, continuously examining the economic situation and it may well decide to undertake some kind of special survey, but it appears unlikely that it will make a study of the situation comparable to the one made by the

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Swedish Federation of Labour, mentioned earlier, which resulted in a 255-page report. It is, however, a really thoroughgoing investigation of a similar kind that is required. It is more than ten years since the T.U.C. produced its famous report on Post-War Reconstruction, which had a powerful influence on the policy of the Labour Government, and the time seems ripe for a reappraisal of the objectives of the trade-union movement in the light of experience during the past decade.

A report based on a comprehensive examination of the economic problems that have emerged and the role of the unions could become the focal point of a vigorous discussion in the labour movement and the basis of future policy-making. After the completion of the investigation, the next step, as Mr. Geddes suggested, would be its adoption by a special conference of trade-union executives. If this were then followed by the distribution of a shortened version by every trade union to its branches, and if a special effort were made by the unions to encourage local officers to make a careful study of its findings, valuable results might be achieved.

The power and influence now exercised by the unions demands that bold attempts be made to find solutions to the problems that are discussed in this article and the ones that follow. It is clearly the responsibility of the Government to set the policy that is required to deal with the major economic and social problems, but it is the duty of the T.U.C. to give a firm lead to the trade-union movement in relation to that policy and its own responsibilities for the welfare of millions of trade unionists.

TRADE UNIONS AND WAGE POLICY

By DONALD J. ROBERTSON*

MUCH has been written on the subject of "wage policy". It would therefore be quite possible for this article to become a mere catalogue or review of recent literature in this field. This is not the intention. What follows is a discussion of the problems that arise in working out a policy to suit present circumstances. In line with the general theme of this issue, these problems are treated from the trade-union point of view.

Trade unions make wage demands for a number of reasons. All such wage demands at present are based on the secure existence of full employment which, while not generally put forward specifically as a ground for wage increase, lies behind the possibility of their being granted. Claims are frequently put forward on the contention that the level of profits has been rising too much, and that compensating wage increases are needed, or that the cost of living has risen, and that for this reason a wage rise is required to restore the level of real wages. Increases in productivity are also made the basis of wage demands to reflect increased production. Differentials between industries and between occupations form the subject of large numbers of claims for the adjustment of wages in particular industries.

The difficulties for our economy that arise from successful wage claims can be illustrated by claims based on profits and on the cost of living. Trade unionists would maintain that such wage demands are founded on the proven need to compensate for previous adverse movements in the economic position of their members, so that they are merely readjusting the wage level to take account of prior movements in other variables. But, if profits do not take the blow of increased wage bills, they are passed on in prices. If a wage increase on cost-of-living grounds increases labour costs (as it must), this, too, is likely to cause price increases and to make probable further wage claims on the same ground. In this kind of situation lies the clear possibility of a wage-price spiral.

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It is because of the general economic importance of avoiding wage-induced inflations that we have been offered a number of "wage policies". The guiding principle of each of these is to remove wages from the realm of sectional bargaining, when the sum of the sectional bargains is likely to be more than the economy can afford. In other words, to reduce the power of individual trade unions by some form of central control. These suggestions cannot occupy us in detail here, but combining policies which have been tried out, and those which have merely been suggested, they divide into three principal groups.

First, there are overall policies, which do not concern themselves with industry wage structures or with relative wage positions between industries, but merely seek to fix the general level of wages and the proportion by which it can rise in any given period. The "wage freeze" was partially of this kind and so were American war-time and post-war efforts at wage control.

Second, many wage policies have been suggested which seek to control relative positions and movements of wages as well as the overall wage level. In greater or lesser degree most wage policies suggested in the literature on the subject are of this kind.

Third, proposals have been put forward that some neutral body of experts, or, at least, a body removed in outlook some distance from the detailed work of negotiation, should pronounce on the rights and wrongs of the economic situation and of proposed wage increases. This suggestion obtained considerable currency in Britain after it was put forward by the twin Courts of Inquiry into Engineering and Shipbuilding Wages which reported in February 1954.

Of what relevance are these suggestions to present trade-union problems, especially in view of the main causes of wage claims mentioned above? The first type of wage policy can only be regarded as a temporary expedient, doomed to failure as problems of detail become more and more urgently in need of solution. It is no answer (at least in the long run) to problems of differentials of all kinds, or to problems of the distribution of income between wages and profits, simply to control the general level of wages and to maintain the *status quo*.

The second and third type of suggestions meet with rather different objections. In the first place they greatly underestimate the detail that is involved in work on wages in Britain—detailed work which can probably only be done by unions and employers themselves. Secondly, they both over-emphasize the "independ-

ent person's" merits as against those involved in wage negotiation—the central controllers or co-ordinators or advisers are expected to have better vision simply because they are detached from the scene. There is no reason to underestimate the virtues of having assistance from such people, as the important contributions of arbitrators have shown. There is, however, reason to cast doubt on suggestions that such people should sort out our wage problems in Britain before those directly concerned have had a shot at it. Thirdly, it is probably a wrong assumption that an overall and integrated solution is possible. The policies necessary to sort out wages in Britain are not of this kind. The correct reaction of an independent authority asked to give general advice on wage increases in a number of industries would be to say: "It all depends . . ."—for circumstances and answers differ from case to case.

If, as is suggested, sorting out wages is a job requiring much detailed effort and study of particular industries, and if it needs an effort from those concerned in wage negotiation, what lines should trade unions, as one of the principal parties involved, try to follow? If we reject the easy solution of continuing general directions or advice from others, what lines of attack on their wages problems should trade unions start on?

The answer to this—the key question of this article—can best be tackled by considering in turn each of the reasons put forward earlier for asking for a wage increase. Some of these are general to all unions and some are specific to each union as its turn comes.

The trade unions depend upon full employment, because it provides an essential background to the possibility of getting wage increases of any kind, as well as because of their belief in it for its own sake. No adjustments of wage structures are possible without some chance of wage increase. A first essential part of trade-union policy on wages, as on other things, must be maintenance of full employment.

Full employment tends to bring with it a movement of wages and prices which can produce a considerable inflationary pressure on the economy. Trade unions, however, are inclined to regard many of their wage claims as due to be paid out of profits, or as following on prior cost-of-living rises. To take the profits case first, what should be the attitude to profits adopted by the trade unions?

It may seem odd to lay down a profits policy for trade unions, but it is certainly needed. While most trade unions have favoured

nationalization and have from time to time pressed for it, nevertheless most of their work is in private enterprise. They have the right to be heard through the widespread acceptance of collective bargaining; they are an accepted institution within most sectors of private enterprise; and, a majority of their members belong to the private sector of the economy. This imposes on trade unions the duty of working out a responsible policy towards profits.

Two features have characterized the attitude of trade unions to profits in recent years. First, an assumption that profits should not move ahead faster than wages; and second, that there are grounds for continuing the process of redistributing the national income from profits to wages, which can be seen in pre- and post-war comparisons of the national income statistics. While such assumptions serve a useful purpose, from the trade-union view, in making their share of the cake as big as possible, it is doubtful whether they can be permanently accepted without some more detailed explanation of how they are to be applied. In practice, the trade unions apply them by a somewhat unscrupulous use of statistics relating to gross profits—before depreciation and generally before tax—and by an indiscriminate attack on all forms of profit increase. This is mistaken policy. If indeed trade unions are prepared to accept the twin propositions that they are institutions which have become part of our economy and society and have responsibilities in it, and that for the most part the economy in which they work is under private enterprise, then they ought to have two objectives in their profits policy: first, to make profits work; and secondly, to penalize and contract those parts of profits which are not performing a useful task.

Such a policy towards profits would have a number of general effects on trade-union action. It ought, for example, to stiffen and encourage trade-union desires for the restriction of monopoly profits. As to wage policy, and policies at wage negotiations, it suggests two points.

First, there can be no grounds for trade unions presenting wage claims based on a falsification of the profits position of the industry in question. It is to the trade-unions' interests, for example, that sums should be earned which will enable capital to be replaced and improved, and the devotion of money to that purpose should be supported rather than attacked by unions.

Secondly, a trade-union policy towards profits would seem to throw cold water on the profit-sharing idea. Schemes of profit-sharing suggest that workers in an industry can best be pacified

if they are allowed to share in what are implied to be the ill-gotten and reprehensible gains from the industry's activities. The answer here would seem to be that the workers' trade union should have concerned itself with seeing that the gross profits earned by the industry were not ill-gotten (for example, that they were not monopoly gains); that they were put to use (for example, in maintaining essential capital); and that distributed profits reflected a just reward for the supply of money capital and for a well-calculated risk. There is no reason why workers in the industry should not have shares in it, but no reason why they should. After all, the correct reward for their services is their wage and it is this that should be maximized, not their profits. To suggest profit-sharing too strongly suggests that all in the industry, employers and workers alike, are to conspire to defraud the consumer. But, of course, profit-sharing is also suggested as a means of giving the worker status and a sense of position in an industry or firm. This is an idea which trade unions concerned with the status of workers ought to take an interest in, but, as will be suggested, profit-sharing is not the way to do it.

We now come to cost-of-living wage claims. What should be the trade-union attitude here? It would be unreasonable to insist that trade unions should not make wage claims following upon price rises, but two suggestions may be made. First, as part of their general policy, trade unions ought to be against excessive price increases, and should be wary of being themselves the cause of them; secondly, trade unions ought to ensure that money wage increases gained through cost-of-living wage claims should also be used to help in sorting out wage structures. A cost-of-living wage increase is itself only a holding action which may not alter the general level of real wages; but, if it is made as a flat-rate money increase, it will alter the real differentials between different groups.

If such is intentional policy, then it is in order, though, if carried too far, it is certainly unwise. If, however, it results from the concentration of trade unions on cost-of-living advances to the exclusion of all other aspects of wages, and in particular to the exclusion of consideration and review of real wage differences between different occupational groups, then it is likely to lead to future trouble. It would seem that this is just the kind of thing that happened during the long succession of cost-of-living advances in all industries since the beginning of the war. In consequence, the trade unions have recently been engaged in review-

ing and altering differentials, having encountered the kind of trouble which results from their neglect. In this recent process wage increases granted largely on cost-of-living grounds have been adjusted to give differential awards to different occupations. The cost-of-living ground for wage increase has been used to correct anomalies in the wage structure and to make a more useful wage structure out of a rising money wage level. This is undoubtedly wise and correct policy, which is likely to need continuing.

Changes in productivity and increases in the size of the total output of an industry were cited earlier as grounds for trade-union wage claims. Trade unions tend to regard these as grounds for wage increases in the particular industries affected, unless, however, the change in productivity reflects a specially distinguished effort on the part of workers in the industry concerned, they ought to be regarded rather as grounds for an expected increase in the level of real wages generally—probably through price falls or price stability. If this is so, wage claims on the grounds of specific increases in productivity in particular industries should not be generally sought after, but, on the other hand, trade unions should in their general policy seek to increase productivity and should design wage payments to that end.

The final ground for wage claims—differentials—presents by far the largest number of problems. Discussion of trade-union policy on differentials leads us into the kind of detailed work, which can only be done by those concerned, and which is the likely ground for the defeat of the long-term efforts of any wage-controlling body. All that can be offered here are some general precepts.

First, then, what kinds of differentials are involved? These are adequately summarized as inter-industry and inter-occupational. Inter-industry differentials are needed to attract individuals into industries in which there are shortages of labour. Inter-occupational differentials are needed to ensure a flow of recruits and a maintenance of standards in occupations where skill or difficulty require more than average ability or training. It is impossible here to say what magnitudes such differentials should have, since this depends very much on particular circumstances. It can only be said that as long as an economy needs labour of different kinds and of differing levels of ability, and as long as an economy requires mobility between occupations and industries, differentials of some kind will be necessary. It has, for example, been neces-

sary to apply a differential wage level to the coal-miners' industry to attempt to get recruits, and it seems necessary at present to maintain and possibly improve differentials for skilled men to ensure a supply of young people willing to take up apprenticeships.

The first general precept that may be offered to the trade unions here is that no wage increase proposal ought to be put forward without first considering its effect on differentials. There is clear evidence, in recent disputes about differentials, of long-term neglect which has resulted in underpayment of important skilled groups. The period of neglect has frequently been so long that to attempt to alter differentials now disturbs the interests of other groups which have become entrenched through use and wont. It is no doubt convenient, when the cost of living is rising rapidly, to accept a flat-rate increase which can be relatively easily obtained. If, however, it is not conscious policy to narrow differentials such an action can only lead to trouble in the end. If, indeed, trade unions under full employment conditions wish to retain their autonomy they must pursue consistently a policy of amending, adjusting and keeping up to date the wages structure. This is exactly the kind of task which, because of its complexity and its need for detailed knowledge, no central wage-controlling authority can do properly, but, if it is neglected by the trade unions themselves, the continuing need for wage demands to correct mistakes and anomalies in the wage structure will sooner or later force public opinion and the Government into strong advocacy of a central authority.

Secondly, if differentials are to be used to form the framework of a wages structure which will not be the subject of constant ambiguity and of constant anomalies, it is necessary that the constituents of it should be clearly defined. This applies both to inter-industry differentials and to inter-occupational differentials. Differential wage levels established between industries will only be effective if wage agreements are made to relate to clearly established industries. Moreover, "keeping up with the Jones's" and the operation of a "league table" of inter-industry wage levels could become an unending business if no one is very sure who could become the Jones's family, and who are covered by each particular entry in the "league table". In other words, it is necessary that separate wage agreements should be made for each separate section of industry, so as to avoid the discontents and confusion that arise from wage agreements which cover too large groups. The engineering industry provides a good example of the kind

of situation which needs clarifying here. In that industry a single wage agreement covers a diverse group of industries which have often little in common except the same wage agreement. This can only lead to trouble.

In the case of differentials established between occupations, wage agreements ought to be made to cover as many distinct occupations as exist, so that each occupation may have a clear place within the structure. The situation of having more wage differentials and more occupational titles than there are occupations has for its best example the coal-mining industry: in this case the N.C.B. and the N.U.M. have taken sensible, and on the whole successful, steps to clear up their wages structure and so reduce anomalies, and wage claims arising out of such anomalies. The opposite case occurs in the engineering industries where the wages structure covers far fewer occupations than actually exist, thus leaving plenty of scope for disagreement. Though there have been discussions about altering this situation as yet they have not succeeded.

Once differentials have been sorted out, there still remains as part of the trade-union movement's duty a third precept—to see that they are operative and that they are clear-cut. Wages agreements have to mean what they say. If a wage rate, for an engineering craftsman or a coal-miner, is laid down in an agreement and differentials, both occupational, within the industry concerned, and industrial, in relation to other groups in other industries, are fixed in relation to it, it is essential, if the structure is to have any meaning at all, that the wage rates of all involved are truly representative of what the level of pay actually is. If this is not the case, then the carefully negotiated structure of agreements becomes in many ways irrelevant, and it is certainly irrelevant to suggest that trade unions should attend to the task of sorting out relative wage levels in their negotiated wage rates if these are not operative. Yet since before the war the gap between wage rates and earnings has greatly widened and wage rates have never been less relevant to the real situation.

A reiteration of difficulties that arise out of this is worth while. If wage rates do not represent the actual levels of payment, then the careful framing of a wages policy and wages structure by trade unions, whose principal control is over negotiated wage rates, will be useless. Then, if this happens, there will be possible and frequent opportunities to make wage claims based on partial assessments. For example, one occupation may base its wage-rate

claim on the reputedly high earnings of another group, while another may claim a higher rate though it has high earnings. Since the spread of earnings can be wide, innumerable variants of differential will be possible and anomalies will be frequent. One probable end result is that those whose level of pay is actually close to their negotiated wage rate will be underpaid.

There are three causes of this situation. First, there is the negotiation, or offer by employers, of extra wage rates for some workers in an occupational group—probably those working for one employer—which are not payable under national agreement to all in that occupation; second, payment by result schemes have grown both in number of workers affected and in the proportions of the pay packet due to this form of payment; third, high levels of overtime and of overtime payments have continued for most industries and at most times since the war. If a wages policy is to be devised and operated by the trade unions, which will reduce anomalies and correct differentials and so reduce the incidence of “adjusting” wage claims, these three causes of the divergence between earnings and rates will have to be sorted out.

In the question of the payment of local rates which differ from agreement rates, it seems clear that trade unionists are trying to have things both ways. They are both seeking uniform wage rates in national agreements and making better terms wherever possible. If this situation reflects a lack of clarity in definition of either industrial or occupational groups, then new agreements are needed, and in some cases local autonomy may even have to be made explicit and national agreements abandoned. If this situation is just opportunism, then it seems certain that the trade unions cannot continue it and still work out a wage policy.

The growth of incentive scheme payments is associated with the much-abused word “productivity”. In order to increase productivity workers are paid on the basis of their output, and have the promise of above-average earnings in return for above-average output. This seems simple and in its way justifiable, but a few further comments are necessary.

In the first place, if indeed the incentive operates to create extra output, then it should be a marginal payment. The idea of a marginal incentive does not require the incentive payment to be a large proportion of the average pay packet. The trade unions need to make the incorporation of part of large bonus payments, which do not operate as marginal incentives, a feature of their wage policy.

Secondly, while productivity has already been put forward as one of the wider aims of trade unions, is this necessarily tied up with the operation of highly complex incentive schemes? Provided payment is related in some way to output—possibly by a frequent review of wage rates to relate these to improvements in output—then the aim of increasing productivity may well be achieved with less fuss and by less complex means. Trade unions, in the interests of their wages structure, should be wary of “fancy” incentive schemes. There are three advantages possessed by the more simple type of incentive scheme whereby incentive is achieved by relating a review of output to a review of time rates. First, it enables wages structures to be preserved. As a factory increases output and rates, differentials can be maintained. Moreover, the time rates are available for comparative purposes with other factories and industries and as an inducement in recruiting labour. There is less chance of one factory getting completely out of line in its payments level or of differentials becoming distorted. Secondly, it is simpler and clearer in its operation than other incentive schemes. Thirdly, it is a way of enhancing status. In the discussion of profit-sharing it was suggested that the trade unions should use their wage policy to enhance the status of workers. A man’s status in his work is intimately related to the security of his position, and to the level and certainty of his regular remuneration. Job security is outside the present subject, but income security is not. To the salary earner it is a familiar idea that his status is reflected in his salary (though some salaried occupations carry status which is not derived from income) and his security is evidenced by the regularity of his salary payment. A wage earner who receives a regular wage derives some status from this and the level of that wage is a measure of this status. This kind of consideration should be borne in mind by trade unions in deciding their policy towards irregular and complex incentive payments.

As a third comment on incentive scheme payments, is it not relevant to ask whether trade unions, and indeed employers, should not beware of accentuating the untypical and above-average man in these wage schemes? There is already a way of recognizing outstanding service—promotion. On the factory floor the level and rhythm of output depends upon the performance of the average worker. An incentive scheme which concentrates on the “outsider” should be carefully watched. The more complex schemes tend to do this and should in

consequence be objects of suspicion in framing a trade-union policy.

Finally, trade unions must watch for the application of incentive schemes to industries where they are inappropriate, since in these cases they breed difficulties and anomalies which reflect on wage structures and show themselves in wage claims and wage disputes.

The part played by overtime in increasing the difficulties of formulating a trade-union wage policy does not derive from its being in existence as an extra payment intended as an additional reward for extra hours of work, but from this extra payment becoming in many industries a regular and expected part of the weekly wage. In origin overtime work was regarded as something which the worker would not want to do. For this kind of work he had to be compensated not merely by being paid for his extra hours of work but by getting a specially attractive rate, which could also serve the function of discouraging the employer from suggesting overtime work. This picture has been to some degree altered: overtime payments are now frequently regarded as incentive payments to workers to work extra hours—not as disincentives to management. Sunday work or evening work is regarded as specially attractive because of its high rate of pay, and the promise of overtime is used as an inducement in recruiting new employees. In such an atmosphere, and with full employment, overtime has flourished and become a most usual part of the pay packet.

Overtime working and overtime payments have many effects, especially in increasing the costs of work done in overtime hours. (The labour costs more, and, unless overtime is universal in the factory, machinery is kept running for less than a full labour force.) Moreover, it can distort the working life of men and their leisure life. It makes the problem of differentials difficult because it can become in many factories and for many men a regular part of their payment, outside the national agreements and distorting the wages structure.

As long as the economy remains in its present expanded condition, it seems unlikely that overtime will go; but, there are two suggestions that might be made for trade unions. First, they ought to consider what can be done to reduce overtime working, and should certainly not condone situations in which their members work overtime instead of normal hours. Secondly, in conditions of this kind, it would seem to be unwise to demand reduc-

tions in the standard working week, since these will simply transfer even more of the pay packet to overtime payments. If such demands are a disguise for a straight wage increase, then the more honest course should be preferred. Certainly, the present levels of overtime in some industries make the sorting out of a wages policy and a wages structure a wellnigh hopeless business.

A lengthy conclusion to this discussion would be difficult and would involve needless repetition. All the suggestions that it has made have been put baldly, and in the form of recommendations to trade unions, for one good and simple reason: if the trade unions are themselves to produce a policy for wages, then they must discuss and argue it out. Provocative suggestions could be a most useful stimulus here. If this process of finding a wage policy is not taken up by the trade unions only two alternatives seem likely. The first is that the present confusion with conflicting wage demands and anomalies will continue. The second is that a central wage-controlling body will become inevitable.

STRIKES

By H. A. CLEGG*

BETWEEN January and September 1955, 553,400 British workers were involved in 1,778 strikes during which an aggregate of 3,199,000 working days were lost. Since 1932 only two complete years, 1937 (London Coronation Bus Strike) and 1944 (Porter Award Coal Strike), have higher totals of working days lost, and only slightly higher at that. Only three years have higher figures for workers involved, 1943, 1944 and 1953, and the last can be explained away by a one-day strike in the engineering industry. Five years, 1943, 1944, 1945, 1946 and 1954, have had larger numbers of strikes.

These statistics show that the final score for 1955 may be the highest since 1932; and, even if it is not, they appear to support the widely-held view that losses through strikes have become so high that a remedy must be found.

Selective comparisons of this kind can, however, be misleading. If we go further back, or to other countries, the figures for 1955 appear less alarming. Supposing that the rate of working days lost in the first nine months of 1955 is maintained until the end of December, a little over four million working days will have been lost. Since 1932 the average has been just under two million, and in every year since the war the total has stood just under or just over the two million mark. The average since 1901, however, is over ten million working days lost a year, despite the absence of any year after 1926 which has come near that mark. Even if 1926 is excluded, as exceptional by any standard, the average is well over seven million. Two periods maintain the height of the average, the years just before and just after the first world war. From 1908 to 1914 the average was over thirteen million; from 1919 to 1925 it was nearly twenty-eight million.

The *International Labour Review* for July, 1955, gives interesting tables of international comparisons.† The figures show days lost per thousand persons employed in mining, manufacturing, construction and transport. The averages for 1947 to 1954‡ shows

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† *Industrial Disputes*, 1937-1954, pp. 78-91.

‡ A table of averages, based on the *International Labour Review* figures, is given in "Strike Trends in Britain and Other Countries", *The Times*, 12th September 1955.

Britain above Switzerland, the Netherlands, the Scandinavian countries and West Germany. But with a score of 151 we remain in a quite different class from the United States (1,520), France (1,244) and Italy (1,023). Our performance is also modest in comparison with Australia (941), Japan (786) and Canada (736). Even if our 1955 figure is double the average of previous years it will not bring us into competition with records like these.

Comparisons with the first thirty years of the century, and with other countries, should quieten alarmists, but it would be unwise to conclude from them that the British strikes of 1955 give no cause for concern. So far figures for working days lost have been used. They are by no means a perfect guide to the damage done by strikes, but since numbers involved can be swollen by one-day strikes, and since a large number of small short strikes cause far less loss than a major national dispute, they reveal more than the other measures available. Nevertheless it is worth remarking that whilst the total days lost each year since 1932 have been far below the average for previous years, the number of disputes has risen to new heights. Strikes have grown in number, but they involve fewer workers than before, and are briefer.*

This trend is in part explained by the change from official strikes to unofficial strikes, due to the changed philosophy of trade union leadership, and to the Conditions of Employment and National Arbitration Order which made strikes illegal from 1940 to 1951. In earlier years in which losses from strikes were heavy, the great bulk of them were due to a few official disputes which tied up a whole industry. The coal strike of 1912, the railway strike of 1911, and the cotton spinners' strike of 1908 account for the bulk of the days lost between 1908 and 1914. From 1919 to 1925 nearly 150 million out of 194 million working days were lost in seventeen official national disputes (out of a total of over 6 thousand disputes), 72 million of them in the coal lock-out of 1921. In 1926, 160 million out of 162 million working days were lost in the General Strike and the coal lock-out; the remaining 321 disputes shared the odd 2 million working days. Of the 30 million days lost from 1927 to 1933, over 18 million are accounted for by five national textile strikes. From 1933 to 1954 there was only one official national dispute, and that the one-day engineering stoppage in December 1953.

The danger signal of 1955, then, is not the number of strikes,

* For a full demonstration and explanation of this proposition, see K. G. J. C. Knowles, *Strikes*, 1952.

the number of strikers, or the days lost. It is the railway dispute, which was the first serious official national stoppage for so many years. If it is unique, we have little to worry about. If it is the first in a series of national disputes, alarm may be vindicated and the search for remedies justified.

Before examining proposed cures, it is worth inquiring after causes. If we fear an outbreak of national disputes, we would do well to ask what caused the national disputes of 1908-14, 1919-26 and 1929-32. A simple economic explanation can be offered for the heavy losses of 1919-23. During those years the cost of living was first rising and then falling faster than ever before or since (except during the 1914-18 war when strikes were illegal). It was almost impossible for the system of collective bargaining to cope with the consequent alterations in wages. A crop of strikes for increases was followed by an even heavier crop of lock-outs for decreases, or strikes against decreases. No self-respecting union could peacefully accept the series of reductions of 1921-22, and sooner or later almost every major industry, coal, engineering, shipbuilding, cotton, wool, and printing, had had its dispute.

Thereafter the price level flattened. Indeed in 1924 it rose and railway enginemen and dockers struck for an increase. The subsequent slow decline in prices up to 1934 called for no large reductions in wages in most industries; but the prices of the staple exporting industries fell faster than the average. Coal was the first to suffer in 1925-26. Hence the General Strike and the coal lock-out. From 1929 to 1932 cotton and wool had their turn.

The difficulty with this explanation of large upward or downward movements in prices is that it does not fit the years 1908-14. The usual economic explanation of the high rate of working days lost in this period is that prices were rising, but only slowly, from 1900 to the outbreak of war, and wages were failing to keep pace, so that it was the one considerable period of years since the Napoleonic wars in which real wages in Britain have declined. If this was the reason for industrial unrest, the pre-war and post-war periods cannot have a common explanation. Non-economic causes have also been suggested. The Taff Vale Judgment of 1901 placed legal hazards in the path of would-be strikers, and the law was not revised until the Trade Disputes Act of 1906. It has been supposed that discontent, bottled up during these years, flooded out once the cork was removed. Revolutionary syndi-

calist notions took hold of some sections of the trade union movement at that time, and these have also received their share of blame.

If a change in the law is the explanation, a parallel can be found in the period immediately after the 1914-18 war when the prohibition of strikes and lock-outs under the Munitions Acts was removed. But it is not easy to believe that the coal strike of 1912 was caused by the Act of 1906, nor that the General Strike of 1926 was the result of the repeal of clauses in the Munitions Act in 1918. Moreover, there is no parallel for the 1929-32 textile strikes.

Revolutionary notions were still current in the trade union movement after the war. They had reached their greatest strength in the shop stewards' movement of the war years, which declined rapidly after the armistice. Before industrial unrest can be ascribed to revolutionary ideas, however, several difficulties must be surmounted. At no time were revolutionaries more than a minority of active trade unionists, and more than a very small minority of trade union leaders. The incidence of strikes was not closely related to the spread of revolutionary doctrines. The conservative cotton workers, for example, were responsible for four major national disputes between 1908 and 1926. The "red" engineers had only one national stoppage, and that a lock-out, in the same period. This explanation also fails to account for the textile strikes of the years of depression.

Unless we fall back on some such vague notion as mounting social anger, or growing class conflict—which immediately pose the question: Why did they increase then?—there is no single cause for the high strike losses in the three periods under review. Besides this, none of the explanations offered fit the circumstances of 1955. Prices have been rising, but not nearly so fast as in 1919 and 1920, nor so fast as at other times since 1945. In contrast to 1910-14, wages have, on the average, kept pace with retail prices. Only the most shadowy ghosts of syndicalist doctrines can be found in the trade union movement. It is true that the prohibition of strikes and lock-outs was lifted in 1951, when the Conditions of Employment and National Arbitration Order was replaced by the Industrial Disputes Order, but if that is the cause of current unrest, why should it have waited until 1955 to take effect?

Since examination of previous periods of industrial unrest does not provide the clue to unrest in 1955, it may serve our purpose

to inquire into the causes of industrial peace since 1932, and ask whether these have now ceased to operate.

After 1932 the price-falls of the twenties, affecting first all industries and then the exporting industries, ceased, and were soon replaced by a gentle general increase. This provided the opportunity for trade union leaders to practice the new strategy which they had been developing since the disaster of 1926. This strategy had two objectives, to avoid the major conflicts which, in the economic conditions of the twenties, had been doomed to failure, and to win for the unions, individually and collectively, the position of respected and responsible institutions within industry, within society and within government.

The war changed the economic conditions, but gave the unions the status which they had sought; and the war effort was supported by the unions with a much more common consent than in 1914-18. After the war economic conditions continued to promise success to strikers, but the new status of the unions was respected by the Labour Government, which could also call on the affections of the unions both as a partner in the Labour Movement, and for its extensive reforms. Trade unionists began to develop a philosophy of confidence: we have now a recognized stake in the economy, individual shares can only increase if total output is raised by common effort; why strike against ourselves?

The Conservative Government has maintained, and manifestly maintained, the position of the unions and the main measures of the "welfare state". By comparison, however, with the coalition government of the war, and the Labour Government, it has stressed individual incentives more and common effort less. Tax changes have favoured the rich and the middle income groups. Profits have continued to rise, dividends have been increased, and bonus issues have caught the headlines. When controls are removed and luxury expenditure increases, the argument that only an increasing national income provides increased individual shares becomes tarnished, if not plain silly. The economic incentive to strike is still present, and social restraints, far more important than legal restraints, are losing their force.

This account perhaps carries some conviction, but it is a blunt explanation for an increase in working days lost from two to four million, or for the first major national dispute since 1932. In addition, although conditions affecting trade-union action have

somewhat changed since 1951, they still look far more like those of 1951 than of any period before the last war.

There remains the possibility of explaining the unrest of 1955 in terms of the events of 1955 itself; but it is a venture with little chance of success. The causes of particular strikes are notoriously complex. The contribution of industrial sociologists to the study of strikes has not been to explain them by translation of causes into their vocabulary of "tensions", "statuses" and "motivations", but to show that the causes are even more complex than previous students have thought. By far the best British contribution to industrial sociology is a study of Manchester dock workers.* One of its virtues is that, although it devotes attention to an account of a dock strike, it clearly and honestly fails to "explain" it.

Several of the major disputes of 1955—the railway, dock, and newspaper strikes—were in part disputes between unions. It will not do, however, to say that the cause of the 1955 strikes was inter-union conflict. For the extraordinary structure of the British trade-union movement has provided enough strains in each of the past fifty years to set off as many major disputes. In most years it has not done so, and the greatest disputes have not been of inter-union origin.

The railway strike can as well be "explained" in terms of the vacillation and delays of the British Transport Commission and the government, or the apparently contradictory awards of arbitration tribunals, as in terms of the jealousies of the Associated Society of Locomotive Engineers and Firemen and the National Union of Railwaymen, but this "explanation" would neglect the hundreds, or perhaps thousands, of difficult negotiations which have not ended in strikes.

A more attractive argument is that the main strikes of 1955 have been of groups of workers whose earnings have not kept pace with general increases in recent years. Railwaymen have notoriously fallen behind. Highly-paid newspaper workers have lost some of their advantage. Dockers are still above the average, but by much less than in their peak year, 1944, when they stood 40 per cent above the national average for men. The North-Eastern Division of the Coal Board has been more obdurate than its neighbours in resisting price-list revision, and the earnings of Yorkshire coal-miners rose less between 1947 and 1954 than those of any other coal-field. It is easy to accept that this had

* Department of Social Science, University of Liverpool, *The Dock Worker*, 1954.

something to do with it. But why 1955 rather than another year? And why just these occupations and not the others—including most public services—which have also fallen behind?

We cannot then, arrive at a confident knowledge of causes, and cures must be examined without its aid.

Most proposals for reducing losses through disputes can be classified under two headings: proposals for legal restrictions on the freedom to strike, and proposals to alter the machinery for avoiding disputes.

The former include full prohibition of strikes and lock-outs and provisions that strikes should be prohibited unless certain requirements are met. It has been proposed, for instance, that unofficial strikes should be banned, and that strikes should be legal only if preceded by a publicly supervised ballot.

One of the main difficulties which such proposals have to meet is enforcement. Laws are not likely to serve as deterrents unless they can be enforced. If the penalty is a fine exacted from the union, unofficial strikes are not covered, and the result may be to transform all strikes into unofficial strikes. If strike-leaders are to be punished, there is the same danger, and also the likelihood of creating popular martyrs. If penalties are prescribed for all strikers, there are the enormous administrative problems of punishing tens or hundreds of thousands of transgressors, together with the probability that public opinion in a democracy will not permit the application of the law.

Experience of the prohibition of disputes in Britain is not completely conclusive. Certainly the law was rarely enforced, and strikes were not prevented in the two periods of illegality, 1915-18 and 1940-51. Indeed, in the second period their number greatly increased. During the first world war, however, the number of working days lost was far lower than in the preceding or following years, and during the second world war the total could hardly be lower than before or after, since it was already close to its minimum before the war, and remained there afterwards.

It is important to remember that prohibition was only enacted with trade union consent, and was withdrawn as soon as the trade unions demanded; so that the fall in working days lost may have been due to trade union restraint, partly bolstered up by inoperative penalties.

Other countries provide more conclusive evidence. Australian states, for instance, have experimented with most forms of prohibition in peace as well as during war, and with or without

trade union consent. South Australia has tried a straightforward prohibition. Queensland has tried the authorization of only those strikes approved by majority in secret ballot. The provisions seem to have had little effect, as can be judged from the *cri de coeur* of the Queensland premier in 1928: "You can see no difficulty in imposing penalties on hundreds and hundreds of men. You think I need only wave my hand to make these men load sugar."*

France has found a more successful legal deterrent. Since the renegade syndicalist Briand discovered the method in 1912, French governments have from time to time broken strikes by "mobilizing" or "requisitioning" workers under national service legislation. The legislation currently used is the National Service Law of 1938. It is important to note, however, that requisitioning has succeeded when it has appeared that leaders are trying to force unwilling trade-union members to strike, sometimes for political ends as in the "general strike" of 1938. Then workers have failed to strike, thankful of the excuse. On several occasions since the war, however, the majority of workers have refused to comply with orders, despite the penalties, and then the government has failed to prosecute.†

Prohibition of strikes may serve as a protection for leaders who do not wish to call official strikes desired by their members, and for members who do not want to comply with orders of their leaders to come out on official strike. They cannot prevent unofficial strikes, nor official strikes which have the support of union membership. How many British strikes of the last ten, twenty, or indeed fifty years, would fail to come into one or other of these categories?

There is also the even more telling argument that prohibition of strikes is morally wrong, at least if successful. The right to strike is one of the most important principles of a free society. Even in the years of peak strike losses before and after the first world war Parliament upheld the right to strike. The Emergency Powers Act of 1919 gave governments emergency powers to maintain essential services, but not to force strikers to work. Even after 1926 the Conservative Government did no more than enact a vague and probably unworkable measure prohibiting strikes which were both "political" and "sympathetic", but not straightforward industrial disputes. Has there been some radical change in the nature of disputes, or in our beliefs, that four mil-

* Quoted in Mark Perlman, *Judges in Industry*, Melbourne, 1954.

† See Val. R. Lorwin, *The French Labor Movement*, Harvard, 1954, pp. 244-9.

lion working days lost in a year should drive us to destroy a liberty that was then upheld under far greater provocation?

Proposals to change the machinery for avoiding disputes do not suffer from this defect. Here the first difficulty is that our provisions are already so varied and elaborate, that it is not easy to believe that further additions will make much difference.

Two suggestions have come from the trade unions: one, accepted by this year's Trades Union Congress, that the General Council of that body should have power to intervene—but only as a conciliator—in the early stages of disputes; the second, which was rejected, that the government should be asked to establish an Arbitration Appeal Tribunal, to which the decisions of our many existing tribunals could be appealed.

There is some foreign experience to guide us. Many national trade union centres have far more power in disputes than the T.U.C. General Council had, or now has. This is true, for instance, of the Scandinavian countries. Their strike record over recent years has been very good, but they had the same provisions when their strike record was very bad. The French had a National Arbitration Court as part of their system of compulsory arbitration from 1936 to 1939, but its task was to administer a very different system of industrial relations from ours, and no one could ascribe to it unqualified success, in preventing disputes or in other respects.

No one could predict that these or similar changes would have no effect on disputes in Britain. The recent railway stoppage, for example, might perhaps have been avoided if there had been an Appeal Tribunal to which the apparently contradictory decisions of the Railway Staff National Tribunal could have been referred. The changes are, however, small refinements. We have already many arbitration bodies; how many disputes amenable to arbitration which are not settled by them would be resolved by an appellate tribunal? We have already a wealth of professional and amateur conciliators; how many disputes in which they fail would the T.U.C. General Council avert? How many of the great disputes in British history would have been resolved by the earlier intervention of the General Council?

Furthermore, new machinery for avoiding disputes seems to be more a symptom than a cause of strikes. The government conciliation service was first built up to a significant service in the Labour Department of the Board of Trade in the very years before the first world war when strike losses were reaching then

unequalled heights. No one would, of course, ascribe the losses to the service, and it may have prevented even worse, but it did not stop the figures racing up. The Industrial Courts Act, 1919, added two most important elements to the British system for dealing with disputes—the Court itself, and provision for Courts of Inquiry—and was followed by the greatest strike wave Britain has ever known. Again it would be silly to ascribe the strikes to the Act, but it would be hardly less foolish to interpret the industrial peace of 1927–28 or post-1932 as a long-term effect of the Act. Machinery can and does avoid and contain particular disputes; it cannot deal with the causes.

In recent years the first week or so of a strike of higher-paid workers has been financed from pay-as-you-earn income-tax rebates. The families of strikers—but not the strikers—are eligible for national assistance. It has been suggested that legislation should be introduced to debar strikers from one or both of these sources of income. The ethics of the matter are clear. If the right to strike is to be upheld, it should not be nibbled away by curtailing the rights of strikers as citizens. If the right to strike should be limited, it should be limited directly. Even as a device of expediency the proposal has little to recommend it. If the British workers could run up 86 million working days lost in 1921 or 162 million in 1926 without income-tax rebates or a National Assistance Board, does anyone suppose that the withdrawal of these advantages now would prevent them improving on a figure of 4 million a year if they chose to do so?

To sum up the argument so far: although the recent railway dispute is an unwelcome return of the type of dispute which was responsible for the great bulk of working days lost before 1932, the causes of the three periods of heavy strike losses in the twentieth century, so far as we can isolate them, do not appear to be operating to-day. Compared with the past, working days lost in 1955, though double the average of recent years, are still insignificant. There is little or nothing to be said in favour of altering the law relating to disputes. Changes in the procedures for avoiding disputes might be of some use, but could not prevent a serious outbreak.

There are some grounds for concern, but there seems to be so little justification for panic, and most proposals for cures appear so irrelevant, immoral, or stupid (or have more than one of these qualities) that one is driven to ask: what is the explanation of the fuss over strikes in recent months?

One defence of the alarmists is that industrial disputes cause more serious losses at times of full employment than in times of unemployment. This is obviously true. At the beginning of the 1921 and 1926 coal lock-outs home stocks of coal were high. It was possible to buy coal abroad from producers who were only too happy to find markets. If there was a coal dispute now the country would enter it with low stocks and have to compete in sellers' markets for coal abroad and sellers' markets for coal shipments. What is not clear is the exact weight to be attached to this consideration. Does it make 4 million days lost in 1955 equal to 86 million in 1921, or 27 million in 1920, or 8 million in 1929?

We have little British experience to help us. Frequent dock strikes have shown us that many goods are delayed, some spoilt, and some business transferred to other ports, but that there is no significant long-term effect on the country's rate of economic progress. The national railway strike was a more serious affair than partial dock strikes. It scarcely interfered with production. It delayed deliveries. It also came as a godsend to manufacturers who needed an excuse to offer their customers for delays caused by the expanded order-books of the current super-boom. No one can separate out the blame properly attributable to the strike. The indices of prosperity for the year are running as high as the government or anyone else dared hope.

The high post-war rate of strikes in the United States and France have not had major consequences for their countries' prosperity. Neither country is so dependent as Britain on foreign trade, but France is very far from self-sufficiency. Amongst her most serious strikes have been a "generalized strike", and national coal and railway strikes. In the 1948 coal strike over a month's output was lost. There were no stocks and dollars had to be diverted to pay for coal imports. The French economy has, however, continued to progress, and if the rate of progress has not been entirely satisfactory, several reasons in the structure of French business and the behaviour of French business men take precedence over industrial disputes.

Strikes are more serious under full employment, but are they so serious that the loss of 4 million, or even 8 million working days, is to be accounted a national disaster?

A more subtle argument is presented by those who say that it is the *threat* of strikes under full employment which forces wage concessions from employers and thereby causes wage inflation. Inflation is indeed the economic malady of our age, and increases

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in labour costs beyond the rate of progress in productivity must cause rising prices. It takes two parties, however, to make a collective agreement. It is in the nature of trade unions that they should seek increases. It is not in the nature of employers to grant them. They grant them now because industry is so profitable that they can afford to do so. Public services and less profitable industries follow suit in order to preserve what labour force they have. Not only do employers grant increases in collective bargaining; they also give them away. Everyone can quote instances, without going far afield, of employers paying over the rate in order to attract, or merely to hold labour. Full employment gives rise to wage inflation, but it is at least as sensible to blame the profitability of industry, or the avarice of employers, as the use of threats of strike by trade unions. He who can find a means of maintaining full employment without inflation in a free society will deserve all the praises we can give; but candidates offering strike prohibition are not in the running.

There is still no satisfactory explanation for the alarm of recent months. Sociologists tell us that the industrial dispute is of great symbolic significance. In most ages but our own, in many countries to-day, violence plays a large part in social affairs. In western democracies violence is almost totally suppressed, but the strike is a licensed revolt against society, in which may be expressed all the worker's spiritual grievances against the world, his boss, and his fate, as well as his current demands. The middle classes have no such licence. Men are usually over warm in their moral denunciation of the enjoyment by others of licences they would secretly like to share, if they could. Perhaps the spiritual significance of strikes outweighs their material importance for the critic of strikes, as well as for the striker.

Our theory of personal incomes is not logically consistent. The successful actor or author, the man who cashed in on the synthetic detergent market after the war, are objects of praise, and begrudged nothing of that part of their incomes, or expenses, that the Inland Revenue permits them to retain. The man or woman who seeks to increase his or her income by a wage demand backed by a strike is to be condemned. Does this make sense? Perhaps our condemnation of the striker is all the stronger for our consciousness that our case against him lacks full conviction.

We are all democrats. We venerate political opposition, and sanctify the electoral procedures on which it rests. We also

venerate industrial democracy—the voluntary settlement of wages and conditions of employment. This, too, rests on opposition (although currently we are given to stressing the importance of co-operation in industry at the expense of opposition) and is ultimately guaranteed by the freedom to strike or to lock out. The exercise of these rights, however, we condemn. With such muddled political thinking, can anyone wonder that our attitude to strikes is remarkable rather for its vehemence than for its close reasoning?

Each of these explanations may seem improbable and far-fetched, but at least they direct attention to the right place. An individual may justifiably fear the loss of a month's or a year's income; fortunately we have social and private insurance to allay such fears. If he is so obsessed with increasing his income as to fear a day's illness or other causes of marginal variation, we might advise a holiday or a visit to a psychiatrist; we should not sympathise with the fears, nor try to ensure that there was no danger of their realization. The analogy between the fears of such an individual and a nation's anxiety over relatively insignificant strike losses is not perfect. A loss of half of one per cent of the national income may be a loss of 10 per cent in a major industry, which must cause national concern. It is, however, a close enough analogy to allow us to conclude that, although a series of major disputes would be highly unpleasant, and must, if possible, be avoided, the explanation of fright over 4 million working days lost in a year, or a single official national dispute, cannot be provided by the student of strikes, but only by the social psychologist.

THE STRUCTURE OF COLLECTIVE BARGAINING

By GUY ROUTH*

THERE has been, in the past decade, a great deal of critical reassessment of the efficacy of collective bargaining for the determination of wage rates—or perhaps one should say “rates of pay” since this method is being applied to salaries with increasing frequency. In particular, the system of collective bargaining has been criticized because it gives no part to “the public” which, it is held, should at least enjoy the status of co-respondent. It is patent that the terms of employment in the great industries affect the economic position of all of us at a variety of levels—as sellers of labour, rentiers, tax-payers, consumers.

So, since the war, the minds of trade unionists themselves have been troubled and confused by a conflict between old and new loyalties. Their “class-memory” told them to get all they could when they could; the White Paper on Personal Incomes, Costs and Prices,† epitomizing the other view, enjoined them to demand only such increases as were essential in the national interest. Loyalty to the welfare state, and in particular to its concomitant of full employment, was held to be incompatible with the traditional struggle for higher pay.

Beveridge stated the case in 1944.‡ In a sellers’ labour market, he wrote, “Particular wage demands which exceed what employers are able to pay with their existing prices and which force a raising of prices, may bring gains to the workers of the industry concerned, but they will do so at the expense of all other workers, whose real wages fall owing to the rise in prices. The other workers will naturally try to restore the position, by putting forward demands of their own. There is a real danger that sectional

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† Cmd. 7321, Feb. 1948.

‡ *Full Employment in a Free Society*, p. 199.

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wage bargaining, pursued without regard to its effects upon prices, may lead to a vicious spiral of inflation, with money wages chasing prices and without any gains in real wages for the working class as a whole.”

He made two suggestions for dealing with the problem: first, that the T.U.C. should formulate a wage policy which should aim at raising wages in step with productivity and, if possible, at increasing the wage-earners’ share of the national product (“But the attempt to bring it about must be a co-ordinated attempt; it must not be a blind groping and pressing by numerous groups, each of which sees only its own sectional interest . . .”); second, that trade unions and employers should voluntarily renounce direct action in favour of arbitration (“ . . . wages ought to be determined by reason, in the light of all the facts and with some regard to general equities and not simply by the bargaining power of particular groups of men.”).

Since 1946, this theme has been presented with many variations and has been so widely accepted as almost to have been “taken out of politics”. Its basic postulate has been accepted by leading trade-union officials—that bargaining power should no longer be the prime arbiter of pay rates, but that there are certain interests common to employers, employees, and the nation in general which should be put first.

Mr. Tom Williamson, General Secretary of the National Union of General and Municipal Workers, put the case rather well in an address to the British Institute of Management in 1953:* “We depend, and the trade unions recognize this, absolutely on exports to maintain an adequate food supply and a sufficient volume of raw materials from abroad to keep our industries running. This at a time when the impact of foreign competition is probably going to be worse or more fierce than it has ever been before. . . . In 1948–1950 the Trades Union Congress policy on wage restraint succeeded, and now, with comparatively full employment, sense and reason is being applied.”

As to the dictates of sense and reason in this context, numerous voices have been raised. Professor Wootton reviews some of them, and adds her own, in her recent book.† On 6th May 1950, *The New Statesman and Nation* recommended an attempt by the Government, with the trade unions and employers, to reach

* *Trade Unions To-day* (British Institute of Management).

† *The Social Foundations of Wage Policy* (Allen and Unwin, 1955). See particularly pages 172 et seq.

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agreement about the total sum that could be afforded each year for the "wages fund". In 1951, Mr. C. W. Guillebaud repeated the suggestion in a slightly different form: "... the Government should publish annually an estimate of the amount by which, in the opinion of their statistical experts, the total sum of wages and salaries could rise during the ensuing twelve months without adding to inflationary pressure."

Still more recently, the Engineering Court of Inquiry of 1954* added the voices of its five eminent members: "... during this Inquiry it has been borne in upon us that some of the issues that have been raised are essentially part of much wider problems affecting the national economy. Both parties indeed are conscious of the dangers of inflation and of the dangers of imperilling our export trades, though they differ as to whether the acceptance of this claim ... would accentuate those dangers. ...

"We feel, therefore, that it might be a most valuable contribution to a solution of the wider problems to which we have referred if an authoritative and impartial body were appointed to consider them and the complex and sometimes conflicting economic arguments which surround them, to form a view upon their implication for the national economy and our ability to maintain our present standards, and to give advice and guidance as to broad policy and possible action."

The more formidable task, however, according to Professor Wootton, is not deciding *how much* is to be shared but *how* it is to be shared. Her own proposals are framed, in Tawney's words, with a view to the "destruction of plutocracy and the setting up of an equalitarian society in its place." This would require, of course, an end to what she calls "a régime of uncontrolled smash and grab" and its replacement by a system which she describes thus:†

"The broad picture then, as it would appear to a government which was equalitarian in philosophy and favourably disposed towards economic planning, would be as follows. Wage determination would be conditioned by a programme of tapered increases subject to such modification as might be required in order to meet shortage of labour. ... Such a programme would have no legal or statutory basis. It would constitute, in the first instance, a departure-point for arbitrators and statutory wage councils, as well as terms of reference for courts of inquiry; and it would, for the first time, make it possible for those who serve in these capacities to tackle their jobs in a rational way. From this quarter it would react upon voluntary wage negotiators, with whom indeed it would already have been discussed at all stages, and to whom it would need to be commended in the most sympathetic terms."

* Cmd. 9084, 19th February 1954.

† Op. cit., p. 180.

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The difficulties that Professor Wootton's proposals immediately suggest well illustrate how hard it will be to turn theory, however good, into practice, however mild. Agreement (and there has been a considerable degree of it) has so far been on the negative side—agreement on what not to do rather than on what should be done. It is not surprising, then, that strikes should be regarded as outmoded. "A trial of strength may still at times be in evidence in wage negotiations," writes Alan Flanders,* "as in the 1950 London printing dispute, but on the whole the strike (or lock-out) has fallen into disuse as a means of influencing the outcome of national negotiations."

But, like Professor Wootton, Mr. Flanders does not recommend the abandonment of the "voluntary" system. "Perhaps the most important point to be made in looking at this problem is that governmental and public influence on wage determination is already growing, inevitably and understandably. That this influence should be exercised with foresight and discrimination, that is in accordance with a policy, would appear to be the first requirement. But, beyond this, there are many ways not yet explored in which the government could influence the outcome of collective bargaining by guidance and persuasion. ... The main wage movements are strategically determined; they spread out from a relatively small number of key bargains. It is particularly in the making of these bargains that there should be some provision for their consequences to be fully considered and stated impartially to the parties concerned."†

The desiderata have been accepted—the welfare state, full employment, national solvency in face of foreign competition, fairer shares. Is it not time, then, that collective bargaining, with its motif of force against force and essential concomitant of strike or lock-out, is superseded by one in which agreed objectives are pursued by rational means? Before answering that one, let us see what an examination of the present system will reveal.

The tendency for workers to combine in order to raise or protect their rates of pay is of ancient origin, as is indicated by the passage of the Statute of Labourers in 1349 and the Statute of Apprentices in 1562 and the various anti-combination laws that followed. Collective bargaining began to assume significance in 1824, with the passage of the Combination Laws Repeal Act, but its spread has been slow and painful. It was not until the first

* P. 317, *The System of Industrial Relations in Great Britain* (Blackwell, 1954).

† Op. cit., p. 319.

world war, for instance, that the Government accepted the principle with regard to its own employees, for the first world war, like the second, was a period of rapid social advance when Parliament, encouraged by the shop stewards' committees and the Russian revolution, sought new remedies for old ailments. The recommendations of the Whitley Committee, with their syndicalist slant, were embraced as an alternative to something much worse.

Collective bargaining is an attempt at *ordering* the labour market. The union asks the employers, through their association, to agree to pay not less than a set tariff of prices for various grades of labour. If, at the end of the bargaining process, there is still a gap between the lowest rates demanded by the workers and the highest offered by the employers, the union may direct its members not to accept less than a certain rate from a given date. This, of course, is a strike. Conversely, if the employers wish to reduce wages and cannot persuade the union to agree, they may state that, from a certain date, they will employ only those who are prepared to work for the lower rates—that is, declare a lock-out. Thus strikes and lock-outs are an essential part of the process of collective bargaining, a logical next step if failure to agree is not simply to deteriorate into primitive individual bargaining, with its acute social dangers.

Collective bargaining, in this country, takes a variety of forms. At the one end, under the Wages Council Acts and the special acts relating to agriculture, cotton manufacturing, road haulage and catering, it is performed by nominees of the Minister of Labour, chosen from the two sides of the industry concerned, who bargain under the eye of nominees taken from outside the industry who, if there is failure to agree, can make a decision themselves. The wages orders so made, which may stipulate minimum rates and paid holidays, are binding upon all employers in the industry and area concerned and carry penal sanctions for their non-observance. *The Industrial Relations Handbook* for 1953* lists sixty Wages Councils, covering, *inter alia*, various sections of the clothing industry, retail trade, baking, and laundering. The existence of a Wages Council generally means that the workers or employers or both are too poorly organized to enter into or enforce an agreement on their own.

At the next level, there are the Joint Industrial Councils,

* Published by the Ministry of Labour. The handbook also gives a detailed description of the joint negotiating machinery in seventeen industries.

established on the Whitley model, 128 of which existed at the end of 1952. These are permanent bodies, constituted by the employers' organizations and trade unions in equal part for the industry concerned and having permanent officials whose duties include the administration and interpretation of agreements and assistance in the avoidance and resolution of disputes. A great deal of unnecessary friction is avoided by the regular discussion of problems of mutual interest. The three most notable examples of the J.I.C. system are the Civil Service (where, however, they are called Whitley Councils), local authority service, and the building industry.

Then come those industries so powerfully organized that elaborate machinery for the determination of wage rates has been considered unnecessary, such as the engineering industry, or where, as in printing, rates are negotiated by the employers and unions independent of the Joint Industrial Councils. Of an estimated weekly increase in rates amounting to £3,487,600 in 1954, the Ministry of Labour has estimated that £1,577,200 was effected by direct negotiation, £811,600 by Joint Industrial Councils, and £264,800 by Wages Councils and other statutory wages boards.* Averaged over the past nine years (1946 to 1954 inclusive) the Ministry's estimates attribute 37 per cent of the amount of increased wage rates to direct negotiation, 19 per cent to Joint Industrial Councils, and 21 per cent to Wages Councils and other statutory wages boards.

Of course, this does not necessarily help us to solve the interesting problem of where these pay increases *originate*. The problem is simplified by the fact that, as in industry and finance, so the trade unions are dominated by a few giants amongst a multitude of midgits. Out of the 674 unions in existence at the end of 1954, 17 had 67 per cent of the membership.† And so in the sphere of wage determination, though several hundred agreements may be made in a year on an area or national basis, with an incalculable number of variations negotiated in individual factories or even departments, it is none the less true that the pay of more than half of this country's 21 million wage and salary earners‡ is determined by a dozen agreements, whilst that of more than a seventh of the total is dealt with in a single agreement—that for the engineering industry.

* *Ministry of Labour Gazette*, January 1955, p. 3.

† *Ministry of Labour Gazette*, October 1955, p. 345.

‡ The 1 per cent sample of the 1951 Census indicates 20,994,000 employees, of whom 748,200 would be "Managers".

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So, though the thing seems chaotic, in fact it is divided into a small number of solar systems, the movements of which are, in turn, related to one another. The major solar systems, within which movements are closely related, are as follows:

<i>Industry</i>	<i>Employees*</i> (Thousands)
Engineering	3,805
Distributive Trades	2,346
Building and Contracting	1,351
Textiles	945
Food and Drink	868
Coal Mining	780
Local Government	735
Civil Service	724
Catering, Hotels, etc.	707
Clothing	626
Paper and Printing	555
Railways (inc. Tubes)	529
Chemicals and Allied Trades	518
Road Passenger Transport	281
	14,770

Of course, the movements within the solar systems themselves are by no means simple. Even in engineering, the system, beginning with pristine simplicity, develops the complexity of a milky way as one moves away from the centre. In the distributive trades, rates are laid down in some twenty different agreements, in textiles by nearly thirty. In local government and in the Civil Service, the organs are still more diffuse. Yet, as those solar systems go shuffling through space, it is none the less true that they preserve the essentials of their configuration and that one part cannot move without giving a tug to the others.

If my knowledge of astronomy were greater, I could no doubt expand my metaphor to illustrate the effect of the solar systems on each other—less direct, more complex, but of undoubted power—and someone with the time and the mathematical knowledge might chart the whole firmament and predict the relative movements of the parts: if the fitters' national rate is raised by ten shillings a week, what will happen to those of "workpeople, other than 6-shift workers, employed at iron puddling forges and

* As at end of August 1955, except Civil Service (July 1955) and Railways (May 1954). See *Ministry of Labour Gazette*, February and October 1955, and *Report of Royal Commission into the Civil Service, 1955*.

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mills and sheet mills in the West of Scotland" or "employed in Fletton brick manufacture, other than those whose wages are regulated by movements in other industries, in Bedfordshire, Buckinghamshire and Peterborough districts"?* Of course, the prediction would be qualified by many a *ceteris paribus*—which is one thing, in economics, which *ceteris* can be relied upon *not* to be—but the pull of the great star would certainly be there and its effect would even be felt in the *ultima Thule* of the Administrative Class of the Civil Service, though it might take a few light years to register.

One might also work from the other direction, on the hypothesis that it is not the few big stars that move the multitude of little ones, but the other way round. There are, after all, 674 trade unions in the United Kingdom, plying their trade of pay negotiation with more or less energy and effect. Since the resistance to pay demands increases with the area over which the claimants are spread, a hundred groups of a thousand workers each might stand a better chance of winning a rise than one group of 100,000 workers. But apart from the effect of the smaller unions, in times such as the present, with marginal revenue well above marginal costs for most employers, the resulting scarcity of labour has meant that most employers would be delighted to employ more workers at the prevailing rates—if they could get them—and have, in fact, built up individual or factory rates to above those specified in agreements. What happens then when increases are made in agreement rates? Sometimes very little. There was a clamour in the engineering industry when, in 1950, the fitter's rate was raised to 118s., because the rates of many workers were left unaffected. But there is an endeavour to retain the functional relationship between the paper rates and the actual rates and it is sometimes stipulated in the union claims that *all* workers of the relevant grade shall get an increase of a certain per cent or a certain amount, whether they are already getting more than the agreement rates or not. This leaves one with the problem of why employers should be parties to a movement that leads individual rates to outstrip those laid down in collective agreements and whether it is the first that pulls the second or the second that pushes the first, whether, in the "caterpillar effect" that is such a common feature of pay movements, the initiative comes from the front or the rear of the caterpillar.

* For the terms of some 250 agreements, see the Ministry of Labour's annual, *Time Rates of Wages and Hours of Labour*.

The degree by which individual rates may exceed collectively negotiated rates is sometimes very considerable. In June 1953, the engineering fitter's rate for a 44-hour week was 136s. 4d. or 3.1s. per hour; yet average earnings of fitters employed on time work by the members of the Engineering and Allied Employers' National Federation were (for a week of 49.4 hours) 208s. 7½d., which, making an adjustment to allow for the fact that an average of 5.4 of these hours would be paid for at overtime rates (1½ for the first 2 hours; 1½ thereafter) would give an average rate for ordinary time of 4.03s. an hour. Thus a very considerable premium had somehow accumulated over the rates so arduously won by collective bargaining.

Why, then, do employers resist giving in concert what they voluntarily relinquish piece-meal? I remember one case, some years ago, of an employer who fiercely resisted, in his association, a proposal for the extension of paid annual leave from one week to two. "It's outrageous," he said. "One week is plenty. What will they be asking for next?" Subsequent inquiry revealed that his own workers had been enjoying two weeks leave for some time, which had given him a very useful lead over his fellow employers in the search for labour. That may be part of the story—but surely only part.

The fact is, that despite the logical tone that is given to negotiation, the dialectic guise of a search for the truth by meeting argument by argument, the judicial appearance of boards of arbitration, the very title of *Courts of Inquiry*, little is known of the degree to which collective bargaining can deflect the course of pay from that which forces of supply and demand would in any case have caused it to take.

The reasons generally advanced by unions for a rise in pay are few in number and old in story. "Their usual pretences", remarked Adam Smith,* "are, sometimes the high price of provisions; sometimes the great profit which their masters make by their work." An almost definitive list could be made by adding the following: a rise in productivity; a shortage of labour (sometimes insufficient incentive to acquire skill); a rise in other people's pay (differentials and relativities). These give the outer form to negotiations; can they be said to determine the outcome? The Engineering Court of Inquiry† remarked: "We inquired of those who appeared before us whether there was any common ground as

* *Wealth of Nations*, Book I, Chapter VIII. "Pretences" in the sense of claims.

† Op. cit., para. 110.

to the principles which guide them when wage adjustments in the industry are under consideration. From the answers that we received it seemed to us that there was no mutually accepted formula and no expressed common assent in regard to guiding principles." At the same time, they noted an underlying agreement as to the relevance of changes in the cost of living, profitability and productivity.

Is it mainly, then, a matter of bargaining power? Of workers exacting quasi-rents because of the short-run immobility of capital? I think the answer is that bargaining power will be high precisely when one or more of the factors listed above is present—when the cost of living is rising, workers will be under pressure from their wives and unions from their members; likewise when workers see the incomes of their neighbours going up. And when profits are high, employers are much more inclined to give in, especially when they are unable to get sufficient labour at prevailing prices. Bargaining power is by no means a simple matter of union membership; the motive power for a strike must be derived from human indignation at a grievance or injustice that employers have refused to remedy, and, in relation to pay, the causes listed are precisely those from which a sense of injustice is derived. Thus it is that pay claims do not generally originate with the general secretary in emotion recollected in tranquillity, but as demands voiced at national conferences or showered upon the head office by the branches. The origin of pay claims would make an interesting sociological study; but in the absence of such a study, I should hazard that their source is in the home, where the subject of pay is one of the most intense emotion. It is not until the claim reaches the Research Department of the trade union concerned that a logical basis for it must be constructed, in accordance with which the claim itself may be trimmed. It goes to the National Executive, then back to the branches and on to the employers.

Now what are the underlying forces on the employers' side? No better or more penetrating description has been written than that of the Webbs in *Industrial Democracy*.*

"Whether the general level of wages in the trade should be raised or lowered by 10 per cent . . . are not problems which could be solved by even the most perfect calculating machine. Here nothing has been decided or accepted in advance by both parties, and the fullest possible play is left for the arts of diplomacy. In so far as the issue is left to Collective Bargaining

* P. 184.

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there is not even any question of principle involved. The workmen are frankly striving to get for themselves the best terms that can permanently be exacted from the employers. The employers, on the other hand, are endeavouring, in accordance with business principles, to buy their labour in the cheapest market. . . . The plenipotentiaries must higggle and cast about to find acceptable alternatives, seeking . . . not to ascertain what are the facts, nor yet what is the just decision according to some ethical standard of view of social expediency, but to find a common basis which each side can bring itself to agree to, rather than go to war."

Those who have taken part in negotiations will recognize the felicity of this description. It is important to get the views of either side, not in order to gauge their validity, but the tenacity with which they are likely to stick to them and the force of the real motivation that lies beneath. A resort to arbitration is itself a part of this process. Sometimes it results from neither side wishing to take responsibility for what will inevitably be an unpopular settlement; at others, from the feeling that an arbitration tribunal is generally good for a few shillings and that this may do to keep the members quiet while the union prepares for something bigger later on.

It is by this logically unsatisfying process that collective bargains are made. Their decisiveness must be judged in their context amongst the thousands or millions of little bargains of which the national pay structure consists.* The assessment of their effect on the complex of income and the division of income is as difficult as assessing the work done by an individual fibre of a muscle. What hope is there for sense and reason amongst all this? Professor Lundberg puts the problem very well.†

"The tragic fact is, of course, that we have very little empirical foundation for our generalizations about the complicated interdependence of wages, productivity, profits, level of employment, etc. Consequently there is plenty of room for divergent opinions, and since recommendations as to policy must be founded not only on accepted aims of policy, but also on some conception of how our economy works, very disparate recommendations as to wage policy can be put forward by different people."

Are these subjects seen with more clarity or discussed with more candour in Sweden than in Great Britain? Whatever the answer, in this country the field is bedevilled by quasi-economists in whose hands all statistics tend to turn into slabs of cake. In their economic model, all demand is perfectly inelastic so that

* In the public sector, of course, there are no "little bargains" and the official rates are both maxima and minima.

† *Wages Policy under Full Employment*, ed. Ralph Turvey (Hodge & Co., 1952). Professor Lundberg is chief of the Business Cycle Research Institute in Stockholm.

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all wage increases can be and are passed on to the consumer. In fact, price movements for different commodities have been widely divergent and have borne divergent relationships to wage movements. For instance, the price of clothing in 1954 averaged 21 per cent more than in 1948, that of alcoholic drink 2 per cent less, hardware, radio, and electrical goods 5 per cent more, private motor vehicles, new and second-hand, 27 per cent more and the average price of all consumer goods 25 per cent more.* Yet hourly earnings between April 1948 and October 1954 increased by 86 per cent.†

Of course it is true that many pressing national problems could be solved if workers were content to allow their real pay to fall. The same would be true if we could man the pits with Italian labour at rates that would allow a substantial cut in the price of coal. Or if the smokers changed to beer or the sweet-eaters to home-grown carrots. All these suggestions represent an attempt to solve our problem by changing its terms.

Likewise, when one examines the argument about foreign competition, doubts as to its validity arise. It is not only this country that has a balance of payments problem. A dollar shortage is a chronic condition with most countries that trade with the United States, simply because productivity is advancing there faster than elsewhere and that fact, when we are on what Professor Hicks calls "the labour standard" causes a deficiency of dollars. What is the logical end of this race for markets? Another world war? A competitive lowering of pay rates in Britain, Italy, Germany, Japan? Or a redivision of the world by giant trusts? Surely the answer lies with the trade unions themselves, in international co-operation with their opposite numbers rather than in competition against them?

I believe we shall have to do a lot better in defining common objectives (or increasing their scope) before it is possible to replace collective bargaining as the method by which national rates are laid down. After all, if there is one part of the national economy where a wage policy seems called for, it is the Civil Service, with its near kindred, Local Government Service and the nationalized industries. Yet the formula of the Royal Commission, which included two eminent economists, one of them Professor Wootton, would make Civil Service pay entirely dependent on pay movements outside the Service.

* P. 22, *National Income and Expenditure 1955*, H.M.S.O.

† *Ministry of Labour Gazette*, March 1955, p. 83.

As things are, there are no people better able to determine rates of pay than employers and employees themselves, provided they are fairly equally matched in strength. It is they who are best acquainted with the many variables involved, which prove so baffling to outsiders. The employers know the position relating to technique—possibilities of further mechanization and better use of labour—and have some idea, from their sales organizations, of the elasticities of demand for their products; the workers have a most intimate knowledge of the inner workings of their factories and the degree to which the intensity of their own input can be increased; and, together, they have an intimate knowledge of the labour market and some idea of the elasticity of demand and supply for labour. What arbiter, armed only with a handful of statistics, could hope to better that?

TRADE UNION ORGANIZATION

By H. A. TURNER*

OF all industrial disputes, few are more likely to induce a baffled incomprehension among those not concerned, in none is irritation at public inconvenience less mollified by sympathy with the workers' cause than those that spring from dissension between the unions themselves. Indeed, that the wave of disputes in early 1955 should have invoked a crop of parliamentary and press proposals for further legal control of strikes was not least attributable to the fact that its three major stoppages—those occurring in the railways, the national newspapers, and the docks—each involved an inter-union conflict.

Trade unionists have themselves been uneasily and continually conscious of the effect of discordant sectionalisms upon their movement. "Closer unity" has been a permanent motive of its organizational trends, a motive that found a first effective expression in the great craft amalgamations of the 1850s and continued in this century through the linking-up of unskilled workers' associations in so-called general and industrial unions. From 1874 on, the Trades Union Congress adopted successive resolutions calling for "a federated union". Its 1918 resolution *envisaged* a quite elaborate scheme of structural reform, and at that time, certainly, trades unionists at large would have endorsed the Webbs' remark that "... to competition between overlapping unions is to be attributed nine-tenths of the ineffectiveness of the trade union world". It was a prime instruction to the newly-formed T.U.C. General Council of 1920 that it should "endeavour to adjust disputes and differences between affiliated Unions"—an instruction of which its standing Disputes Committee is a partial fulfilment. On that committee's motion, the 1924 Congress adopted certain "Main Principles for the Avoidance of Disputes" (the Hull Rules) and over the three following years pursued an extensive and active review of union structure and inter-relationships—a review repeated between 1943 and 1946.

Such reformist movements have certainly had a considerable effect—though perhaps less in their specific recommendations

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than in creating an ideological climate that reinforced economic and institutional pressures towards merger and centralization, in confirming certain canons of good behaviour between unions, and in obviating (by providing a less public ventilation and adjustment of inter-union differences) the fratricidal and almost annual rows that once undignified the meetings of Congress. Too much weight, however, may perhaps be given to such things as the contrast between the increased union membership and the reduced number of unions, or the decline in the number of disputes submitted to the T.U.C. The growth of individual unions has—witness the docks disputes—to some extent only transferred the structural problem, from one *between* to one *within* unions.

The events of early 1955 may be dismissed as unrepresentative and unfortunately coincidental; but their causes persist. Instances in which common policy is only enforced upon related unions by the refusal of employers to distinguish between them are still to be found: while continued allegations of “restrictive practice” against trade unionism find such substance as they possess partly in the recurrence, especially in such trades as construction and ship-building, of demarcation disputes arising from rival union claims to particular jobs. Individual leaders, students and sympathizers of labour have criticized the slow pace of the unions’ structural evolution and its seeming directional illogicality: and they have contrasted these things both with union demands for planning in *other* spheres and with the apparent tidiness of union structure in certain other countries.

II

It is, of course, one thing to project (as West German trade unionists were able to do in 1945) a fabric from its first foundation and in an uncluttered field, and quite another to make a harmonious whole from existing constructions of differing antiquity and fashion. And a general view that things should be better by no means implies agreement on how to improve them. The unions’ problem of “closer unity” is sometimes represented as one of conflicting organizational theories—of “craft” versus “industrial”, and “industrial” versus “general” unionism. Such terms have a certain historical validity: existing unions represent the deposit of successive waves of trade union expansion, each of which has generally been crested with doctrinal assertion. And contemporary disputes can sometimes be interpreted in their

light: so that when the National Union of Railwaymen contests the London Society of Compositors’ claim to printers of railway time-tables, or the National Union of Funeral and Cemetery Workers challenges the Amalgamated Union of Building Trades Workers’ right to organize monumental masons, they can be described as illustrating the clash of industrial with craft theories.

But in practice, and apart from certain smaller associations of apprenticed craftsmen (like that of the Lancashire shuttlemakers), pure forms are hard to find. With those exceptions, no union has completely realized its preferred organizational ideal in face of competing bodies: even the National Union of Mineworkers, despite the definiteness that nationalization gave to its announced field of industrial recruitment and the preponderance in that field of its ancestral organizations, did not succeed in assimilating the National Coal Board’s clerical employees and has experienced digestive difficulties with several grades of specialist workers. Still more to the point, few unions, when it comes to a test, have been willing to renounce a likely membership for the sake of a theory. The larger craft unions—like the Amalgamated Society of Woodworkers and the Electrical Trades Union—have accepted workers of successively less obvious degrees of skill. “Industrial”, “occupational” and “employment” unions have discovered the boundaries that first defined their ambitions to be conveniently elastic, so that the N.U.R. finds reason to recruit road transport workers and the Union of Shop, Distributive and Allied Workers to organize factory operatives and laboratory assistants, while the National Association of Local Government Officers sees the step into state services as logically necessary. Even the A.U.B.T.W.—which appeared above in the role of craftsman’s friend—was within a year or two embarrassingly adjudged guilty (again, by the T.U.C. Disputes Committee) of “poaching” labourers from the National Union of General and Municipal Workers.

Organizational theories have, in fact, often served for little more than to justify the immediately hopeful ambitions of particular unions. The Amalgamated Engineering Union for long refused to join the federal association of engineering operatives on the ground that only a complete amalgamation of the unions concerned (in which its own membership would have been dominant) would meet the case. The N.U.R., in a similar situation, has similarly refused a merely co-operative arrangement with the minority railway unions. Such theories have generally

proved proportionately adjustable—as when, the war-time growth of rival unions having robbed its announced principle both of realism and one element of attraction, the A.E.U. joined the Confederation of Shipbuilding and Engineering Unions. To interpret inter-union relationships, then, one needs a more realistic instrument than the customary organizational classifications—which, in any case, fail to accommodate so many existent unions as to be of little use.

III

One clue to the realistic analysis of trade-union structure is the marked growth of certain unions. Half the T.U.C's affiliated membership is to be found in six unions, and over two-thirds in a score of major associations. The other clue lies in the comfortable survival, despite the general trend to merger and specific competition from very large organizations, of a number of relatively small unions—like the United Patternmakers' Association and the Associated Society of Locomotive Engineers and Firemen; and with this may be associated the occasional embarrassment of the larger unions by such secessionist movements as that of junior officers from the Fire Brigades Union.

Our contemporary union structure may be described as the product of contrasting (but nevertheless, related) membership policies: "expansionist" and "restrictionist". The motives that drive a union to increase, not merely the *number* of its members, but the *variety* of their occupations, are not far to seek. It is nice to be big, of course. But a more specific pressure is that to achieve an organization which is viable from the point of view of the union's purposes. Industrially, this may involve the recruitment of workers in trades or occupations which might otherwise compete with and undermine the standards of its existing membership. Financially, the necessity of a large reserve fund (to support strikes, essential services or other action) may contrast with the inability or unwillingness of its members to pay a large subscription per head. For a union which seeks improvement through political action (whether to secure statutory wage minima and other labour legislation, or such broader industrial reforms as nationalization) the number of its constituents will itself be important. And so on.

The form that growth imposes on a union is very largely shaped by its starting point, which itself indicates certain lines of

recruitment. Thus, it may expand by adding new classes of members whose employment is associated in particular firms with that of its foundation group, as labourers are employed with craftsmen, or warehousemen with shop assistants. Alternately, it will certainly tend to expand where its existing membership's tenure of employment is *integrally* related to that of some as yet unorganized section—for instance, where skilled grades of worker are customarily drawn from less-skilled employees in the same industry, or where nominally distinct crafts are substitutable in a significant range of jobs. The direction of a union's growth is thus heavily influenced by the employment structure of the occupations among which it commences to organize. The two general unions have leapt from industry to industry because their initial membership, being unskilled, was also both mobile between, and dependent for the maintenance of its wages on conditions in, a wide range of trades. Such so-called industrial unions as the N.U.R. and the British Iron, Steel and Kindred Trades' Association, on the other hand, will be found to operate mainly in industries where workers are promoted from one grade to another, so that union organization has either followed its members in their progress within the trade or anticipated future promotions.

It is thus useful to distinguish between *horizontal* and *vertical* forms of union organization, according to the main direction of particular growths. But these directions are not mutually exclusive: while many unions exhibit a clear predominance of one trend rather than the other, alternative opportunities have usually appeared. Thus both the N.U.R. and the old Railway Clerks' Association (now the T.S.S.A.) recruited road passenger workers because the railway companies had interests in bus firms, and B.I.S.A.K.T.A. has organized workers in heavy engineering because they were employed in neighbouring establishments and (although their minimum rates were fixed by the C.S.E.U.) had not yet been recruited to an engineers' union. The principle animating the apparently haphazard growth of British union structure has been simply that nature abhors a vacuum. Organizational vacuums have usually been filled by the nearest union to hand that desired to grow.

The second determinant of individual union growth has thus been the stimulant or restriction of rival organizations. The major craftsmen's associations, for instance, did not consider it worth while to recruit the unskilled until the appearance of inde-

pendent labourers' unions threatened to deprive their own membership of the advantage of exclusive organization. Nearly every union extending into an as yet uncultivated field has sooner or later encountered another busily ploughing in a different direction; and it is this that has given amalgamation so much importance as an alternative method of expansion to recruitment. Two unions which cannot achieve viability because of their separate existence must face the necessity of merging, and this represents, historically, the first phase of the amalgamation movement. The second and more recent stage came with the realization, among many smaller unions, that they must surrender their hope of enlarging their inadequate base, and look for protection to whichever of the more viable unions would offer the most favourable terms of incorporation. This has given larger unions additional avenues of extension. That most omnipresent of all labour organizations, the Transport and General Workers' Union, owes its universality not least to an internal structure ingeniously designed to encourage smaller unions to accept adoption.

So much for "expansionist" unionism: the "restrictionist" variety can be more shortly dealt with. The motive that leads a union deliberately to confine its membership to certain defined and related occupations, to a specific occupation, or even (as in the notable case of the L.S.C.) to a particular district within those categories, is in essence similar to that which drives other unions to expand. But in the restrictionist case, viability in relation to the union's purposes is largely achieved, and that on a basis of such strength—in relation to its particular labour market, the possibilities of controlling the intake of new workers and so on—that the subordination of its existing membership's interest to a broader one would only disadvantage the former. Examples of such restrictionist unions are, however, to be found not only in such old-style associations of apprenticed craftsmen as still exhibit a comfortable survival, but in unions of more recent type. The A.S.L.E.F., for instance, does not restrict itself to skilled foot-plate men alone, but covers all grades concerned in the actual running of locomotives from the most lowly-paid cleaners upwards.

These alternative tactics of trades unionism may be regarded, by a military analogy, as that of the "wide front" versus the "strong point". But, again, they are not absolutely exclusive. A restrictionist union may be driven to change its character by, for instance, technical change—as the National Union of Vehicle

Builders was forced to adopt an expansionist policy by the decline of its old coach-building crafts before mass-production. Or the acceptance of a tempting amalgamation offer from a smaller body may involve it, unforeseen, in a recruiting campaign to defend its new commitment.

But more important is the effect upon expansionist unions of their own success. To build a restrictionist union from new requires a certain natural position of strength. But the extension and reinforcement of a "wide front" inevitably leads to the creation of "strong points" within it. Particular groups within a wider organization derive such strength and sectional identity from their first association with it that continued membership of the parent body (with its implied adjustment to the pace of weaker brethren) comes to seem a constraint rather than a support.

Most larger unions have been afflicted at some time by "break-away" organizations: the railway signalmen from the N.U.R., the winding-enginemmen from the N.U.M., the aeronautical engineers from the A.E.U. The northern dockers' secession from the T. & G.W.U.—of which their former membership had produced so remarkable an elevation in their status—threatens to become a classic case. The tendency, however, is less involved in the size of trade unions than their heterogeneity: however indefinite the boundaries a union's external circumstances set to its expansion, an *internal* limit is set by its capacity to placate a growing diversity of interests.

IV

This is as an interpretation of trade-union structure. But it also provides a guide to inter-union disputes, four types of which may be distinguished. First, those arising from differences in the industrial policy—especially in regard to wages—of the different unions that deal with particular employers or associations of employers. For obvious reasons, the latter do not like to discriminate between their workpeople merely according to the organizations to which they belong. Yet a restrictionist union may hold out for a bigger wage increase than (or a differential over) the expansionist bodies with which it is usually commingled, but the expectations of which are keyed to their less strongly-placed members: this, in essence, is the history of recurrent disunity between the printers' unions in matters of

wage policy. Or expansionist unions may seek to demonstrate their superiority to prospective recruits by a competing militancy in wage demands: both engineering and the railways provide ample illustration.

Second, therefore, comes the direct dispute arising from rival union claims to the membership of a particular group of workers (or even an individual worker). Such "jurisdictional" contests constitute the majority of those reported to the T.U.C., and are associated with disputes as to the recognition of additional unions by employers. They are commonly caused by the intrusion of an expansionist union into a new field. The third type of dispute is usually associated with restrictionist unions, the strength of which customarily derives from the assertion of a monopoly in particular jobs: this is the "demarcation" conflict—as to which union's members should do what work. And finally comes the contest with a "breakaway" union, an immanent phase of which may be an "unofficial" movement—which is not, of course, to say that an incompatibility of a union's various sectional interests is the sole, or even the major, cause of "unofficial" action.

All these disputes are contests of sectional interest. In this, there is nothing improper. It is only when considered ideally and altogether that trade unions represent some more general purpose such as that of the working class. The first and legitimate intent of individual unions is the particular interest of the people who form and subscribe to them, and within that reference subordination to a broader claim (such as that of the industry, the labour movement or—still vaguer—the community) is strictly arguable only to the extent that it offers the best method of forwarding particular needs. It cannot be expected that the wider interest will always be found, even in justice, overwhelming. It is, indeed, rather to the credit of British trades unionism that its fraternal disputes have been almost entirely confined to such issues, and have very little involved either such incidents concerning the personal aggrandisement of leaders and labour racketeering last have marred the American unions' history, or the politics—religious dissensions of continental trade unionism.

It also follows, however, that such disputes cannot be resolved by merely organizational devices. Their incidence is affected by economic circumstances: if these were to straiten, the preservation of particular group standards would weigh forcibly against tolerance of the interest of others. The problem is also one of

general policy: a common interest will more evidently exist if it is expressed in concrete objectives—such as a programme of economic and industrial reform: it is perhaps not quite accidental that major inter-union disputes have followed the demise of the Labour Government. And education is also involved: if a common interest exists, those affected must become conscious of it. It is for this reason that one of the most important of the T.U.C. General Council's contributions to labour unity has been the dissemination of an elementary code of good behaviour between unions.

"organizational rights" and the acceptance of a duty to inform other unions where one's action (whether in recruiting or negotiating) may affect their interest.

V

With that general comment, we may consider resolution of the four types of inter-union dispute in detail. For conflicts of industrial policy, the main remedy of both the trade-union movement and officialdom has been conciliation and compromise—an extension, indeed, of the techniques developed in collective bargaining with employers. Recognition of the right of other unions to exist and practice in one's own field, and of the desirability of concerting one's policy with theirs, is expressed by affiliation to such federations of unions as operate in the engineering, building and cotton trades. These bodies have usually acquired other functions than those of bargaining. By such formal or informal devices most negotiations are in fact handled. It is the exceptional case, where a union persists in an independent line, that causes trouble.

It is at this point that a development in the powers of the T.U.C. General Council may prove important. Until 1955, that body's rules, while providing that it should be informed (and if it thought necessary, inform unions) of the course of industrial disputes . . . "in particular where such . . . may involve large bodies of workers", it could only itself intervene if negotiations actually broke down. It was as a consequence of its experience with the three stoppages already referred to that it sought and secured an amendment empowering it to require the union concerned to consult and receive advice if a deadlock in its negotiations *seemed likely*. The amended rule is broadly worded, and

opponents of the amendment suggested (in the Congress debate) that it might lead to a considerable and discriminatory intervention by the General Council in sectional bargaining. In theory, it would certainly permit the elaboration of something like a central wage policy. But in practice, the voluntary character of the Congress affiliation and the ability of many individual unions to stand alone limit the initiative of the General Council. It is itself composed of leaders of individual unions, and the latter have been traditionally insistent upon their ultimate independence in industrial policy. It is likely to be long before T.U.C. intervention goes far beyond a mediatory initiative.

This refers, of course, mainly to national negotiations. At the work-place itself, co-operation between separate unions has mainly developed through joint action by their shop stewards. The shop-steward system is integral to some unions' practice, and has by now received at least a conditional recognition in most rule books. Its *de facto* authority, however, often exceeds its constitutional status: it has not merely provided a platform for alternative leaderships within trade unions, but—through “joint shop-stewards movements”—the framework of what have been, in potential, alternative union structures, extending across and conflicting with established union boundaries. But the discussion of this borders on another topic—the relations between union officials and the rank and file.

It is in the second type of dispute—the “jurisdictional”—that attempts to establish co-operation between unions have probably been most successful. An important instrument of this has been the “sphere of influence” agreement: in the rayon and leather industries and in catering, separate unions have allocated establishments or districts between themselves, and in other trades local agreements have even shared out the different departments or workshops of a factory. The Joint Relations Committee of the two great general unions provides a standing mechanism for such arrangements. It is in this field, too, that the T.U.C. has operated most fruitfully. Its “Bridlington Rules” provide both a standard recruiting procedure by which unions may avoid committing unawares the sin of “poaching”, and a principle for the adjudication of rival membership claims that has been effectively operated by the T.U.C. Disputes Committee. This recognizes no exclusive jurisdictional claims, but asserts that where, in particular establishments, a union has established a majority membership of particular grades no other union should commence to organize them

without its consent. The rule has been applied with a reasonable flexibility and has generally provided—except in one or two trades like docks and railways where a minor guerrilla of fringe “poaching” has been endemic—an acceptable formulation of organizing rights. The “Bridlington” procedure has even been accepted by one of the two major non-affiliated unions, N.A.L.G.O.

Demarcation issues, by contrast, have proven singularly intractable. These disputes involve the very existential basis of restrictionist unions, and where they have been resolved without a fight it has usually been by direct bargaining between the groups concerned. Such bargaining is, indeed, a considerable duty of shipyard union officials: the Boilermakers' Union is even obliged to limit its members' transfer between its own crafts. One or two demarcation disputes have been referred (from railway workshops) to the Industrial Court, but arbitrators generally (whether of the independent or union variety) have found them hot to touch. They were excluded from the provenance of the Industrial Disputes Tribunal. And although the T.U.C.'s rules permit unions to apply to its Disputes Committee in these disputes as in others, they have been ruled by Congress as inappropriate to the “Bridlington” procedure; in those few instances where the Committee has made an award, it has usually done so with reluctance, and has hedged its decision with such reservations as that it shall be temporary only or shall not be treated as a precedent. The A.E.U. has announced that it will not, on principle, accept arbitration in demarcation issues; the printing unions (in odd contrast to their disunities in wage policy) have developed a procedure for adjusting these issues within their Federation but their occupational distinctions are sharp and simple. Demarcation disputes seem most stubborn where there is a difference between the wage rates of the rival claimants to particular jobs: it is curious that the Webbs' apparently practical suggestion that unions should concentrate on fixing the rate *for the job* and leave individual employers to choose its occupant (and individual workers to accept or reject it) should have been so little explored.

As regards the “breakaway” union, established organizations have only one specific: anathema. It is upon such bodies, rather than upon *bona fide* unions whose quarrels disturb the movement's amity, that the emotional force attaching to the ideal of closer unity is discharged. Indeed, considering the bitterness the gen-

erality of trades unionists display towards such secessions, the T.U.C.'s procedure for identifying and publicizing them as "proscribed organizations", the reluctance of employers and arbitrators (knowing the indignation it would arouse in the established unions with which they must deal) to recognize them, and the exclusion from employment which has in at least one case fallen upon their members, the remarkable thing is that such bodies exist and survive.

VI

It is not evident (even if it were seriously proposed) that such stoppages of work as result from inter-union disputes would be reduced if the latter were submitted to legal controls. There is, of course, in all such controls the difficulty of enforcement; but in this particular instance no formal control seems to offer an advantage over the unions' existing procedure. The United States' arrangement, providing for supervised elections at the work-place to determine the "exclusive bargaining agent", in some respects facilitates "raiding" between unions and in any case assumes a different system of collective bargaining to that in Britain. The provision of certain European countries for periodic work-place elections, to select from the nominees of different union groups a representative council, merely symbolizes and perpetuates the party character of their labour conflicts. And as the Terrington Committee discovered in its review of the G.P.O.'s "Listowel Formula" of 1946, legalism multiplies litigants: the formula (which applied certain automatic tests to the claims of minority associations for acceptance) was held to have encouraged a situation in which 31 internal unions were recognized by the Post Office.

Beyond such detailed arrangements for the mutual regulation of inter-union dealings as have already been discussed, the main prospect of closer unity lies in structural reform. While some trades unionists continue to assert the virtue of industrial unionism, the main body of union opinion has abandoned a theoretical approach as impractical in face of the factual irregularity of union forms. But it would, I think, be true to say that no rival organizational doctrine commands the same appeal as the industrial. Its past associations with the evolution of socialist thought through syndicalism and (particularly in the U.S.A.) with the organization of the lower-paid, provide a historical explanation, but its con-

tinuing attraction is harder to understand. Its superficial neatness disappears before such realities as the imprecision of industrial boundaries and the existence of inter-industry identities: in no country where unions are independent of the state, for instance, have salaried and professional employees been wholly convinced that their interest lies with manual workers who appear on the same pay-rolls as themselves rather than with each other. Of course, where trades unionism is an instrument of economic planning, convenience suggests vertical demarcations as coinciding with the state's industrial administrations: even from such a viewpoint, however, a horizontal form of union organization, with its emphasis upon mobility of labour and upon those universal skills and techniques which are becoming increasingly central to the growth of productivity, has much to recommend it. But any voluntary trades unionism must accommodate *alternative* alliances of particular interests: its need is less for a structure that appears aesthetically satisfying, than for one which is flexible to changing circumstance.

The T.U.C.'s efforts have been concentrated upon a reduction in the number of unions by amalgamation. Hence the emphasis, in its General Council's policy, upon the federation of unions as an immediate step: it is hoped that the development, in such federations, of common services (for negotiating, policy formation, and so on) will both reduce the merely institutional obstacles to amalgamation and influence the latter in a broadly "industrial" direction. But as this programme progresses, it encounters an increasing constraint. There are the successfully restrictionist unions to which merger offers no apparent gain. Beyond that, however, the intricacy of the overlaps between the expansionist unions' coverages, the criss-cross of horizontal and vertical growths, means that in very few fields could amalgamation now realize a single unit to negotiate, not merely with the appropriate employers' association but with the larger employers,

without its involving the amalgamation of all unions. Maintenance mechanics are employed in all industries: hence the universality of the A.E.U. and E.T.U. The two general unions already recognize, I think, that despite the outstanding kinship of their interests they are too big to merge.

Continued amalgamations would, of course, reduce the workers' choice of union. That, however, is already diminished by the multiplicity of jurisdictional agreements. And in the world

of labour, freedom is less involved in individual choices (which are few by circumstance) than in group standards and status—with the preservation of which random transfers of allegiance are incompatible. But by implication, the ability to express such sectional interests is fundamental. To submit too heterogeneous a membership to the restraints of a centralized amalgamation invites later insurrection.

Ideally, again, all this suggests that amalgamation of existing unions should be accompanied by their regrouping: this involving the transfer of fragmentary memberships at present dispersed over several associations, and in some cases the formation of new bodies. There are probably instances, indeed (like that of nurses), where the growth of trades unionism would have been much encouraged if the various unions which had secured a scant foothold in the field had surrendered their claims to a specially-formed organization. But the T.U.C. has sponsored only one such union and that in an employment—private domestics—both dwindling and singularly unrewarding to its other affiliates. One item of the 1918 Congress resolution—proposing exchange and transfer of members between unions—was lapsed in 1925 owing to the negative response of individual unions to the suggestion of a Trade Union Clearing House.

The alternative appears to be that as the amalgamations grow they should become less centralized. In this, as in other respects, the forgotten 1918 resolution displayed an advanced conception—in essence that a union combining various interests should give them a certain autonomy, with powers to form federal associations with similar sections of other unions. Centralized amal-

gamation has been a dominant theme of trade-union constitutional history since the days of the "New Models". It may well be that the unions will be driven, as their number declines, to revive the virtues of such older and more federal forms as are still partly preserved in the cotton unions and (for all its apparently monolithic façade) the N.U.M. The problem of closer unity between unions becomes one of freedom within them.

TRADE UNION LEADERSHIP

By JOHN A. MACK*

ONE subject not yet attempted by trade union research officers, as Mr. B. C. Roberts points out in his survey of trade union government,† to be published shortly, is the organization and administration of the unions themselves. This may be hard to excuse, given the present condition of the unions, but it is not at all hard to explain. The research officer, like everybody else in the head or district office, is too busy to stop and think. He is already more than fully engaged in his task of preparing the economic ammunition for the union's big guns and sharpshooters to fire. A more formidable bar to self-study is the enormous variety of trade union institutions. As Denis Bell says, almost every imaginable democratic device and convention that has been operated anywhere in the world or that has ever been conceived by constitutional reformers is to be found somewhere within the British trade union movement:‡ and the practical preoccupations of the unions, the tasks they have to perform, are as various as the devices they have created to carry them out. But the biggest obstacle to the student of trade unionism is the elusiveness of the animal, the difficulty of catching the real process of trade union government in the net of conceptual formulation. A very great deal, as Denis Bell also observes, depends on personalities, on tradition, and on informal arrangements and contacts.§ These matters can be studied only from the inside, and meantime the people with the inside experience have other and more pressing preoccupations. Perhaps some Chester Barnard or Herbert Morrison of the trade union world will come along in time. Meantime we must make do with what can be gleaned from the union rule books and similar documentary material. Such an analysis of formal procedures, checked by observation and interview and enriched by whatever practical experience the writer may have of trade unionism, will yield at least the main outlines of the subject.

This task has now been admirably performed by Mr. Roberts. He takes the whole field of British trade-union organization for

* Stevenson Lecturer in Citizenship, Glasgow University. Director of Studies, National W.E.A. Trade Union Summer School, 1953-5.

† B. C. Roberts: *Trade Union Government and Administration in Great Britain* (1956).

‡ Flanders and Clegg: *Industrial Relations in Great Britain* (1954), p. 162.

§ *Ibid.*, p. 154.

his province, paying special attention to the eighteen large unions (with over 100,000 members each). His approach to the subject is purely empirical and descriptive, and this is wise. It would be better, no doubt, if one could approach the study of trade-union organization with an adequate theory of trade unionism; one could then judge how well trade-union leaders were doing their job, and how far the organizational devices adopted by the various unions were calculated to maintain efficiency. But all the theories of trade unionism, and their prescriptions in the narrower field of trade union organization, have so far been too precise and limited to cover the facts.

The most recent essays in this field, those of Dr. Goldstein and Mr. Allen, tend to cancel each other out. The former finds that the British trade union leader—the precise reference is to the Transport and General Workers' Union—are deficient in that they have failed to give their members and branches a more active part in the government of the union.* The latter retorts that the end of trade union activity is to protect and improve the general living standards of its members and not to provide workers with an exercise in self-government.† The earliest studies are equally unsatisfactory on the theoretical side. Sidney and Beatrice Webb predicted in the 1890s that the trade union of the future would be “co-extensive with its craft. . . .” In 1920, however, they took the National Union of Railwaymen, prototype of the industrial union, as the “New Model” for the future. In the event, however, the N.U.R. remained unique and no subsequent amalgamation copied its form of government.‡ But the notion of industrial unionism has died hard. It is only in the last five years that it has been borne in on students and practitioners that trade unions will continue, in the future as in the past, to advance in all organizational directions at once; and that their endeavour must be to “match, in its flexibility and capacity for adaptation, the variegated and ever-shifting pattern of industry.”§

One main clue to the present confusion in the British trade union movement is simply that the theory which has sustained its development since the nineteen-twenties is collapsing. That theory, providing the basic agreement underlying the tactical differences of the more radical-minded trade unionists (the bulk

of the membership and leadership, then as now, were suspicious of theory) is that the trade unions, having been reorganized on industrial lines, will proceed to play a responsible part in the management of their industries when and as these industries are brought under public ownership or control. This might be called the general theory of trade union development. A more recent and pragmatic variant is that trade unions in a mixed economy under full employment should make it their *primary* concern in co-operation with management to increase productivity in the national interest. It may be that in some sense the basic idea is valid, and that in the long run the trade unions will pay less attention to collective bargaining and more to co-operating with management. But there are few indications of any basic shift of emphasis as yet.

Broadly speaking, the formal relationship between trade unions and the wider society in Britain is much the same as it was in 1913. While the trade unions as a whole have come to co-operate closely with the state in many of their activities, they remain organizationally quite distinct from the state. Likewise, while the unions have severally come to co-operate to some extent with industrial managements over the whole range of public and private undertakings, they are still basically independent of management and act as an external control on management. The only new factor in the situation is that the balance of industrial power has swung decisively in favour of the unions. They have increased in weight and influence, but they have retained their former attitudes. They are unwilling to exercise the responsibilities which (on the theory now being exploded) are a condition of the proper exercise of their growing power.

In this broadly negative situation, confronted with an increasingly powerful and an increasingly unpredictable trade-union movement, public interest has shifted to the internal relationships of the unions. It seems to be the case, for example, that the bulk of the leadership are willing and eager to develop a new and constructive role for the unions, and are held back only by a reluctant rank and file. It should of course be remembered that political and industrial attitudes vary considerably at top-level and mid-level of the union hierarchy as well as in the branches and work-places. But published statements and the general trend of T.U.C. policy suggests that most of the leaders are prepared to accept the new responsibilities.

This might save the crumbling general theory at a cost. It pre-

* J. Goldstein: *The Government of British Trade Unions* (1952), p. 272.

† V. L. Allen: *Power in Trade Unions* (1954), p. 15.

‡ Roberts, *op. cit.*, p. 3.

§ Bell, in Flanders and Clegg, *op. cit.*, pp. 145-6; also recent books by H. A. Clegg and G. D. H. Cole on General Unions.

sumes that the leaders know best what is to be done and that it is simply a question of pulling an ignorant or recalcitrant membership into line. But the root question is why the cleavage exists. Why are the rank and file reluctant and recalcitrant? And here we may consider a view on which the two most recent commentators may be said to agree, however much they may differ on other matters. Dr. Goldstein found that the trade union leaders with whom he spoke habitually made policy decisions on their own responsibility, thus sacrificing democracy to efficiency. Mr. Allen finds that they really had no choice. Trade unions exemplify what might be called the law of progressive bureaucratization. Like all the other large-scale organizations typical of industrial society, they are determined by various factors, such as growing size, complexity of function, and need for efficiency, to centralize their administration and to develop a professional and specialized leadership increasingly remote from the ordinary membership.* This goes along with a drying-up of branch democracy. "It is fairly clear now, after a century's experience of large-scale business organizations what the main factors are which tend to produce efficiency, and it is obvious that they pull in the opposite direction from popular control."†

The writer is mainly concerned to demonstrate that since bureaucratic development cannot be avoided the only effective check on the increasingly authoritarian trade union machine is to keep trade union membership voluntary. "So long as trade union members have the right to 'contract out' of membership if they are dissatisfied then a continuous impulse will operate to impel trade union leaders to retain them."‡ But many who share Mr. Allen's views about compulsory unionism may well boggle at the arguments he uses in support of them. Is bureaucratic development in trade unions—or in anything else—something that must take its course? Max Weber, the prime source of this style of thinking, does talk in almost inevitabilist language about bureaucracy, but he is in principle opposed to inevitabilist or cyclical theories of history.§ And more precisely—what signs are there of such a development in the trade unions as they are now?

Mr. Roberts cautiously suggests, after an exhaustive and quite unideological examination of the facts, that the trade unions of

* V. L. Allen, *op. cit.*, pp. 19-25.

† *Ibid.*, p. 67.

‡ *Ibid.*, p. 28.

§ v. Gerth and Mills: *From Max Weber* (1948), p. 51.

Great Britain have not sacrificed democratic control for administrative efficiency. There is clearly a tendency towards bureaucracy, not only in the neutral technical sense of the term—routine administration by people sitting in offices—but also in its pejorative sense of an impersonal controlling group out of touch with the ordinary man. As the unions have grown larger, and as the multiplication of their functions has required more specialized services, the gap between leaders and members has naturally tended to widen. Another straw in the wind is the decline in political feeling, the gradual swing away from the political ideas which have prevailed in the unions for the past sixty years. British unions, now required by the position they occupy in the state to maintain working relations with whatever government is in power, may in time come closer in their philosophy and behaviour to what the Americans have called "business unionism", the essence of which is that ideological aims and policies are subordinated to the provision of economic and industrial services. The "new model" union which may now be forming may contain, like its predecessor of 1851, a strong element of bureaucracy. A third pointer in this direction is the increasing importance of the General Council of the T.U.C. as the cabinet of the unions. As economic and industrial problems become more complicated, as the scale of operation increases, as governments become ever more involved in economic and industrial policy, the unions will be compelled by the pressure of events to cede more power to the T.U.C. And the connection between the ordinary union member and the deliberations of the T.U.C. is not at all obvious.

There are, however, powerful factors working the other way. There is the deep-seated suspicion of authority that has marked the trade union movement in Great Britain from the beginning and which explains its extraordinary fertility in constitution-making and the devising of checks on leadership. There is the army of active rank-and-file members in the branches and workshops. To understand trade union behaviour and attitudes one must refer to what they think and feel rather than to the statements of the leaders. In spite of the growing centralization of authority in the British unions these still depend to a remarkable extent on the efforts of their ordinary members. Mr. Roberts estimates that something like half a million members take part in union affairs by attending meetings regularly, and half of these hold some kind of voluntary office. "At most," he goes on, "the

total number of full-time officials employed by all the unions cannot exceed three thousand, and if clerical and other staffs are added to this number, it is still unlikely to exceed ten thousand. By contrast, the American trade union movement, with sixteen million members [to Britain's nine and a half million] employs fifty-five thousand paid employees, or about one to every three hundred members, compared with one in every nine hundred members in Britain."*

The most powerful single control on the union executive has nothing to do with constitutional devices: it is the reluctance of the membership as a whole to give their leaders the resources they need to run the unions properly. Thus although the proportion of total union expenditure spent on working expenses has gone up considerably between 1936 and 1950—from 41 per cent to 59 per cent—and although the increase in working expenses per head over 1936 was 43 per cent in 1950 and 65 per cent in 1952, during the same period the cost of living had risen by 97 per cent in 1950 and 135 per cent in 1952. Thus the working expenses of unions per head had risen less than half as much as the general cost of living. Even allowing for the economies effected by amalgamation and by the great increase in membership—from five and a quarter million in 1936 to nine and a half million in 1952—the work of the unions was probably handicapped considerably by want of money. And when we add that contributions per member in 1950 were only 9 per cent above what they had been in 1936, it is clear that trade unionists are obtaining the services of their organizations more cheaply than anything else that they buy.† A more recent calculation by the Amalgamated Union of Building Trade Workers shows that while the craftsman's grade "A" hourly rate has increased from 1s. 8d. in 1939 to 4s. in 1955 his union trade contribution has increased from 9d. in 1939, or 45 per cent of his hourly rate, to 1s. in 1955, or 25 per cent of his hourly rate.‡

The operational results of this rank-and-file parsimony are as might be expected: most of the full-time executives from the general secretary down are under-paid and overworked. In com-

* Roberts, op. cit., p. 464. The ratio of full-time officials to members in the eighteen large unions was 1 : 3,700 in 1952; varying from 1 : 1,300 in the Amalgamated Union of Building Trade Workers to 1 : 6,200 in the National Union of Mineworkers and 1 : 19,000 in the National Union of Railwaymen. p. 289

† Roberts, op. cit., p. 385: the trade unionists' bargain is of course due to the considerable drop in the proportion of the total expenditure of the unions devoted to friendly benefits from 44 per cent in 1936 to 31 per cent in 1950.

‡ *Labour: The T.U.C. Magazine*, November 1955, p. 237.

parison with men of similar talent in industry they are grossly under-paid.* Few British trade unionists, says Mr. Roberts, would accept the validity of this comparison: and the trade unionists who become leaders are certainly not in it for the money. Much more serious is the continual drain on energy imposed upon them by the absence of adequate office help and by the lack of any time to think or to consult with their equally harassed colleagues. Most serious of all is their inability to call on adequate funds for research and education, the trade union equivalent of development in a major industrial undertaking. When we consider the continuing effects of this quite deliberate financial control on policy—higher contributions are opposed within the unions not only because the members are reluctant to pay on simple economic grounds but precisely because increased financial resources would enable unions to be more efficient and therefore (as many members think) more bureaucratic—it is difficult to avoid the conclusion that, far from the unions being in danger of sacrificing democratic control for administrative efficiency, the opposite is nearer the truth. If not, if the balance is being well held, then the leaders must indeed be people of remarkable quality.

There are, of course, striking exceptions to the situation just set out. Any general description of trade unions must necessarily misrepresent this or that trade union, so varied are their memberships and achievements. Thus some officials are comparatively well paid: many unions have a high rate of contribution; some, and not only the clerical unions, are organized and administered with supreme competence; at least one has the most modern office equipment short of the electronic brain; and a few unions may even be overstaffed. But by and large the unions are run in such a way as to impose on their leading executive officers burdens and hardships of a kind not to be found in any comparable non trade-union undertaking.

What kind of people are these leaders? In the first place they are singularly unaware of the disadvantages under which they labour. They have with very few exceptions come up through the unions. Those who have reached the top, being general secretaries and members of the T.U.C. General Council, are invariably men of exceptional moral and bodily physique, able to take

* For details see Roberts, op. cit., p. 307; and also Goldstein, op. cit., p. 189: "A letter announcing the opening of applications for a General Workers' Organizer is read. Members show no interest in the job, a 24-hour day, no home life, and all for £9 a week, appears to sum up the attitude of the members present." (Sketch of a T. & G.W.U. branch meeting.)

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difficulties in their stride. But at that level they are more than trade union leaders: they are national figures and in some cases considerable statesmen. Perhaps a better picture can be drawn at the mid-level of the unions. Mr. Roberts gives a vivid sketch of the district or divisional officer. His job "gives the able and articulate tremendous scope for personal qualities. While they have to work within the framework of union rules and policy they do have to exercise their own judgment to a considerable extent. Thus although the frustrations are often great, the satisfactions to be derived are much greater. The work of a union official produces tough, self-reliant, pragmatic individuals, men of courage and determination, who better than most know how to take a decision and stand by it. They tend to look with suspicion on theorists . . . their manner . . . blunt and direct . . . expresses their confidence. It is this self-confidence which makes them determined advocates and excellent negotiators . . . contrasts vividly with the politician's more sophisticated approach to problems, and accounts for the contempt which union officials sometimes display towards those who have been trained in a more intellectual school. Personal qualities such as these are of considerable value in the life of the community, but they have their limitations. . . ."*

Do the unions get the best men available? On the whole, yes. Any eligible member may stand. This system, leaving matters as it does to the initiative of the individual and his friends in the branch, is often criticized on the grounds that it does not throw up the best type of person. But union members are on the whole fairly shrewd judges of character and ability. A more difficult problem is that political factors may be imported into elections and produce undesirable results. Some unions require examinations or other tests: but the system is by no means fool-proof. One defect is the tradition of selecting officials for an area from among local applicants, thus restricting the choice of candidates. Another general deficiency in the system is the thoroughly English (in England) suspicion of mere intelligence. The college-trained trade unionist is often distrusted. There is a feeling against the production of an educated *élite*. A trade union officer with brains will not be disqualified: but he must pre-eminently enjoy local confidence, have a reputation for being aggressive, and be able to stand up to the employers. The members tend to regard these qualities as more necessary than a high level of in-

* Roberts, *op. cit.*, p. 303.

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telligence. But as the problems facing the unions become more complicated, the emphasis is gradually changing over to favour people with the requisite mental alertness and ability.

Do trade union officials have reasonable freedom and security? Formally speaking, no: so far as some unions are concerned: both the general secretary and district officers are subject to recurrent election. In fact, they are almost invariably re-elected. But in some unions, e.g. the Engineers, this practice of periodical election gives the active minority an excessively powerful control over the district official. And not a few district and national officials in a number of unions are profoundly discontented. An ill-defined chain of command, a failure to demarcate responsibilities clearly, fear both of the authority above and of the pressure from below, poor prospects of promotion, and low salaries all figure prominently in the private complaints of union full-time officials below the very top level. Many speak bitterly about their general secretaries, criticizing them for their absorption with the affairs of the T.U.C. or other bodies, and for not paying sufficient attention to the problems of the union. The sense of insecurity felt by some officials, especially those who have to face recurrent election, and their lack of confidence in the senior leaders of the union, sometimes leads them to adopt a policy of "safety first" so as to avoid trouble.*

These are the victims of the system. Perhaps if one or two survive and reach the top they may carry through the major administrative changes that are needed. Meantime let us look at the men who have already reached the top, a remarkably homogeneous group. Fifteen out of eighteen general secretaries, in office in the large unions in 1951, left school at the age of 13 or 14. They got their further education in the National Council of Labour Colleges, the Workers' Educational Association, and similar courses, including Ruskin College. They came in more than half the cases from homes with a strong trade union connection. No less than five general secretaries of large unions (in 1951) were born in Lancashire. Nearly all had worked their way up the union ladder stage by stage. Eleven had been assistant general secretaries or held other full-time senior office in the union before being elected to the highest post. None was "tired old men": their ages at election or appointment ranged from 37 at the lowest to 56 at the highest, with the median at 49. Most are subject to a compulsory retiring age at 65 or even 60.

* Roberts, *op. cit.*, p. 301.

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With few exceptions they are bound to full-time service in the union. They may not, for example, serve in Parliament.

They exhibit clearly the main features of trade union organization already outlined. As unions grow in size, and as membership spreads over many different occupations and industries, the lay representatives on executive committees are bound to be at a disadvantage, being limited to knowledge of their own trade. The general secretary is similarly bound to become more powerful. But his power is limited by his growing powers. The last ten years have seen an enormous expansion in the scope of the work of the general secretary, notably his T.U.C. work: while at the same time he is given more work from below. The resulting pressure and overloading gives him no time to think ahead, or to consider the growing problems of internal union organization in a thorough-going manner. There is no time for discussion at general staff level. The second-in-command of one union told the author (Mr. Roberts) that he and his general secretary rarely found time to sit down and talk to one another from one month's end to another. The same officer in a second union said he had often no idea of the steps taken by his chief to deal with a problem until weeks afterwards. In both these cases the officers concerned recognized a problem which, with the framework of their union organization, they could see no way of solving.

It is small wonder that men of this stamp, tough, vigorous, self-confident, *working under these pressures*, should be naturally inclined to let things run, and to solve their problems of organization as they come. Given their reliance on their own practical judgment and their suspicion of the intellectual, with his demand for a rethinking of the situation as a whole, it is to be expected that they would resist any attempt at a major reconstruction of the relationships within the individual unions and between unions. To take a major example from the latter field, the 1947 decision of the Trades Union Congress, *not* to make the General Council a full-time professional body, was both characteristic and wise. Given the ethos of the movement, with its insistence on the freedom of the constituent unions to develop and to co-operate in their own way, no other response was possible.

But the practical problems of reorganization become even more pressing. The issues underlying the major disputes and stoppages of the last few years are almost entirely internal to unions or concerned with inter-union power-conflicts. The fun-

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damental autonomy of the British trade unions in the wider society is not yet even threatened. But its preservation is implicitly bound up with the capacity of the unions to maintain internal law and order, and to improve the economic and industrial status of their members without wrecking the national economy.

In this situation, with a major controlled *policy* of reorganization ruled out, it becomes all the more important that the search organizations of the T.U.C. and of the unions should be strengthened and directed to the investigation of the roots of the trouble. There are at least two major issues which would respond to first-hand inquiry. There is considerable scope, as Mr. Roberts observes, for finding out more accurately than at present what members would most like the union to secure for them, and how changes negotiated by the union really affect them. It was suggested above that the theory of trade union development subscribed to by many leaders, namely that the unions are ready to co-operate with industrial management in the productive effort, is not manifested in the attitudes and behaviour of the ordinary trade unionist. Is this a matter for intensified economic and industrial education of the unwilling rank and file, as is generally held by trade union spokesmen? Or does it not suggest an intensive inquiry into what the membership actually requires of the union? The second is a matter for operational research and might take the form of a series of experiments to devise more effective working relationships between shop stewards and the branch and district organization of the union.

For such organizational research to be effective, it should be backed by the people in charge of the organization. It is not simply a matter of engaging and authorizing well-qualified investigators: it involves a joint operation of research workers and (in this case) officials and members at every level of the union. And this could not be undertaken without the whole-hearted support of those in authority. Is it feasible to expect such support in this case? It is one of the reassuring things about Mr. Roberts's careful and objective assessment that such a redirection of research need not be ruled out as impossible. Like many other union needs, it will call for a financial change of heart in the ordinary trade union member. But it can at least be asserted in its favour that it would be an attempt to get nearer to the ordinary union member.

mal responsibility to Parliament, this is remote and rather vaguely defined so that managers may well feel the need for this form of political support from the employees. Moreover, since the dividing line between matters of public interest and matters of day-to-day management appears to be fluid, resistance by the managers to what may appear to be ministerial encroachment may demand the enlistment of this political support from the employees. The machinery of consultation set up by statute would undoubtedly facilitate this process.

Normally, the approach adopted by trade unions and workers is quite different. Although they are not necessarily indifferent to the efficiency concept, they are not primarily concerned with joint consultation from this angle and whilst formal and legal responsibility for the conduct of business remains with management this will inevitably be the case. For trade unions and workers, the most significant and influential concept is that concerned with the human rights and status of the worker in relation to his employment. Most trade unionists believe that the surest guarantee of the rights and status of the worker is to be found in membership of a strong trade-union organization. Joint consultation, therefore, is not regarded as constituting in itself a guarantee of rights and status but rather as a symbol of their recognition by the employer and as a means of giving them further practical expression by extending the practice of joint discussion beyond the range of problems traditionally the subject of negotiation. This emphasis on human rights and status seems to be a reaction to the commodity view of labour and may be regarded partly as a protest against the treatment of individuals merely as means to given ends. It is not necessarily incompatible with the efficiency concept but is a possible source of conflict over managerial rights and functions. For example, managerial actions on the employment, dismissal, transfer and promotion of persons may at times be regarded as infringements of rights and status to be resisted accordingly.

In certain circumstances, joint consultation may be accepted merely as an expedient both by unions and employers. It may be adopted, for the time being, under the impact of a national emergency, in support of widely accepted national aims and policies such as the winning of a war or the solution of a critical national problem such as a balance of payments crisis. There is much to suggest that the war-time acceptance of joint consultation in British industry was based almost entirely on considerations of

expediency rather than of principles.* Furthermore, from the point of view of certain sections of trade-union opinion, joint consultation may seem expedient as a means of gaining experience and training in dealing with managerial problems in preparation for the establishment of workers' control.† Finally, a undertaking to resort to joint consultation either generally or in relation to specific problems may be used by both parties as a bargaining counter in wage negotiations, a development which appears to be indicated by the inclusion in recent railway wage settlements of references to joint consultation on specific aspects of operational efficiency.

Since joint consultation may be approached from so many different angles and with varying motives, it is inevitable that there should be much confusion concerning its aims and that views about its desirability or its results, even in specific cases, should often be varied and possibly conflicting. Thus, the problem of measuring the success of joint consultation is extremely difficult. The criteria of success will obviously vary with the concepts or expedients adopted. In the case of the efficiency concept, variations in productivity may seem an obvious criterion but the presence in every operational situation of a large number of variable factors—and possibly some imponderables—makes it impossible to assess accurately the influence of joint consultation in this direction. Some clue may possibly be obtained from the conventional indices of labour turnover and absenteeism but these phenomena are also the product of many variables. The number of suggestions for improvement and development may be indicative of successful functioning to some extent but this is normally a very limited field of consultative activity and is some-

* In his presidential address to the National Committee of the Amalgamated Engineering Union in 1942, Mr. Jack Tanner said, with reference to the Joint Production Committee Agreements: "We know quite well that under the existing system every increase in production spells an increase of profit to the employer . . . (but) . . . we say with all the force at our command that unless the workers take their share of responsibility in this urgent hour and try by every means to co-operate in the organization of production, no matter what the obstacles and what the hindrances, the more deadly stranglehold of Fascism will bring all working-class struggle to a dark and bitter end and our hope of a world freed from the profit system will recede with it into darkness." A.E.U. Proceedings of the 24th National Committee, 1942, p. 293. Again: "When we negotiated these agreements we understood very well that we were not overturning industrial relations, not seeking by negotiation to change the character of the capitalist system (as if it were possible) but were trying to find the most effective means of harnessing the creative ability, the constructive and inventive intelligence of the work-people to the war effort." *Ibid.*, p. 295.

† In the same speech Mr. Tanner declared that "by accepting a share of responsibility to-day in the difficult task of speeding production still tied to private ownership, with all that that means in the way of organizing output in the private interests of the owners, the workers learn to shoulder the greater responsibility which will be theirs once they succeed to the control of industry." *Ibid.*, p. 293.

times regarded as being of minor significance only. It is frequently argued that the results of joint consultation are reflected in the morale of the labour force but this is a vague concept which also defies measurement.* In relation to efficiency, therefore, joint consultation may be represented largely as an act of faith; a procedure which is believed to exert an influence favourable to increased productivity but incapable of objective proof. This fact may account for the sense of disappointment or disillusionment felt by managers and employees who may have expected tangible and speedy results. From the angle of the political concept the criteria of success seem equally difficult to isolate and define. Possibly the extent to which initiative in discussion rests with management and their success in obtaining agreement on the subjects raised may serve as an indication since a high proportion of subjects raised and of agreement reached may suggest a certain degree of success in the application of the political concept. The influence on the human rights and status of the worker is also difficult to assess objectively. The views of the workers themselves will be almost completely coloured by subjective considerations and, whilst a survey of managerial attitudes before and after the institution of consultative procedures might be revealing, it would almost certainly be a difficult and delicate undertaking. The existence of formal machinery for consultation may be symbolic of a high regard for rights and status but if the foremen or supervisors in direct contact with workers are mainly outside the machinery and largely unaffected by the ideas it is likely to remain a rather empty symbol. It follows from this that, in attempting to obtain some kind of overall view of the success of joint consultation in particular industries or in industry in general, reliance upon statistics of numbers of committees established and frequency of meetings is likely to be of little help. That the existence of a committee does not always indicate the practice of consultation whilst lack of a committee does not necessarily prove the contrary, is now a commonplace.

Although it is impossible to measure precisely its effectiveness in specific industries and factories, joint consultation has unquestionably exercised some influence on thought and ideas underlying policies in the field of industrial relations. In view of the broadly collectivist sympathies of the British trade-union move-

* For a discussion of the problem of assessing the success of joint consultation, see National Institute of Industrial Psychology, *Joint Consultation in British Industry*, 1952, Chapters 4 and 18 and Appendix C.

ment, it may be interesting to examine the impact on it of the managerial concepts of joint consultation, especially that relating to efficiency. Examination of the doctrine of common purpose or interest, which has already been noted as the basic proposition underlying this latter concept, indicates that the obvious fact that the parties in industry have certain common interests is used by its advocates to suggest that, given effective leadership and sufficient understanding, a transcendent and unifying common interest can be achieved. The general line of the argument seems to be the following: (1) The primary purpose of industry and of the firms within an industry is to produce goods and services for the community as efficiently as possible; (2) This requires the co-operation of those who provide capital and those who provide services; (3) The incomes of the co-operators depend upon success in achieving this purpose; (4) Satisfaction in work is ultimately based on a sense of belonging to, and contributing to the life of, a community; (5) It follows, therefore, that the fullest co-operation in fulfilling the social purpose not only satisfies social impulses but maximizes material rewards.

To argue that the primary object of the firm is to fulfil a social purpose and that the acquisition of incomes—profits, wages and salaries—is a by-product of this process, appears to be tautological. The other form of the proposition, that the purpose of economic activity is the acquisition by the participants of incomes the size of which will depend, among other things, on the degree of success in meeting the effective demands of the consumers of the product or service, appears more realistic and does not exclude the proposition that fullest collaboration may be in the interests of all participants. However, this great emphasis on social purpose is probably a response to criticism of the profit motive and a reaction against its dominance in capitalist industry during the past two centuries. Nevertheless, mere assertion of a social purpose, which has always been present although heavily overlaid by considerations of immediate self-interest, does not constitute a revolution in the basis of industrial relations and is unlikely to make much impression on trade unionists, the majority of whom probably have more than a shrewd suspicion that self-interest remains a powerful motivating force. Again, this argument assumes an identity of interests embracing those of the consumer. This, however, is plainly not the case. The consumer is interested in abundance at low prices. Whilst this abundance may increase the total welfare of the consumer, the price

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at which he is willing to take the whole of a given supply may be such that the revenue of the producers will fall short of their costs. Self-interest, therefore, dictates regulation of output or price to achieve a given level of incomes for producers. Once self-interest is admitted, however, it becomes difficult to represent some social purpose or objective as the deciding influence on policy. Moreover, since the pursuit of self-interest naturally involves preference for particular interests before all others the possibility of conflict, apparently banished by the formula of common purpose, is seen to re-emerge.

Another attempt to circumvent conflict of interests takes the form of suggesting that the absolute size of the income produced is more important than the proportions in which it is distributed. Much recent propaganda about concentrating attention on the size of the cake rather than on its division seems to assume that people place material gain before considerations of justice and equity. There is considerable evidence, however, that people—and not least workpeople—are frequently moved by the latter considerations and may at times prefer the pursuit of what is just and equitable according to their lights before the hypothetical acquisition of greater quantities of material things.* In other contexts such preferences would be widely applauded. In practice, there is much scope for differences of opinion even among those with no doctrinaire views. Those who hold that capitalist society is inherently unjust and predatory or who, following the labour theory of value, claim that the worker is entitled to the whole product of his labour are unlikely to respond to this or any other argument in favour of collaboration. There is, of course, a minimal area of co-operation dictated by the mutual dependence of the participants in a highly specialized industrial society. This finds expression in concepts of acceptable norms or standards of performance and, although the views of employers and employees may differ about these, there is usually mutual recognition of the limits set by both parties. The efficiency concept of joint consultation, however, seeks to improve standards of performance by securing a degree of co-operation in excess of this minimum but this is regarded as primarily, if not exclusively, a managerial responsibility. Even those with no ideological inhibitions against closer collaboration may take the view that, if the manager wishes to try to stimulate greater co-operation, that

* Cf. Barbara Wootton on the ethical approach to wage negotiation, *Social Foundations of Wage Policy*, 1955, pp. 100-2.

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is his affair and that, provided no violence is done to collective agreements and established customs or conventions, no responsibility is imposed on union or workers. The doctrine of managerial responsibility lends some support to this attitude and generations of insistence on management's right to manage, expressed in perhaps its most uncompromising form in the preamble to the 1922 agreement on provisions for the avoidance of disputes in the engineering industry, have almost certainly reinforced it.

There is a good deal to support the view that the degree of collaboration and the effectiveness of joint consultation in this respect depend upon local managerial initiative. Pronouncements of Government and of national trade union and employers' organizations are inevitably based on highly sophisticated arguments about the probable consequences, largely of an indirect nature, of an intricate pattern of highly localized actions by individuals and groups in a wide variety of situations. Such consequences are not always clearly perceived either by managers or managed and thus policy pronouncements based on them are not always effective. The degree of collaboration depends mainly on the response to the impact of local personalities on an essentially local situation. Thus, although national statements of policy may make the climate of local opinion a little more favourable or unfavourable, it still remains the manager's task and responsibility to establish working relationships which will make it possible to extend the area of collaboration beyond the minimum.

In practice, the efficiency concept has probably made little impact on the opinions and policies of British trade unions in spite of their sympathetic attitude towards general concepts of social purpose, public interest, national welfare and so on. One very obvious reason for this is their character as sectional organizations concerned with the protection and advancement of particular interests. Their continued existence depends upon their success in satisfying the vested interests of the membership. Inevitably this means that trade unions are vitally interested in the division of the product of industry which, it has been noted, is a problem which is not solved by reference to some social purpose and tends towards conflict rather than co-operation. Trade-union leadership at all levels is subjected to considerable pressure by the members and is scarcely free to pursue single-mindedly policies which it considers to be desirable primarily in the national or social interest. The need for such policies is difficult

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to convey to the members and is only too apt to be misunderstood or misrepresented. Moreover, it must be remembered that a not inconsiderable body of opinion, supported by some of the more active and articulate elements of the membership, is hostile to the idea of collaboration and, in these circumstances, hesitation about committing the unions unreservedly and irretrievably to this policy is understandable. In addition, since the implementing of joint consultation is essentially a local matter peculiar to each factory or workshop, it may appear prudent to leadership at higher levels to avoid specific undertakings and commitments in this direction lest failure or only partial success at factory level be adduced as evidence that the leaders are out of touch with the rank and file and are losing control of the situation. At national level, therefore, joint consultation may be urged from the angle of human rights and status with, perhaps, a rider to the effect that it may also have some influence on efficiency but it will rarely be presented as a radical policy of collaboration with employers in pursuit of a common social purpose. It may be said, of course, that the war-time advocacy by national union leaders of machinery for joint consultation in the munitions and allied industries does not support this statement. Due weight should be given, however, to the special circumstances of the time which created a simple and easily presented objective and an exceptional degree of political unity. The post-war situation has been much more complicated.

The militant pursuit of sectional interest, it might be argued, can be combined with a policy of collaboration and it is interesting to recall that this formula was in fact suggested by at least one economist nearly thirty years ago.* At that time, this advice was ignored by the unions, perhaps not surprisingly in view of the current political and economic situation. In the changed situation of the post-war years it might appear more attractive but it would seem that few unions, for reasons already stated, have been able to rid themselves completely of inhibitions standing in the way of full collaboration even though the strength of their bargaining position makes it unlikely that employers generally would be able to exploit the policy for their own ends.

There is another aspect of joint consultation which may give rise to some doubts in the minds of trade unionists. The machinery of consultation at the factory level may appear to be a competing form of representation of the workers' interests. Where

* J. W. F. Rowe, *Wages in Practice and Theory*, 1928, p. 219.

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managers look on joint consultation as a method of enlisting increased interest and support on the part of all employees, they not unnaturally seek to extend the basis of representation to all irrespective of trade-union membership. If this is done, a new situation arises. Whereas previously the only organized representation was supplied by the union, a second channel now exists which provides a constitutional and continuous form of representation for individuals who as non-unionists were formerly restricted to occasional and purely personal approaches to management. It is true that the scope of consultative committees may be strictly limited at the outset but the dividing line between matters which are the subject of consultation and those which are the subject of negotiation is in practice often arbitrary and fluctuating. Almost inevitably, therefore, in such a situation conflict develops between those workers' representatives responsible for negotiation and those responsible for consultation. This is not necessarily avoided by the device of open election with nominations restricted to union members if the consultative representatives are a different group from the negotiators and, in any case, the objection to providing constitutional representation for non-unionists still remains. The problem is sometimes aggravated by the preference of some managements, no doubt with the best possible motives, for a policy of steadily extending the functions of the comprehensive consultative committee. This appears to many trade unionists to confirm the suspicion that joint consultation is a device used by the employer to weaken the unions, to be lumped with profit-sharing, co-partnership and employee-shareholding into the category of deep-laid schemes to confuse and mislead the worker and wean him from his allegiance to his union.

For these reasons, there is usually a drive by the unions to control the machinery of consultation. If this is successful, the manager may feel that the consultative committee is unrepresentative and less effective than it might be. On the other hand, if the unions fail or make no attempt to secure control, the result almost invariably is their eventual withdrawal from participation in the process of consultation, again usually with real loss to its effectiveness. This is a dilemma for which it is difficult to propound a general solution. It might be argued that, from the point of view of efficiency and of human rights and status, both management and trade unions are interested in effective representation of workpeople's interests and that such representation

depends upon complete independence of status for the workers' representative in relation to his employer. This independence can be provided only by the trade union. In the absence of independent organization of employees, their representation on consultative and negotiating bodies, no matter how enlightened the constitution or how well-intentioned the employer, is on the basis of grace and favour and, as such, incompatible with the dignity, rights and status of the worker as a partner in a common enterprise.

Finally, discussion of representative institutions and procedures in the workplace leads naturally to consideration of their possible relationship to the idea of workers' control of industry. This latter has never been a significant part of the policy of British trade unions which have regarded themselves rather as bargaining representatives operating within the established order. From this point of view, workers' control plays no practical part in union policy and may even be considered incompatible with it. Moreover, it can be argued that the need for national co-ordination and direction under any system of workers' control would require the retention of a managerial hierarchy, with its own special viewpoint and interests, which might well be more powerful than before, especially if in the process of reorganization the unions had allowed themselves to become part of the apparatus of management and government. The dangers implicit in this situation have been clearly seen by most British trade unions. Acceptance of a share in control and management would involve acceptance of responsibility for managerial policy and action, thus destroying their ability to represent the special interests of their members and, with it, the main reason for their existence. This led the unions to reject direct participation in the management of the nationalized industries and to prefer consultation combined with purely personal appointments of experienced trade unionists to the policy-making bodies. In fact, British trade unions have chosen to remain free associations of people in pursuit of their special interests as employees and for this purpose are plainly determined to remain independent of government and management alike.

THE ROLE OF TRADE UNIONS IN INCREASING PRODUCTIVITY

By R. HARLE*

THE British trade union movement is playing a strong and decisive role in helping to raise efficiency and productivity in industry, in order to assist the country resolve its economic problems and as a means of safeguarding and advancing the interests of its members.

Workpeople's interests are many and varied but in the main they are concerned with working conditions, wages, and standards of living. In national and industry-wide negotiations between employers' and workers' organizations it is the high-cost firms—the inefficient firms—which act as a brake on improvements in average wage levels. Trade unions cannot be other than directly concerned, therefore, with variations in efficiency—especially when they are considerable—among firms in their industries. And an inescapable fact of life is that in a full employment economy constant long-term improvements in living standards can be secured only if the average output of each individual keeps rising.

There is nothing new about trade-union awareness of the importance of increasing productivity. That it is not a post-war phenomenon is shown by discussions and statements at annual conferences of the T.U.C. in the 1920s and 30s.

In 1949 a team of British trade union officials visited U.S.A. to look at some of their production methods and to talk to American trade unionists on the role played by them in increasing productivity. This was not the first time, however, that British union leaders had crossed the Atlantic for that purpose: visits not greatly dissimilar had taken place in 1926 and 1902!

Despite this awareness by trade unions before the second world war of the need for efficiency in industry, they were not able to do much about it—if only because of strongly entrenched ideas by management regarding prerogatives and privileges; in addition to which unions were too preoccupied with employment

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problems, strength of membership and organization, and the struggle for "recognition".

These are "musts", preceding trade-union co operation in helping to raise productivity. It is not a case of "or else"; it is simply that without these conditions unions cannot organize co-operation. Unions could not, for instance, urge the full and efficient use of machinery, plant and equipment, and materials if operatives could turn round and ask why their skill and experience could not equally be fully utilized. And recognition for wage negotiation purposes and procedures for dealing with disputes are fundamental to the further development of relationships between the two sides of industry.

For the past fifteen years the general level of employment in Britain has been high; trade union membership, at over eight millions in organizations affiliated to the T.U.C., represents a large section of the total working population excluding self-employed and professional ranks; in most industries machinery exists (largely voluntary) for dealing with questions of wages and working conditions. On this basis unions are helping, and are seeking to extend their help, to increase efficiency and productivity—although particular attitudes depend very much on the relationships, the "atmosphere", in the industry and in the workplace.

One way of lifting output urged occasionally on workers is that they should work harder, put more physical effort or more hours into their jobs. "Nobody works now the way they used to."

But most workers think they work hard and long enough and want to keep some of their strength and time for other activities. They point out that many jobs are so organized, so designed, that it is impossible to take an interest in them or obtain any satisfaction from them, and that consequently much work cannot be regarded as other than a necessary evil—to be got away from as quickly as possible.

Working harder and longer hours is, in fact, the very opposite of what trade unions seek in industry; it is contrary to their policy of safeguarding and furthering the interests of their members. The need to cope in industry with emergency situations or developments is nevertheless usually accepted. Even here cognizance has to be taken of diminishing returns, of rising accident rates and faulty work.

As an alternative, and sometimes an addition, to working harder workers are pressed to apply themselves more constantly to their jobs. Few workers would be averse to this. Delays

through mechanical troubles, inadequate supplies of materials and components, and other production bottlenecks cause more frustration and bad temper than pleasure through not being able to get on with the job. Given the opportunity most workers prefer to "apply themselves"—it is much easier. Without denying the need for and the advantages of constant attention to work at a reasonable pace, the main problem is a managerial and organizational one.

Another major hindrance to higher standards of efficiency in industry is, it is claimed, the restrictive practices employed by trade unionists—demarcation, entry into the trade, the closed shop, unofficial strikes, opposition to time-and-motion study and other modern techniques, and limiting output. These practices certainly exist, but it is impossible to assess their effects in industry. What is clearer is that there is much misunderstanding in the public mind about the extent and use of the practices.

In the first place, most of the so-called restrictions are the subject of joint agreement between employers and trade unions and can be reviewed any time at the request of either side. Restrictive practices are really difficult to define. If a management wants to move a conveyor assembly line at 15 feet per second and the trade union insists that this is too fast, that 10 feet should be the speed, and both sides finally agree on 12 feet per second, is that restrictive? It is always open to consumers to say so, but their interests are not necessarily the same as the workers, even if substantially they are the same people.

If relationships in a work-place are good there is no reason to believe restrictive practices create problems or difficulties that cannot easily be dealt with by some means or the other. There is, for instance, nothing immoral in demarcation—it is not a stranglehold which trade unions have on employers, it is not used as a cost-increasing device although it can work that way, as can many other features of industrial activity. Demarcation is merely an extension of the division and specialization of labour which employers themselves encourage and often enforce, especially if their production organizing ability is of a high order.

Difficulties occur, however, when changes take place in tooling, materials, or processes, breaking up the specialization and creating problems for the workers concerned. Given an intelligent use of joint consultation techniques and with better planning, many demarcation troubles could be avoided—not by eliminating demarcation, which is only another name for working rules

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and arrangements, but by continually discussing and establishing new arrangements in the light of changing conditions.

In respect of most practices there is a large element of reasonableness. Press reports on the subject pay little attention as a rule to their convenience and general acceptance. Some people, in their anxiety to remove these practices, would create a jungle in industry.

On balance, the effect of "restrictive" practices is more likely to be positive than negative bearing in mind that industrial relations are no less important than technical factors in production. Even if unofficial strikes must be entered into the debit column, the amount of production lost as a percentage of the total is infinitesimal; and management cannot be absolved from all responsibility in these matters.

If there is little scope for obtaining higher productivity from working harder or longer hours or removing restrictive practices, how, then, do trade unions hope to raise average output? The answer lies in working more effectively—in both sides making a more dynamic approach to industrial problems and development.

By effective working unions are not thinking only of piece-work and incentive schemes or work study which is the rage at present. In their opinion the approach to efficiency should be on the broadest possible front; there are many factors involved in industrial success.

Topping the list of factors is full employment. Increasing productivity means change, including sometimes labour displacement and transference. A high level of employment helps create an environment, an atmosphere in which such changes can more readily be accepted and regarded as a normal feature of industrial activity. Not that full employment exists of itself; it depends on the successful interaction of other factors—not all of which, trade unions recognize, lie within the power of industry to control. The Government also has responsibilities.

Other major factors in industrial efficiency are capital investment and scientific research, to ensure the installation of more and better machinery and plant, more mechanical aids, new products, materials and processes in order to hold and establish markets, and not least, to help ensure continuity of work. Education and training are high on the list: simple instruction about new jobs can do much to create confidence in workers and a willingness subsequently to accept new methods.

Important also are organizational and administrative abilities,

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and work study—intelligently used—can make a useful if not necessary contribution. It is most essential that the best use be obtained of all existing resources whether they are mechanical or skilled and experienced labour. But work study, trade unionists insist, must not be employed as a device to circumvent normal collective bargaining. Account must be taken also of the effect on operatives of highly repetitive work and the desirability of doing all possible to adapt work to the worker—to avoid the organizing of jobs on the assumption that each worker is a statistical average.

There are many other factors concerned with the effective organizing of industrial activity, each one with its own significance. In one situation transport may be the greatest limiting factor, in another the absence of social amenities may hold up development.

In the work-place these matters may not always find formal and articulate expression, but workers have them in mind all the same. They may, for example, offer considerable resistance to the application of method study in a tumble-down old building, unheated, draughty, and unpainted. It may be their view that many aspects of the job require attention before investigating detailed movements of arms and hands and bench layout.

As indicated earlier, good relations between management and workers are not less important than technical means of raising efficiency and productivity.

Increasing productivity means changes in the work-place and this creates problems, no matter how progressive or well-meaning management is. In the event there must be adequate industrial relations machinery for dealing with these problems and to provide opportunities also for trade unions and their members to put forward their points of view on matters connected with company and industrial developments and policy. Problems of wages and working conditions are channelled through the normal negotiating machinery which is usually separate and distinct from the joint consultative and advisory machinery.

It is through this latter machinery that trade unions are making their major contribution to industrial efficiency and are seeking to extend their influence. This is not to usurp the management function. Final decisions, whether in private or public industry, must be a management responsibility which should include, however, taking into account the ideas and opinions of work-people and their representatives.

What concerns trade unions sometimes in respect of industrial efficiency is not that management refuse to discuss policy but that they have no policy and are giving no thought to future development. In many cases joint consultation is a challenge to management: it does not eliminate or outmode the management function—it broadens the scope and allows also the fulfilling of the complementary trade union function.

Apart from what trade unions have to gain from joint consultation management has much to benefit from its effective working. The finest plant, machinery and equipment counts for nothing if for some reason workers will not operate it or co-operate to secure its full utilization. When technical innovation is large-scale and rapid, joint consultation is a form of insurance that the innovation will be accepted or modified to become acceptable to all concerned. Besides providing psychological satisfaction, therefore, in making workers feel they have some say in what is going on round about them, joint consultation is economically justifiable.

Strong criticisms are often levelled at joint production committees in the work-place and there is evidence of much lip-service—by trade unionists as well as management—to the idea of joint consultation, but little action. A frequent cause of ineffective consultation, however, is the absence of authoritative and sufficiently meaningful information about company activities and policy which would help trade union representatives to perform the responsible role necessary. There is a tremendous fund of goodwill and loyalty among work-people in industry which should be encouraged and used.

For their part trade unions have never demanded or expected that workers should confine their loyalties, of which they probably have many, exclusively to their unions. Loyalty to the union, in any event, is not inconsistent with co-operation with management and advising them on industrial matters. Where managements consciously strive to improve relations, and hence productivity, the job of trade unions is much easier, not in the sense of having less to do but rather that their role is more specific and better understood by members.

It would be wrong to judge the trade union contribution to increasing output only by present standards of joint consultation at the level of the work-place—although there is reason to believe they are improving. In addition, however, to these “on the job” committees there exists a vast structure of consultative

and advisory machinery at national, regional and district level which it would not be too much to say is an integral and essential feature of a modern industrial society. No assessment is possible of the contribution these consultative and advisory bodies make to industrial well-being, but their agendas and discussions are proof enough of the useful part they play.

The National Production Advisory Council on Industry, for instance, as its name implies, is actively concerned with a wide range of industrial matters and forms an effective advisory link between the Government (the Chancellor of the Exchequer takes the chair), the national employers’ organizations, and the T.U.C. Attached to the N.P.A.C.I. are the Regional Boards for Industry, which in turn are served by varying numbers of District Advisory Committees—all with employer and trade union representation.

Another important body is the National Joint Advisory Council, at which the Minister of Labour discusses with employer and T.U.C. representatives industrial relations questions. There is no N.J.A.C. regional machinery, but in most large towns there are the local employment committees, together with the youth employment, women’s employment, and disabled persons committees.

T.U.C. General Council members sit on the Advisory Council of the Department of Scientific and Industrial Research and various of its committees, including those sponsoring research into human problems in industry. With sixteen of the forty-two industrial research associations trade unions have some form of connection. As these figures indicate, not all research associations are yet convinced of the need to obtain trade union interest in and support for their work.

Along with the national employers’ organizations and the nationalized industries the T.U.C. is a constituent member of the British Productivity Council and in the regions unions and trades councils are participating in the activities of the hundred local productivity committees.

The T.U.C. and affiliated unions are closely associated with many other bodies, including the British Institute of Management, the British Standards Institution, the Engineering Advisory Council, the Railways Productivity Council, and many National Joint Industrial Councils—all doing work having a bearing on industrial efficiency and helping to raise productivity.

To keep abreast of industrial developments the General Coun-

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cil of the T.U.C. has its own Production Committee and Scientific Advisory Committee. These committees are studying at the present time such questions as industrial research, productivity measurement, automation, and problems of fuel and power supply. A particular activity of the T.U.C. during the past year has been to send to European countries, under the auspices of the European Productivity Agency, nearly twenty teams of trade union officials to study productivity developments in many industries and the attitude of work-people and their organizations. There has been built up also a European trade union technical information service.

A responsibility recognized and accepted by the trade union movement arising out of the expansion in joint consultation and the increasing use of industrial and management techniques is that of providing technical training for union officers and workplace representatives so that they can talk on level terms with management and offer competent advice.

Training, needless to say, is a long-term job—there are many thousands of full- and part-time trade union officers in Britain. Nevertheless, considerable progress has been made over the past five years to the point now where a large number of key trade union personnel have undergone some form of training in production techniques.

The T.U.C. holds regularly one-week stage I and stage II courses, and week-end and one-day conferences on production and management subjects as well as courses on industrial relations. From time to time arrangements are made with firms of industrial consultants for trade union officers to receive training over longer periods. keep the courses as practical as possible and related to working conditions.

Many affiliated unions—sometimes in conjunction with the T.U.C. or with educational authorities—have provided technical training facilities ranging from one-day to one-month residential courses for their officers and members.

None of this trade union training is designed to produce work-study specialists or industrial engineers. The object is to give officers an appreciation of the techniques so that they can better represent their members and undertake a stronger and more positive role in industry.

BOOK REVIEWS

THE AFRICAN AWAKENING. By BASIL DAVIDSON. (Cape. 262 pp. 12s. 6d.)
BLACK MOSES, THE STORY OF MARCUS GARVEY. By E. D. CRONON.
(University of Wisconsin Press. 278 pp. 5s.)

Books on Africa and its contemporary problems increase rapidly. Among the most readable and noteworthy in recent years are a few by competent journalists such as Farson, O'Donovan, Bartlett, Legun, Grenther and Davidson. The reading public has retained something of its curiosity and interest which the tales of discovery and mystery provoked in our grandparents. These writers have been at great pains to know and to describe accurately and vividly the facts and problems of African life as they have discovered them. The secret background of tribal life and thought, of traditional ways and institutions, tends to recede as Africa is steadily drawn into the modern world. We are a Colonial Power with moral responsibilities and should know what that process involves. But in spite of greater publicity regarding comparative colonial administration we are too insular to bother ourselves unduly as to what is going on in the territories of other colonial powers. Books which shed light on our policy by discussing the policy of others are important.

Basil Davidson has ably employed his skill and earlier travel experience in Africa in telling about the Belgian Congo, and the Portuguese colony of Angola, the countries notorious as Darkest Africa. His book is more than a record of a journey. He gives a lively picture of the conditions and problems which mark the changing life and introduction of industry in the Congo region and with sympathetic insight makes their significance plain. The awakening aspiration for freedom and new ways of life is becoming insistent and widespread though disintegration of the old life brings distress and conflict and much perplexity. He offers a swift historic account of the coming of the Portuguese and Belgians to the Congo Basin, the ravages of slavery and other brutal practices, the intrigues and dishonesty of the Powers when pursuing their imperialist aims, the scandal and ruthlessness of the Scramble, the private greed practised—all a moving introduction to the problems discussed. He writes informatively about industrial penetration, the social consequences to the tribes involved, the creation and concentration of wage-earning populations in new urban areas and the conditions and standards of employment. The Belgian authorities are evolving a paternal policy primarily concerned with welfare, but there is increasing anxiety as to whether and in what respects political responsibility shall be devolved, and how far educational facilities should open out. Undoubtedly, Africans cannot remain for long uninfluenced by the forces at work in other parts of the continent. The Belgian Government will soon have to decide how near they should approximate to British policy in West Africa.

The problems of Angola, a colony in "near-feudal servitude", are more distressing. Mr. Davidson saw ample evidence of forced labour—"contract labour" tantamount to slavery. Some of the evils he portrays have been denied, but it is obvious that a strong searchlight must be turned on Portuguese administration if the natives of her territories are to be liberated from their present wretchedness. Whether one completely accepts Mr.

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Davidson's underlying philosophy or not, he has rendered Africa a service in producing a book of absorbing interest supported by careful research and inquiry.

There is only a superficial connection with the second book, which also deals with African awakening but in the United States and the West Indies. *Black Moses* is the story of Marcus Garvey, the leader of the Universal Negro Improvement Association which after the first world war aimed at creating an African nationalism and at redeeming the Negroes of the world by inspiring them to rebuild their shattered racial pride in Africa. The movement was largely the reflection of his own ideas and personality. It assumed in the United States a considerable membership though few educated men of his race and generation endorsed his views. They did not believe that unification of the Negro people based on Negro nationalism and involving a return to Africa to establish a Negro republic was the answer to Negro distresses in America. The Negroes of Africa in America had been torn up by their roots too long; their tribal structures and institutions had long been destroyed; they had been transplanted into another civilization and had imbibed another culture. But Garvey inspired in these Africans a new sense of pride and confidence, a pride in being black and a feeling, as one of them remarked, "of being somebody among white people who said they, the blacks, were nobody". His appeals were emotional and bombastic; his schemes were grandiose and "phony"; his methods were unusual and questionable. Undoubtedly his eloquence and showmanship exploited the credulity and ignorance of his people and the money put up for his bogus projects and dubious organizations was wantonly wasted. Nevertheless, this spectacular demagogue had faith in his own mission and tried to dramatize his vision of a bygone African culture which belonged only to his imagination. His flamboyant displays and unscrupulous conduct brought him derision and discredit, his deception and dishonesty led him to an American prison and in 1927 deportation from the States. But the black people of America reacted astonishingly to his message; their long frustration was tempered by the hope he encouraged of the better life freed from their present humiliation and degradation. He never saw Africa which was the basis of his race philosophy and where he hoped his dreams could be made true. By 1940 his movement was practically defunct and he died comparatively forgotten. Only occasionally to-day do we hear feeble echoes of the message he proclaimed. Yet, foolish and unprincipled as he often was, he brought into prominence the struggle of the black people in the United States and West Indies for public recognition of their claims as human beings; he fortified their self-esteem and respect and if Negro status in American life to-day has changed it is in part due to the impetus which Garvey gave to that advance and to other movements of emancipation from social obloquy. Mr. Cronin, in giving us some account of this remarkable personality, his activities and philosophy, deserves our thanks for adding to our knowledge this interesting chapter on race relations which in America is an intimate part of recent social history.

A. CREECH JONES.

BOOK REVIEWS

ELECTIONS AND ELECTORS. By J. F. S. ROSS. (*Eyre and Spottiswoode*. 480 pp. 42s.)

RECENTLY there has been a considerable increase in the number of publications devoted to the study of elections in both this country and abroad. Many of these works have been devoted to the analysis of the behaviour of the electorate, and have attempted to show what sort of people vote a certain way and why they do so. *Elections and Electors* is concerned with quite different problems. It examines various possible methods of election and then discusses the particular aspects of our own system and its effect on the membership of the House of Commons. There is a full account of the three Speaker's Conferences held since 1916 to consider electoral reform and of the changes introduced in 1948. The last part of the book, which sets out the average age, length of previous parliamentary service, occupation and education of M.P.s returned at the 1945, 1950 and 1951 elections, brings almost up-to-date the comparable figures for the inter-war years contained in Dr. Ross's earlier volume, *Parliamentary Representation*.

Dr. Ross is an advocate of proportional representation: he puts the case against the existing "first past the post" system with skill and fervour. But the arguments are not new and it would be pointless to rediscuss the majority of them here. It is easy to show how the present electoral law operates to the advantage of the major parties, and how they have established something of a conspiracy of silence on the fundamental—but not on the unimportant—questions of electoral reform. The techniques of modern electioneering favour the large parties to an increasing degree and there is no sign of an effective challenge to the supremacy of the Conservative and Labour organizations. In this situation controversy about proportional representation becomes academic in character.

This book does provide a stimulating academic exercise. An attempt is made to demonstrate how the quota system in multi-member constituencies would work in Great Britain by applying it to some of the results of the general election of 1950. The returns for between three and seven neighbouring constituencies in various parts of the country have been combined, and an allowance made to a minor party which did not put forward a candidate in all the seats in a group. The party totals were then divided by the quota to show the probable distribution of seats by the proportional method. From these calculations the Liberals gain some seats, but other minor parties gain none at all: therefore, argues Dr. Ross, the quota system would not produce a proliferation of small parties. But the fallacy in this reasoning is stated by Dr. Ross himself on p. 131: "... if you change the conditions of an election you change to some extent the attitude of all concerned, parties, candidates and electors." The "wasted vote stunt" is mentioned and condemned frequently in these pages, but its effect appears to be forgotten when it becomes inconvenient for the final conclusion. The experience of Eire in this connexion is also ignored.

It is a pity that the chapter on the distribution of seats in British parliamentary elections does not include a discussion of the latest reports of the Boundary Commissions issued in November, 1954, on the basis of which the 1951 general election was contested. There is a description of the criteria that determined the way the constituencies have been shaped and of the difficul-

ties that faced the Commissions in 1947 when applying the rules prescribed for them. The need to respect administrative boundaries caused variations in the size of electorates, and Dr. Ross proceeds to argue that the impossibility of securing equal electorates strengthens the case for multi-member constituencies. This again implies proportional representation. A footnote on p. 115 does, however, state "... the single member constituency system could be reconciled with the principle of equal electorates if purely arbitrary boundaries were acceptable; but such boundaries would commend themselves to no one and must be regarded as quite out of the question." Yet the latest decisions of the Boundary Commissions have been criticized for showing a willingness to abandon other considerations in the pursuit of equality. The re-drawing of the Berkshire constituencies and the shape of the new Darwen and Eastleigh divisions can only be described as arbitrary. The views of the author on these developments would have been interesting, but this chapter was completed early in 1954 and was not revised.

A most valuable section of the book contains the results of a detailed investigation into the election expenses of candidates at the general election of 1950. The issue of *The Political Quarterly* published in April 1952, included a preliminary account of this research. If election expenditure is divided into two main categories of organization and propaganda, it appears that Labour candidates devoted a higher proportion of their expenditure to propaganda than did Conservative candidates, who used more of their resources on organization. Unsuccessful Labour candidates devoted an even greater percentage of their expenditure to propaganda than did successful Labour candidates: this confirms the impression that in hopeless seats the Labour Party tends to run a type of revivalist campaign and pays less attention to matters of organization—e.g. postal voters. On average the total expenditure of Conservative candidates was rather higher than that of their Labour rivals, but the difference is much smaller than it was pre-1939. Minor parties still cannot afford as much as their larger competitors. Dr. Ross repeats the suggestion he made to the 1944 Speaker's Conference that a candidate should have a part of his expenses reimbursed by the state, the sum repaid to be in some proportion to the amount of support received from the electorate. This revolutionary proposal is not unattractive. It would help to free minorities from their present financial handicap; it would reduce constituency pressures of all kinds on M.P.s; in particular, trade union funds would not exercise so much influence in the choice of Labour candidates. The M.P. would become more of a representative and less of a delegate. It is not surprising that the Speaker's Conference rejected this scheme, for party leaders would not welcome a plan that might do grave damage to party discipline.

Elections and Electors is the fruit of many years of patient endeavour. Much of the detailed information it contains cannot be found elsewhere and the whole work constitutes a major contribution to the study of representative institutions. The ideas in the book, however, will not earn official acceptance. They are firmly rooted in democratic theory and make a pleasing protest against established interests and procedures. But opinions will differ on the desirability of the practical effects of their implementation.

PETER G. RICHARDS.

LE REGIME POLITIQUE BRITANNIQUE. By ANDRE MATHIOT. (*Armand Colin*. Paris. 335 pp. 820 frs.)

It is always interesting to know how the politics and government of our country appear to the eyes of an intelligent foreigner. When that foreigner is a French political scientist possessing remarkable knowledge of and an acute insight into our institutions, the interest is greatly increased. Several studies of contemporary France by English writers have appeared in recent years; but comparatively few books on British government by French writers have been published on either side of the Channel since 1945. Professor Mathiot's work is thus something of a novelty.

The author's object is to present a concise account of the essential features of the British system of politics and government, in such a way as to bring out the coherence and unity of the system as a whole and the interdependence of its several parts. The central theme of the book is the source, organization, exercise, and control of political power. Part I deals with the source of power; Part II with the organization of power; while the third and final part discusses the limitation of power.

Professor Mathiot begins by explaining the electoral system and its fundamental connection with the two-party régime. He rightly insists that any abandonment of our method of voting in favour of proportional representation would signify the end of the two-party system and all that it implies. The British Electoral system offers, in Professor Mathiot's eyes, three main advantages. It enables the electorate to choose the government, and thereby to democratize the parliamentary régime. It produces stable and strong government. By avoiding electoral or parliamentary alliances and bargaining between groups and coalitions it fosters a clear political responsibility. Like all systems, it has its disadvantages. The basic reason, in the author's opinion, for the fact that the two-party system exists only in the Anglo-Saxon countries, lies in the political homogeneity which makes compromise easy and frequent. The consequences of these characteristics on the composition and the programmes of the political parties is brilliantly and acutely analysed.

In the second part the author shows that the centre of gravity in British government is located in the Cabinet. This part contains an excellent chapter describing its composition, the functions and status of the Prime Minister, the work of the Cabinet Office, and the immense power which the Cabinet wields. He considers that Cabinet government in Britain is essentially government by public opinion because the voters have the last word. In France, by contrast, the parliament has often defied the electoral body, and the former shows a tendency to become "ultra-representative". Hence, Professor Mathiot regards British parliamentaryism as a system of government by the people. Thus he explains the preponderant power of the executive in terms of the respect due to the primacy of the national will. The democratic character of our Cabinet system is shown by the fact that both the government and its programme are the result of popular choice, and the responsibility of the Cabinet to the country is greater than its responsibility to the House of Commons (p. 170). This contrasts strongly with continental forms of parliamentary government, in which the essential element is the political responsibility of the Ministry to the lower house.

The restraints imposed on the vast and legally unlimited powers of the

Cabinet are discussed in the third part. The constitutional conventions and the law and custom of Parliament play their part; but the author considers that "the constitutional conscience" and respect for fair play are more important than any positive checks (p. 194). The constitutional rules form a complex ensemble of a liberal hue; and Professor Mathiot is convinced that in England there continues to exist a state of mind favourable to liberty. In recent times, the advance of *étatisme*, restrictions on economic freedom, planning, and social reforms have been reluctantly accepted. The defenders of the liberal tradition frequently evoke the spectre of dictatorship, the menace of bureaucracy, and the threat of totalitarianism; but the author "admire au contraire, avec quel bonheur a pu être maintenue la protection de la liberté du citoyen britannique" (p. 195). Indeed, his main conclusion is that the maintenance of liberty is still the great purpose which informs the whole system of British politics and government. The executive, he writes in his concluding chapter, acts in a liberal spirit not only because the constitutional arrangements require it to do so but because the aim of every cabinet is to carry out a policy approved by the nation, to realize the general interest, to assure respect for public order, thus paying the lowest possible price for freedom. But in the last resort the defence of liberty rests with the people rather than with its governmental institutions; and the British nation is willing to face the gravest dangers and to accept the heaviest sacrifices in order to safeguard its liberty (pp. 323-4).

The author reaches this encouraging conclusion only after a careful examination of the limitations on the powers of the government exercised by parliament, by the monarchy, by the judiciary, and by the electorate. He brings to the entire study a remarkable knowledge of the evolution of British government and the immensely important part played by the historical background.

The book contains a few errors of fact or of interpretation. The statement (on pp. 110-11) about the internal working of the Labour Party requires modifying in the light of Mr. McKenzie's recent book on political parties. It is not correct to say (p. 111) that the Prime Minister is no longer the leader of his party in the Commons; it is the leadership of the House which is often nowadays held by another Minister. Welsh affairs are not invariably entrusted to Ministers of Welsh origin: witness the example of Sir Maxwell Fyfe, who as Home Secretary was given a special concern with the affairs of the principality. It is by no means certain that the Queen has lost the right to dissolve Parliament on her own initiative (p. 179) though it is quite clear that she must grant a dissolution when the Prime Minister asks for it. The statement about delegated legislation (on pp. 165-6) is misleading. It is not true to say that members of the executive class of the Civil Service rarely rise into the administrative class: between 1949 and 1953 nearly a third of the new recruits to the administrative class were promoted from below.

But these are flaws of a very minor character which do not detract from the high qualities of the book. Within its brief compass of slightly more than 300 pages *Le Régime Politique Britannique* gives a most informative and illuminating account of British government.

It is to be hoped that an English translation of the book will enable Monsieur Mathiot's work to become known among a wide circle of readers in this country.

W. A. ROBSON.

MOSLEMS ON THE MARCH. By F. W. FERNAU. (Hale. 312 pp. 16s.)

THIS book describes the present political situation of a number of countries in Asia and Africa populated by Muslims. It is as useful as a book on "current affairs" can ever claim to be. But there are signs that it claims to be more than just a record of recent events, that it tries to offer a theory of Muslim history; and here the pretensions of this book become dubious.

The Muslim community, the author points out, constitutes one-seventh of mankind. But, except for a very short period at the beginning of their history, Muslims have never all belonged to one and only one state. To give therefore the impression that the political history of the Muslims can usefully be considered as a unity is to darken counsel and confuse judgment. "The map of the Moslem world reveals three strong positions," declares the author, "Anatolia, the Nile Valley, and North-West India (that is, the Indus valley and the Hindu Kush). Thus Turkey, Egypt, and Pakistan may be regarded as the main pillars of a new Moslem state system." What does this mean? Nothing to the historian, and little even to the politician taken up with geo-political speculations. The writer's fondness for these grandiose conceptions leads him sometimes into absurdity. In a chapter called "The Moslems' Oil", he discusses the oil resources of the Middle East, and so carried away is he with the idea that Muslims and oil are twins that, in order, presumably, not to spoil the symmetry of his notion, he makes this astonishing statement "There is not only the oil of Arabia and Persia: the Turks, too, live on oil-drenched soil. Nine-tenths of the Soviet oil is Turkish." We recover from these powerful shock-tactics to realize that the author must mean, in his categorical and picturesque way, that important Soviet oil-fields are found in the Caucasus, which is populated by a variety of groups some of whom have this in common, that they speak one Turkic dialect or another.

If Muslim history cannot usefully be considered as a unity, Islam, as a religion, of course has to be. It is important to find out what Islam, as a system of beliefs, entails for politics, and how it can cope with changing political circumstances; but here, too, the book is somewhat unsatisfactory. Part of a chapter is devoted to the theological discussions which Muslim contact with Europe has elicited, and here the author makes two rather dubious contentions. In the first place, he seems to believe that such a party as the "Young Egypt Party" with its Nazi leanings, and perhaps connexions, or such a movement as the Muslim Brotherhood, with its demagogy, and its use of murder as a political weapon, are both in some way connected with the high theological speculations of the Salafiya movement, the chief luminaries of which were Muhammad Abdu and Rashid Rida, men of piety, learning, and circumspection. In the second place, the author states that Islam and nationalism are mutually exclusive. This is not so obvious as to make a proof unnecessary, for it can, on the contrary, be argued that of European political doctrines, nationalism is one of the few that Islam can easily accommodate within the economy of its dogmas.

E. KEDOURIE.

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BRITISH POST-WAR MIGRATION. By JULIUS ISAAC. Occasional Papers, No. XVII, of the National Institute of Economic and Social Research. (Cambridge. 310 pp. 30s.)

PEOPLING THE BRITISH COMMONWEALTH. By G. F. McCLEARY. (Faber. 174 pp. 18s.)

CULTURE AND HUMAN FERTILITY. By FRANK LORIMER, with special contributions by Meyer Fortes, K. A. Busia, Audrey I. Richards, Priscilla Reining and Giorgio Mortara. (Unesco. 510 pp. 25s.)

DRS. ISAAC and McCleary have written complementary reports on present-day migration to and from Britain, the former being scholarly and mainly of use to scholars, the latter popular and a badly needed introduction to a little-discussed subject.

The study by Dr. Isaac completes three years' work at the NIESR with the guidance of a distinguished committee. His main task has been to make a quantitative assessment of migrants entering and leaving this country during the early post-war years, distinguishing between non-recurrent items and those that comprise what migratory trend there has been since the war. His most important statistical findings come from a sample survey of 10 per cent of British emigrants from the United Kingdom in 1946-9. The survey is based on the passenger manifests that are returned by the shipping companies to the Ministry of Transport. It has had to be confined to migration by the long sea routes because other channels are not systematically recorded. For the same reason, it was not worth making a survey of immigrants, as only a third of those who entered Britain in 1946-9 were recorded on shipping manifests.

After analysing the social and economic characteristics of his sample, Dr. Isaacs divides it according to receiving countries and examines the characteristics of each group of emigrants so obtained. So far as immigration is concerned, his main difficulty has been to build an adequate picture of post-war immigration from Europe, using a variety of unsatisfactory sources; but he has made a thorough search for every possible category of immigrant and has endeavoured to assess each one quantitatively so as to strike a balance sheet of migration to and from this country during the early post-war years. His balance sheet shows an immigration of 1,084,000 in 1946-50 and an emigration of 1,224,000 giving a net emigration of 140,000 over the five years. He goes on to summarise the demographic, social and economic changes involved.

Naturally Dr. Isaac's study leads to criticism of British migration statistics. He points out that they lack a uniform definition of migration, they are incomplete, and they make no allowance for those who acquire the status of migrant only some time after changing their country of residence. The United Nations have made many detailed recommendations for the improvement of migration statistics and for making them internationally comparable. Those that are relevant to Britain should, Dr. Isaacs argues, be adopted by the government. He also proposes that the Board of Trade's definition of migration, namely a change of residence for at least one year, should be universally adopted in spite of its shortcomings.

Drs. Isaac and McCleary cover the same ground only when they consider the future of British migration. The former approaches this difficult topic

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with caution. He thinks that "Britain's emigration is likely to remain essentially emigration within the Commonwealth . . . it is very doubtful whether it will be possible to maintain the efflux at the present rate . . . Britain, together with Italy and perhaps Germany, is likely to remain the main source of European emigration", though a rather high proportion of British emigrants do not become permanent settlers in the receiving countries. Dr. Isaac is not sympathetic to the case for large-scale emigration which, he thinks, is based on an unduly pessimistic view of economic and political trends. His own preference seems to be for a small net migration from Britain, comparable to the figures for the years he has reviewed.

Dr. McCleary, on the other hand, prefers a large movement of Britons to the Commonwealth, but he argues the case with a moderation and persuasiveness which characterize the whole of his book. Most chapters are factual and extremely well written, especially those that describe demographic changes in modern Britain and those that examine the position of receiving countries. He is, perhaps, superficial on the economic problems of a densely populated Britain and on the practical difficulties of mass migration, but both problems need lengthy treatment which is hardly possible in a book of this purpose and size. In general, this is an excellent introduction to the subject.

The importance of Unesco's *Culture and Fertility* is that it breaks new and important ground in a field of research which has been even more badly neglected than international migration. It seeks to establish very tentatively the cultural conditions that favour high or low fertility in non-industrial or transitional societies. One half of the book consists of four detailed studies. Meyer Fortes contributes *A Demographic Field Study in Ashanti* and K. A. Busia a short paper on *Some Aspects of the Relation of Social Conditions to Human Fertility in the Gold Coast*. *Fertility Surveys in Buganda and Buhaya* are the subject of a report by Audrey I. Richards and Priscilla Reining, while the Brazilian demographer, Giorgio Mortara, looks at economic and social factors affecting *The Brazilian Birth-rate*. But the primary interest of the book lies in its first half, consisting of the theory that Prof. Lorimer has based on this and comparable material from previously published studies.

There are, he suggests, five major influences that tend to induce high fertility. Two of them—sacred values that directly or indirectly motivate the procreation of large families, and the lack of appropriate means of birth-control—are already widely recognized, though Prof. Lorimer throws new light on how they operate in different cultural conditions. The others are first, the existence of tribal or other perpetual and competing groups with established lines of authority; second, the existence of cohesive groups, such as extended families, which often promote high fertility when other conditions favour it; and third, cultural apathy, which tends to cause a relaxation of personal restrictions on the biological propensity for procreation.

Fertility can be reduced, Prof. Lorimer contends, in two very different circumstances—either an acute social disorganization which "may release modes of behaviour that are inherently incompatible with any stable patterns of social life"; or a social and cultural adjustment to actual conditions of living, in which restriction of fertility helps to achieve accepted goals.

The analysis of this book has already provoked considerable disagreement among demographers and anthropologists, as Unesco (which should be congratulated for grasping this thorny subject so firmly) hoped no doubt that it

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would. But, in the absence of further research and thought, criticism can only be negative and it is to be hoped that this book will stimulate the required research in the transitional countries. For, as he puts it, any policy that aims to control fertility must be concerned not merely with means but with the background conditions that favour control. Incidentally, these conditions have economic as well as social and cultural elements.

J. C. GRAY.

AMERICAN CONSTITUTIONAL LAW. By BERNARD SCHWARTZ. (Cambridge. xiv + 364 pp. 25s.)
THE "HIGHER LAW" BACKGROUND OF AMERICAN CONSTITUTIONAL LAW. By EDWARD S. CORWIN. (Cornell University and Oxford. xii + 89 pp. 7s. 6d.)

Since 1938, when Sir Maurice Amos's brilliant *Lectures on the American Constitution* appeared, no book designed specifically for English readers has been published on American constitutional law. This may seem surprising, for there have been some excellent recent studies by British political scientists in the theory and practice of American government. But the fact is that hardly a single English academic lawyer to-day has a sufficient mastery of the intricacies of American constitutional law to undertake to write an elementary introduction to the subject for his compatriots. And so it has been left to an American public lawyer, who is well acquainted with the British constitution and who has already published a book on *American Administrative Law* for English readers, to supply the deficiency.

Professor Schwartz begins with a simple explanation of the basic principles that underlie the constitution—popular sovereignty, separation of powers, federalism and judicial review. He goes on to describe the structure, operation and interrelationship of the three main branches of government. In the second part of the book he examines in greater detail a number of modern developments. He describes how the stature of the Federal Government *vis-à-vis* the States has been enhanced by means of its financial dominance and the benevolent interpretation of federal powers by the Supreme Court. His other chapters deal with the presidential prerogative and the *Steel Seizure* case, the changing role (should it not be "changed role"?) of the Supreme Court (a discreet solicitude for the protection of civil liberties, but self-restraint in reviewing legislation affecting property rights), the Negro and the law (the best chapter in the book), civil liberties and the cold war, administrative law, and the United States and the United Nations (with special reference to the effect of international agreements in domestic law). His critical comments are judicious and moderate; on politically controversial issues he is cautiously circumspect, but he is generally on the side of the angels. Everything is set out lucidly and painstakingly. Sometimes, indeed, too many pains have been taken. The author often repeats not only himself, but other writers whose views he cites—three quotations from Bryce appear twice over—and in his anxiety to drive his points home he tends to labour the obvious. He is apt to lean too heavily on the support of others. ("Especially

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during the past twenty years, as a French comparative lawyer informs us, has the problem of the general reorganization of the American governmental structure been on the political agenda.") But it is perhaps ungracious to complain of a lack of inspiration in the style of a book which has served its purposes more than adequately. English students of American institutions—especially those students who have some knowledge of English law—will be grateful to Professor Schwartz for his successful accomplishment of a difficult task.

Professor Corwin's essay on the conception of the constitution as higher law first appeared in the *Harvard Law Review* a generation ago. Anything written by the doyen and the most distinguished of present-day American constitutional lawyers is worth reading, and this particular study stands out as one of his most significant contributions to constitutional history. Erudite, imaginative, and delightfully composed, it traces the development of higher law concepts through ancient and mediæval theories of natural law, through Chapter 29 of Magna Carta, Bracton, Fortescue, Coke and Dr. Bonham's case, and Locke's *Second Treatise on Civil Government*, into the stream of thought from which the founding fathers drew their inspiration. Recent writers on these matters have attributed a greater influence to the political thought of the Commonwealth period than Professor Corwin seems prepared to concede; but his work will inevitably remain a standard text in its field.

S. A. DE SMITH.

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THE POLITICAL QUARTERLY

INDIA: NEW PATTERN. By LADY HARTOG. (Allen & Unwin. 153 pp. 12s. 6d.)
INDIA AT A GLANCE. Edited by G. D. BINANI and T. V. RAMA RAO. (Orient Longmans. 1,734 pp. 84s.)

It is difficult for anyone already connected with India before her independence to arrive at a reasonably objective view of her achievements since 1947. The erstwhile opponent of freedom tends to find in India's present problems justification for his earlier doubts. The former friend of the nationalist movement is attracted for similar reasons to a view of only the favourable aspects. And each, in attempting to correct for bias, is in danger of falling over into the other's error. Lady Hartog, in this book written in 1954 just before her tragic death in an accident in the Alps, succeeded remarkably well. She had lived in India from 1921 to 1930, when Sir Philip Hartog was Vice-Chancellor of the University of Dacca and later a member of the Public Service Commission. She revisited India in 1953 as a guest of the All-India Women's Conference.

This book does not have the vividness of a traveller's first impressions, but it has something more valuable: the maturity of a sober account written, as it could only be written, by someone already familiar enough with the country to possess a framework of facts and relevant standards of judgment. Lord Hailey in his Foreword points out what is indeed evident from the book itself, that Lady Hartog combined deep sympathy with India, where she had many friends, with a balance and clarity of view which give one confidence in her verdicts.

The early chapters on political developments are necessarily sketchy, but a great deal is packed not inelegantly into very few pages—and with only the odd inaccuracy (e.g. the lower House of the Indian Parliament has not 497 members but 499). It would be true to say of this part of the book that it gives no more than the minimum amount of information necessary for an intelligent understanding of current news from India, but even that is so rare that on this ground alone the book would deserve many readers.

Already in the passages of political description there are asides which illumine and which indicate the author's human approach. "I think that most of the people I met during my stay in India had voted for Congress in the General Elections, but I found no lack of that healthy democratic right, the right to criticize the Government." That is much nearer the mark than the phrases about a "one-party state" and "thinly-disguised authoritarianism" which some press correspondents like to use. Again, whereas before independence a Britisher "was often afraid of making a jesting remark lest it should be taken amiss", now Indians and British "can laugh at each other and at themselves".

But it is in the field of the social services that Lady Hartog's observations are most useful. She was not afraid of the inconveniences of seeing things for herself and she was not afraid of criticizing when she found deficiencies. The book expresses grave doubts as to the wisdom of the present language policies and serious disquiet about the state of the still-expanding, still-multiplying universities, though the author excludes the women students when speaking of the "malaise" affecting university life in general. On many topics, Lady Hartog was quietly optimistic—not because she did not see the awful problems and even the muddles, but because she encountered such

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awareness of them among those concerned and above all enthusiasm to improve matters. In this tone she wrote of the problems of corruption, of the rehabilitation of refugees, of the food situation and the position of the untouchables. Even the biggest difficulties are being tackled with intelligence and zeal. On a few matters Lady Hartog was thoroughly enthusiastic—and these were generally matters particularly close to her heart and into which she looked with some care. The changed place of women in Indian society seemed to her most striking. Women from the middle classes are now entering a wide range of professional jobs and are doing well. This has a marked effect on social life and atmosphere: "the new India appeared to me more westernized than the India I used to know". The problem of family planning is being faced bravely—and with more frankness than in England. The scale and enthusiasm of voluntary work in public health and other social services is impressive.

India at a Glance, first published in 1953, appears now in a second and improved edition. Few individuals will want to possess this massive volume but some institutions and organizations may find that it saves much time and trouble. About half the book contains information of an "encyclopedia" variety. There are sections on the political and economic structure of the Union and each of the States, on the defence system, judicial system, social services, communications, and the arts. The political section includes a synopsis of the constitution, brief reviews of the political parties, and detailed election results. On the whole all this is well arranged. There is, of course, the occasional incongruity—as when, in the section on the Demographic and Social Background, statistics of the different religious groups in India are prefaced by a quotation from Gandhi on the nature of religion. The rest of the book contains information of a "directory" character and it is here that it may be of great value to some. Apart from a general Who's Who and a further Who's Who of M.P.s, there are lists of libraries and newspapers, of advertising agents, exporters and traders, mines and mine-owners, chambers of commerce and trade associations, a directory of Union and State Government officers and of India's representatives abroad. This naturally means that industry and commerce loom much larger in this "glance at India" than they do in fact. But there is something here for everyone. Paul Jennings will appreciate the Classified List of the Indian Standards Institute ("Digboi Type Cutback Bitumin", "Tamarind Kernel Powder", "Code for the manufacture of Pickers" and "a Method for determining the Burating Strength of Cotton fabrics") and any Welshman will joyfully recognize a cousin of Jones the Milk in one of the ten Bombay match manufacturers called Mr. Abdoolally Matchewala. More seriously, reference libraries and businesses dealing with India will do well to invest in this. The index is not unreasonable, but the proof-corrector was a little tired by the time he got there. Also, for a future edition it might usefully be made more detailed: as it stands, one cannot know whether or not topics omitted from the index (Famines, Fisheries and Floods, for instance) are to be found in the book.

W. H. MORRIS-JONES.

THE POLITICAL QUARTERLY

THE THEORY OF ECONOMIC GROWTH. By W. ARTHUR LEWIS. (*Allen & Unwin*. 453 pp. 30s.)

"ECONOMIC growth," as Professor Lewis uses the words, means higher productivity—that is, greater output of goods and services per head of population. Through most of his book he refuses to discuss whether such growth is desirable or not, and limits himself to a consideration of the factors which favour or obstruct it. Desirability is dealt with only in a brief appendix, in which he both sums up on the side of growth and argues that, whether we like it or not, there is no real alternative because both knowledge and the desire for more goods and services are in fact increasing and likely to continue increasing; so that the only real questions are how fast growth is to be, what forms it is to take, and how it is to be influenced and directed. Economic growth, he is well aware, is a most upsetting process: it upsets everything—class relations, international relations, moral and social values, ways of living; and it is apt to result in a discarding of established values and habits long before new ones can be established to take their place in holding societies together. These aspects, however, are not necessarily bad: they have their good side too. And, if they are bound to happen, there is much to be said, he thinks, for getting them over quickly, in order to speed up the enthronement of the new habits and attitudes. There are, no doubt, limits to the desirable rate of change; but they are theoretical rather than practical—mainly because the principal factor in a high rate of change is the accumulation of capital, and most countries, in his opinion, are adding to their capital resources at a grossly inadequate rate.

The great virtue of Professor Lewis's book is that he thoroughly understands not only the absurdity of arriving at judgments based on isolated consideration of purely economic factors and the necessity of a sociological approach, even when attention is directed primarily to economic issues. He sees clearly that economic growth is not merely a matter of the economic forces at work in societies, but is also profoundly affected by the whole institutional pattern—by human attitudes towards non-economic as well as towards economic objectives, by class structures, and by the force of innovation in every part of the social field. These sociological factors are not treated in any detail; for Professor Lewis is writing a book about economics, not about sociology. But account is taken of them at every stage of the argument, though many of them are much less capable than some of the economic factors of being reduced to any sort of quantitative measurement. The reader who hopes to get from Professor Lewis's book a complete "theory" of economic growth will be disappointed. Even if such a "theory" were in theory possible, our present knowledge falls immensely short of allowing it to be formulated with any precision. This our author not merely admits, but recognizes without repulsion. In his successive approaches to the problem he adduces a large number of very pertinent theoretical notions; but he does not attempt to make of them the basis for a comprehensive theory. Instead, he recognizes the immense complexity of the problem, the vast differences in the circumstances confronting different economies at different times and stages of development, and the widely varying inter-connections between the economic and the non-economic elements from place to place and from time to time.

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One recurring theme in this book is that economic growth connotes a reduction in the proportion of the working population needed to feed the population as a whole. Growth on any significant scale becomes possible, Professor Lewis points out, only when a fall in this proportion releases manpower for other tasks—that is, either for the production of other goods and services or for that of surplus food which can be exported in exchange for such things. Such a situation, however, may not lead to growth unless means are found of employing the “surplus” agricultural workers; and such employment depends on a growth of capital investment either in industry or in agriculture and in the essential services that minister to agricultural productivity. He also puts great stress on the need for a balanced advance and on the nemesis that awaits societies which develop their economies in an unbalanced way—as he thinks has happened in the Soviet Union, at the expense of agriculture, as against the more balanced growth of the Japanese economy.

Growth, whether it be well balanced or not, requires a high level of investment. In the under-developed countries, Professor Lewis puts the need for saving and investment at from 10 to 12 per cent of total national income, as against the 5 per cent at most which these countries are achieving at present. He puts much emphasis on the point that, historically, a high rate of capital accumulation has been closely correlated with high profits in the industrial sector: so that, in a private-enterprise economy, rapid growth goes with the accumulation of fortunes that are reinvested, and the high taxation of profits is therefore fatal to growth unless the tax proceeds are used for public investment. In saying this, he is not making a case for private enterprise, or against high taxes. On the contrary, he believes that business men can, given time, accommodate themselves to almost any level of taxation, provided it is reasonably stable; and he insists again and again that what matters most is the actual level of investment, and not whether it is done by private entrepreneurs or by the state or other public bodies. He points out that in modern societies a large proportion of necessary investment—in roads, transport, public utilities, aid to agriculture and industry, and also in health and educational services—is almost bound to be carried out under public auspices, and that international lending in particular is practically certain to be in future mainly inter-governmental. He sees the under-developed countries in particular as needing to make large public expenditures in providing the requisite background and environment for agricultural and industrial growth; but at the same time he realizes how apt the governments of such countries are to fritter away their resources on account of corruption or inefficiency, or because the ruling classes are actually hostile to forms of economic development that may undermine their traditional authority.

Although Professor Lewis is dealing with economically advanced as well as with economically backward societies and is indeed ranging at large over all human history in the examples he cites, his mind is evidently most closely concentrated on the problems of the under-developed countries; and he has relatively little to say, in this book, about the intricacies of the more advanced. He is concerned especially with the problems that arise when fast-falling death rates coincide in time with high birth-rates, and bring about a situation in which it is very difficult for productivity to keep pace with increasing population. This, he agrees, may be no more than a transitional problem; but it may create immense difficulties while it lasts. If falling death-rates depend

largely on improved medical and sanitary knowledge, whereas lower birth-rates are chiefly a sequel to actually advancing standards of living, it may take productivity a very long time to catch up with rising population and for some time living standards may actually fall. Under these conditions we get a widening instead of a narrowing of the gap in standards between the more advanced and the more backward countries; and the latest applications of science to production, requiring very capital-intensive methods, make in the same direction, whereas the psychological and political conditions in the less-advanced parts of the world make for angry demands for a narrowing of the gap. This accentuates world tensions, and in doing so leads to forms of xenophobic nationalism which tend to retard economic growth where it is needed most.

Professor Lewis is not hopeful that a cure can be found through the granting of massive gifts or loans of capital by the richer to the poorer countries. He does not consider that democracies, any more than other types of government, are capable of rendering such services on the immense scale needed to make any considerable impression on primary poverty in the backward parts of the world. Nor, he urges, would even the most massive gifts of capital by themselves achieve the desired effect. The possibilities of economic growth depend not only on the availability of capital but also, at least equally, on the presence in the less-advanced countries of the required skills, manual, managerial and entrepreneurial; and it is exceedingly difficult to develop these skills at all quickly without extensive foreign aid. Professor Lewis holds that foreigners and foreign enterprise have usually played a very important part in getting economic development started in countries which have risen to play leading parts in the world economy; and he therefore lays much stress on the importance of the various forms of “technical aid” on which a beginning has been made in recent years—though he is well aware of the danger that such aid may be so mismanaged as to arouse strong antagonism among those it is designed to help. He puts even more emphasis on the importance of “community projects” which can be carried out by local manpower without high costs in imported materials or machines, but is alive to the fact that such projects can succeed only where the participants can see the direct local benefits to which they give rise.

Enough has been said to show that Professor Lewis has written a very remarkable book. Economists, who until quite recently were preoccupied almost wholly with the conditions of the more advanced countries, are coming at length to ask themselves how applicable their theories are to the majority of mankind who live under very different conditions; and, in doing this, they are being forced to break through the narrow framework of orthodox trade cycle and monetary doctrines and to re-examine many of their assumptions in the light of a wider context of political and sociological fact. Professor Lewis's book is, I think, the most important single contribution yet made to this new outlook on world economic problems. Inconclusive in many respects, and falling a long way short of providing a general theory of economic growth, it does break new ground theoretically and is full, practically, of eminently sensible suggestions to those responsible for economic policy in the advanced countries as well as in the less advanced.

G. D. H. COLE.

THE POLITICAL QUARTERLY

SOVIET ENCOUNTER. By REAR-ADMIRAL PELTIER. (Bles. 244 pp. 18s.)

THIS is a translation by T. C. Butler of an account by the Naval Attaché to the French Embassy in Moscow between 1947 and 1951 of his impressions of Russia. It does not claim to be a specialist study or to throw any new light on the Soviet system. It is rather a record of the personal experience and observation of a kindly and civilized European who went to Russia with an affection for the Russian people in his heart; and firmly determined that his aversion to the Soviet system was not going to colour his view of the people and the country. This, together with a knowledge of the language, can be recommended as basic equipment for every traveller in the U.S.S.R., or at any rate for those who wish to set down their experiences in writing for a wider audience. Admiral Peltier has certainly succeeded in producing a model travel story—lively, well written (and excellently translated), and with an observation of detail which suggests that a methodical diary was kept. If the result is somewhat jejune in solid matter, that is the fault less of the author than of the limitations imposed by the nature of Soviet society, at any rate during the immediate post-war years covered by the narrative—the prudent reticence of the normal Soviet citizen, the restrictions on travel, and the impossibility of personal intercourse with Russians in their homes and on social occasions.

There will thus be little that is new in the story to those familiar with Soviet conditions. However, Admiral Peltier is a keen observer, and some of the scenes which he describes show how quick he was to observe that beneath the façade of sullen conformity the individual Russian is still very much alive. Recent travellers to Russia have, of course, reported much detail which shows, now that with the death of Stalin the fear of the dictatorship has somewhat abated, how lightly the official strait jacket sits on the Russians. The discovery has now been made of that which many better-informed students of the Soviet scene suspected all along: that patriotism, nationalism, and pride of achievement are the real emotions, and that communism is largely accepted only as a disagreeable necessity. But Admiral Peltier noticed this long before the death of Stalin. For example, in a conversation with a woman in Lenin-grad (and how movingly he describes this lovely city, which is second only to Florence in elegance) he observes that in her proud account of the grim years of the siege there is no reference to the part played by the Communist Party. Or again, at a football match in which Dynamo, the police team, begin to get rough, he notices the mutterings of the crowd: "Ruffians! You're on the football field now, not in the streets, knocking people about!" While in Georgia, several of the people he talks to are openly nationalistic. Yet, in other conversations he comes up against what seems the blank wall of indoctrination. What is it? he asks: blind resignation, fanaticism, or the complete surrender of the personality in the face of necessity?

This is a slight but agreeable book. It is marred by misspellings of some Russian names, and by a few errors of fact which a little more care should have avoided. Trotsky did not return to Russia in a sealed train (p. 82), the battle of Stalingrad was not in 1943 (p. 92), and a *Sovkhoz* is not a collective farm (p. 98).

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THE POLITICAL QUARTERLY

TRADE UNIONS AND THE LAW. By HORATIO VESTER and ANTHONY H. GARDNER. (*Methuen*. 7s. 6d.)

IN a little over one hundred pages the authors of this book have attempted to outline for the layman a branch of the law which is the despair of the lawyer. In this almost impossible task the authors have succeeded admirably: the result is lucid, concise, and well-ordered. Those who wish to acquire a bird's-eye view of trade-union law will welcome this easy and modestly priced way of doing so. Not all the statements of the law are beyond controversy, as is only to be expected. It is surely somewhat artificial to justify the common practice of most large unions of providing legal aid for the claims of members against their employers on the grounds that the proceedings aided may be said to "threaten the trade interests of other members of the union". The principle of self-help and solidarity underlying every trade union is sufficient to remove the possibility of union legal aid to members being regarded in law as unjustifiable inter-meddling, and therefore as maintenance. Again, the authors take the view that the rule which prevailed until a very recent decision of the House of Lords that no damages could be awarded for wrongful expulsion of a member was not of "practical importance": an aggrieved member could, in their opinion, "recover damages from the executive committee or other officers who exclude him". But on what grounds—unless a conspiracy to injure the excluded member could be established, which was always a very difficult matter? It was precisely because of the practical difficulty of bringing such actions for wrongful expulsion that the rule that no damages were recoverable against union funds in an action against the union was of such importance, and the reversal of this rule by the House of Lords is therefore likely to prove of considerable effect.

These are, however, minor criticisms of an excellent little book on which the authors deserve to be congratulated.

LEONARD SCHAPIRO.

THE UNKNOWN PRIME MINISTER: THE LIFE AND TIMES OF ANDREW BONAR LAW, 1858-1923. By ROBERT BLAKE. (*Eyre & Spottiswoode*. 556 pp. 42s.)

THIS is a very interesting political biography and Mr. Blake has done his work extremely well. The interest is twofold. First there is the personality of the man Bonar Law. Secondly there is the light which the book throws upon that critical period in English and European history between 1900 and 1923 in which the man played a not unimportant part.

Bonar Law was a very strange man and his strangeness was due to his ordinariness. He was almost a caricature of the ordinary, the little man, and when he reached the highest political office, that of Prime Minister, this extreme ordinariness and complete lack of distinction made him appear fantastically strange both as man and as Prime Minister. This is the point of the title of the book which is taken from the witty remark attributed to Asquith, who is reputed to have said to his neighbour as they stood in Westminster Abbey at Bonar Law's funeral: "It is fitting that we should have buried the Unknown Prime Minister by the side of the Unknown Soldier." He was an almost completely colourless man with a drab mind and a drab soul. He was fond of chess, his wife, golf, tennis, and his children—but apparently of

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nothing else. He was a teetotaller, his favourite drink being ginger ale. A meal was only something to get through as quickly as possible and he never noticed what he ate. He was the perfect Philistine: he had an aversion to all the arts, to anything "intellectual", and even to scenery and "the beauties of nature". He was a melancholy man who took very little pleasure in anything, even his own success, and that, according to Mr. Blake, was the reason why so many people—even the great public—had a "deep affection" for him. His only outstanding qualities were an abnormally good memory and a considerable power of lucid speech.

The part which he played in politics and on the stage of history was also very strange. Like so many politicians who reach the highest posts, he had great difficulty in making up his mind about any important question. But he had one peculiar habit: he frequently made up his mind with great rapidity when some important political problem presented itself and then immediately began to waver until he finally swung round to the exact opposite of his original decision. His dislike of having to make a decision, perhaps increased by his last painful illness, was shown in his determination to avoid having to advise the King regarding his successor to the premiership. Though he naturally had an important influence upon politics and party, he did not play an outstanding part in history except perhaps in the Ulster question. The part which he and his party played there was historically disastrous. Mr. Blake's book throws considerable light upon this. He also contributes some new and rather surprising information about the negotiations at Buckingham Palace which led to the appointment of Baldwin as Bonar Law's successor to the premiership.

LEONARD WOOLF.

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SHORTER NOTICES

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THE POLITICAL QUARTERLY

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NOTES AND COMMENTS

Washington and Moscow

TWO events, which presumably were of the greatest political importance, took place in February. The month began with the ending of the Washington Conference and the issue of a "Declaration of Washington" over the signatures of the President of the United States of America and the Prime Minister of Great Britain. Here from the political Ark of the Covenant of the west was the most solemn and official announcement to the world of the west's policy towards the Soviet Union and the danger of atomic and nuclear war with her which, if it comes, must bring complete ruin to all alike. About a fortnight later, on St. Valentine's day—the day on which St. Valentine was beheaded and the birds are said to pair—Mr. Krushchev in Moscow, the Ark of the Covenant of the east, made a speech for six hours in opening the 20th congress of the Communist Party of the Soviet Union; it was a good deal longer than the Declaration of Washington, but it performed the same function from the other side; it was a solemn, official announcement to the world of the Soviet Union's policy to the western powers and towards the danger of war. We must assume that hidden in these documents and declarations, made by the ruling or leading statesmen of the most powerful states in the world, is a profoundly serious statement of what they propose to do in order to avoid the greatest international conflict in the history of Yahoos. Yet if some twentieth-century Gulliver had to read them out to a modern Houyhnhnm, they might on the face of them seem to be the product of children or lunatics.

* * *

Let us first examine the Declaration of Washington. The first paragraph on the face of it proclaims a religious war. The quarrel between the U.S.S.R. and the west is, we are told, part of "the age-old struggle between those who believe that man has his origin and his destiny in God and those who treat man as if he were designed merely to serve a state machine". Could anything be more fantastic than this statement, if Mr. Eisenhower and Sir Anthony Eden believe it? There are probably more people in Russia who believe that man has his origin and destiny in God than there are in Britain and America; there are probably more members of the Soviet government than British Cabinet Minis-

ters who really believe it. There is no such "age-old" struggle of beliefs, and we—and our governments—are not concerned with what the Russians believe, but with what they or their government do or threaten to do. What the Soviet Government has been doing in the last ten years, both within and without Russia, is pernicious and no doubt their statesmen's belief are pernicious. It is their acts and their international policy, not their beliefs, that we have to consider, and in fact, of course, it is only these that President Eisenhower and the British Prime Minister do consider—which is why after their exordium they hastily assure the world that they are not going to fight this "age-old struggle" after all, at any rate by force. What is so disquieting in the Declaration is that it shows no sign, no conception of a policy of action to deal with action, no positive policy of guiding our relations with the U.S.S.R. into a period of stable, peaceful coexistence.

* * *

When one turns to Mr. Krushchev, he naturally was able to say more in his six hours than the western statesmen say in their Declaration which can be read in ten minutes, but in concrete content there is little to choose between east and west. Where the President and Prime Minister said that the communists are anathema, but that they were willing to coexist peacefully with them, the Soviet ruler said that the western imperialists are anathema, but that he is willing to coexist peacefully with them. Like them he began with the abracadabra of a religious doctrine which is nonsensical. Where they had said that Mr. Krushchev's crime is that he does not believe in God, he said that their crime was that they do not believe in Marx and Lenin. The crime of the west, he said, was imperialism or colonialism. The abracadabra of the Marxist religion maintains that "while imperialism exists wars are inevitable", but, since Mr. Krushchev does not want war with the west, at any rate at present, he had to reconcile the contradiction of inevitable war with non-inevitable war and peaceful coexistence. He did so by arguing that Lenin's doctrine of imperialism—which, by the way, Lenin lifted from the writings of an "imperialist" Englishman, J. A. Hobson—though absolutely correct when made, has been modified by the situation which "has changed radically". The emergence of the immensely powerful, great, good, pacific, anti-imperialist Soviet Union means that there is now a champion of the down-trodden colonial peoples strong enough to "force the imperialists to eschew

wars". The good "Soviet Union," he said, "has done a lot to bring closer the positions of the great powers; it is now up to the United States, Great Britain, and France". And then came the only concrete proposal of Mr. Krushchev:

"Pending agreement on the major question of disarmament, we express readiness to agree to certain partial measures in this sphere, such as cessation of tests of thermonuclear weapons, not to permit troops on the territory of Germany to have atomic weapons, and the reduction of military budgets."

* * *

That Mr. Krushchev does not "believe that man has his origin and his destiny in God", if indeed this be the case, is of no importance for the future of peace and civilization. There are, however, other things connected with him and the U.S.S.R. which might well make one despair of the future of Europe. What is one to say of a country in which its ruler can make a speech of six hours and except for about five minutes make statements which are patently untrue or nonsensical, and still be applauded as a great statesman by millions of his subjects and all the communists who are not his subjects? What is one to say of statesmen who think it worth while to get people like Donald Maclean and Guy Burgess into Russia, deny that they are there, and then stage the ludicrous production of them in a Moscow hotel to four journalists? Only in international relations would the antics of Soviet foreign policy be considered sane or apposite to a civilized people. The Soviet government makes an offer to the United States government, and the Russian people are told of the offer but not of its rejection. Nothing could show more clearly the state of civilization in the Soviet Union and of the attitude of the government to its people. Mr. Krushchev, as head of the government, continually says that he wishes to live in peaceful coexistence with the west and that he does not wish the atomic and nuclear war to start. What he says is probably true and may for a time remain true. Yet almost everything which he does is calculated to bring him and us into conflict. There is no more "imperialist" government and state in the world than Soviet Russia, and the communist bloc or empire has developed a modern—or perhaps the most ancient—type of imperialism which is both internal and external, for it reduces all to the status of subject people whether they are within or without the state frontiers. Yet the ruler of this empire in long speeches all over the world accuses

the western powers of a "colonialism" and "imperialism" which is as much a thing of the past as the mummy of Lenin. In Germany and Egypt, in the Middle East, India, and the Far East this statesman, who professes friendship for the west and demands tokens of friendship from the west, conducts a relentless cold war against the west and does everything in his power to damage the west's interests. At the same time, he conducts against the west the corrupting war of espionage which is analysed in an article which we publish in this issue.

* * *

These are facts and unpleasant facts. What would the reasonable policy of the U.S.A. and Britain be in face of them? First of all, it should not be the plaintive, doctrinal, argumentative, accusatory generalizations which make up the Washington Declaration. Secondly, it should bank on the one fact which can save the world: that Mr. Krushchev and his comrades do not want a war with the west. And we should call his bluff—if it is bluff—in the one place where something might be done to postpone nuclear war indefinitely. Only the banning of bombs, national disarmament, and international control of armaments will ultimately make the world safe from atoms, hydrogen, communists, and imperialists. The west therefore should immediately accept Mr. Krushchev's offer and then go all out for agreement on the banning of bombs and disarmament. This is the only policy worth pursuing, but it is a policy which it is not easy even to initiate. The first step necessary is for Sir Anthony to persuade President Eisenhower that everything else should be subordinated to it.

THE ROYAL COMMISSION ON THE CIVIL SERVICE

By W. J. M. MACKENZIE*

The Report of the Priestley Commission on the Civil Service† has had a poor press. The *Manchester Guardian* remarked (with apt quotations) that its prose is "the very Albert Memorial of suet-pudding, puffed up English", and other journals have not put themselves out to dig for gold among the suet. Even those most closely concerned, the civil servants and their Association officials, have been superficial in their public comments, perhaps hampered by the fact that the Report will be the prelude to a period of intricate negotiation between a group of people who know one another's idiosyncrasies very well. "Priestley" therefore may quickly go the way of its predecessors, Playfair, Ridley, MacDonnell and Tomlin, "*biblia a-biblia*, unreadable and unread",‡ except by professional negotiators and a few very tough academics.

Yet, in spite of its style, the Report is not without character, and it raises (though it does not settle) issues of much more permanent importance than that of the Civil Service's position in the next round of the wage spiral. Its tone is one of strong and rather acid common sense: the Commissioners prefer strict argument, and dismiss curtly some of the more tenuous points made by the Civil Service Associations. Yet they are not unsympathetic to the under-dog, and are prepared to make law for hard cases, regardless of Treasury arguments about "the thin end of the wedge"—the old argument (as Cornford puts it) that "you should not act justly now for fear of raising expectations that you may act still more justly in the future". The Report probably gives a fair picture of how shrewd, informed, unemotional public opinion would react if it were familiar with the whole *corpus* of fact and argument about Civil Service conditions.

In this respect, the Commissioners have perhaps served the purposes of the Treasury rather than those of the Civil Service Associations, which accepted their appointment and co-operated in their proceedings, but with a poor grace. The case for the appointment of a Royal Commission was as follows. There had

* Professor of Government, Manchester University.

† Cmd. 9613, published November 1955.

‡ Sir Edward Parry on statutes, quoted by Sir C. K. Allen, *Law in the Making*.

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been no general inquiry into the organization of the Civil Service since the Tomlin Commission of 1929. That was a body appointed in very different circumstances. The Civil Service was then emerging from a period of rapid change, which had lasted from about 1908, through war and reconstruction, up to the resumption of normal recruitment in 1925; it was also under fire as the agency of "the New Despotism". There was therefore great interest in the structure and role of the Service, relatively little interest in its pay and conditions. There were well-known grievances, but in a stagnant economy, with a falling level of prices, the Civil Service was one of the more prosperous professions, and young men and women were eager to enter it. Besides, in 1929 the machinery of Whitleyism and of the Civil Service Arbitration Tribunal was relatively new, and the Civil Service Associations had not reached their present strength in numbers and experience. The Tomlin Commission therefore said much about the structure of the service and relatively little about the basis of negotiation. What they said about the latter seemed sensible at the time, but it has not stood up to the test of use as text for commentary and analysis. There is a quasi-judicial element in the process of wage negotiation, since it is carried on through confrontation, debate, and decision (in the last resort) by an arbitrator independent of the parties; but reasons are not given for the arbitrator's decisions, and it is therefore hard for the argument to advance from one stage to another as circumstances change. The debate about the Tomlin formula had been revolving too long on the same spot, probably to the exasperation of all concerned; and there was a good deal to be said for getting an independent body to hear evidence and to establish a new norm, carefully drafted, fully argued, and making specific reference to the controversies of the 1950s. It was natural that such a body should be a Royal Commission, since it had become part of the practice of the constitution that major inquiries into the Civil Service should take that form.

Unfortunately, a thorough scrutiny of Civil Service organization would have taken a long time, and it was out of the question to hold up pay claims for three years or so during a period of steady inflation. Hence the Commission were given limited terms of reference, and it was hoped that they would report quickly. In fact, they took two years, a little longer than the Tomlin Commission, and several pay claims had to be adjusted while they were sitting.

THE ROYAL COMMISSION ON THE CIVIL SERVICE

Thus the Commission got the worst of both worlds. It proved impossible for them to complete their main job, that of providing a new basis for pay negotiations, in the way that had been planned; but they were not permitted to do a different and more far-reaching job. "It will be seen" (says the Report after quoting the terms of reference) "that by contrast" (with those of the Tomlin Commission) "our terms of reference make no mention of a variety of matters such as structure, grading, complementing, and their relationship to the size of the Civil Service; nor are we called upon to make recommendations about recruitment, training and promotion procedures. Though we have not felt debarred from inquiry into these questions, we have found it extraordinarily difficult to examine and advise on the pay rates of an organization so complex as the Civil Service without the opportunity of making positive proposals on these intimately extra-related matters" (Para. 55). It was perhaps not merely "extraordinarily difficult" but impossible: or perhaps the Commission did not try very hard to observe its terms of reference strictly. At any rate, the main permanent interest of the Report lies in what it says and implies about the structure of the Civil Service. For this purpose, it needs to be supplemented by the Minutes of Evidence, which give the patient reader a portrait gallery of the Civil Service in our time. The record is full of good quotations and of character unconsciously revealed: an exposure of the ability, earnestness and oddities of the Civil Service.

In the immediate future argument will turn mainly on the specific terms of service recommended by the Commission, without much regard to the principles involved. The main body of civil servants believes that the Commission have recommended reduced hours with changes in differentials to the disadvantage of the provinces, cuts in leave, and cuts in pay; that they have made some helpful concessions about superannuation: and that they have paid no more than lip-service to the doctrine of incentives, by recommending some increases in pay on entry and for the 3,000 or so civil servants (out of over 700,000) who are in the highest grades. The possibility of a cut in pay arises because the Commission recommends the abolition of all regular overtime. So do various militant trade unions: and indeed "regular overtime" is logically indefensible, an explicit contradiction. Yet it is perhaps a weakness in the Report that it is content to deal with the problem of regular overtime as if it were a mere "anomaly". It is an anomaly which has become a national institution, and it

is scarcely just or even practicable to abolish civil servants' overtime without proper inquiry into the practice of overtime in commerce and industry. This surely follows from the Commission's own doctrine of fair comparison.

Fair Comparison. This doctrine, and the argument by which it is reached, are the Commission's main contribution to the debate on the theory of wages under full employment in a "public enterprise" state. It would be disastrous to the Civil Service and to the country (they argue) if Civil Service remuneration became a matter of political controversy: to the Service because there will be "arbitrary and unreasonable variation of the relationships between State and employee" unless there are principles of remuneration which "can be applied consistently by successive Governments of different political complexions" (Para. 99); to the country, because if "changes were proposed in the Civil Service with the intention of giving a lead on such matters to the country as a whole in order to further a political or social objective, civil service pay negotiations would become involved with political issues and the non-political character of the Service might well be impaired" (Para. 100). That is to say, a Government must not use its direct control over Civil Service remuneration as a lever in attempting to move wages outside the Service. If there is to be a wages policy, it must be a policy for all, not only for the "public sector". It would seem therefore that (lest it discriminate) a Government must not attempt to pursue a wages policy except in so far as it has equal influence over all wages: and this entails the conclusion that it is politically impossible to have a wages policy at all. But the further steps in this argument are not taken by the Commission.

Granted the major premise, that Civil Service remuneration is not to be determined on grounds of national policy, it follows that it must be settled by comparison with some standard independent of Government control. The "Priestley formula", in its briefest form, is therefore that "the primary principle of Civil Service pay is fair comparison with the current remuneration of outside staffs employed on broadly comparable work, taking account of differences in other conditions of service" (Para. 96). It is made clear elsewhere that what the Commission mean is comparison category by category, in the narrowest categories available: not comparison with any general index of wages or salaries.

The Civil Service Associations had two main arguments

against a formula of this type; that rates of pay for clerical staffs (the largest single block involved) are rates in a weakly organized trade; and that both clerical and technical rates of pay in the open market are much affected by the Government's decisions, since the Government is for many categories the largest single employer. These points are not squarely refuted by the Commission, but they have good grounds for rejecting the only alternatives offered, the application of a wages policy by the Government (for the reasons explained above); or the comparison of present Civil Service rates with general indices of wage and salary movements, since this would imply too great rigidity between different grades and classes in the Civil Service. Fair comparison (it can be argued) is the lesser evil for all concerned: and the Commission suggest that some of the difficulties arise because comparison has never been seriously tried. The process of negotiation has been that the Treasury produces one set of figures for outside rates, but refuses to disclose its sources of information; the Associations produce another set of figures also based on confidential information: and an arbitrator splits the difference. The Commission's conclusion is that, "for the future, arrangements should be made to ensure first that fact-finding should be as objective as possible, secondly that for this reason it should be separated from negotiation, and thirdly that it should be a joint activity" (Para. 141). They do not commit themselves to a specific form of organization for this purpose, but suggest for discussion the creation of a small research unit placed for administration in the Ministry of Labour, but freely accessible both for the Treasury and for the staff Associations.

There may be an academic bias here, since of the twelve members of the Commission five had strong university connections. But the present procedure is grotesque, and with goodwill it could be greatly improved. An experiment in research would cost little, could do no harm, and might do good.

Ethical Pay. The argument of the Commission up to this point is largely a Treasury argument, unpalatable and perhaps unacceptable to the staff Associations. But in other respects the principles of the Commission lean somewhat toward the staff. First, they emphasize the word "fair" as strongly as they do the word "comparison": "in the conduct of wage and salary negotiations concepts of fairness and of the existence of a wage and salary framework not governed solely by the 'law of the market' play a large and increasing part" (Para. 94). The "economic"

principle has been finally displaced by the "ethical" principle. We shall hear no more of the Anderson formula of 1923 (partially endorsed by Tomlin), that "the employer should pay what is necessary to recruit and retain an efficient staff" (Para. 89). "Fairness" means (Para. 172) that the comparison is to be made with outside employers in the second highest quarter of the range: this is fairly generous, but the Commission refuses (Para. 109) to endorse the vaguer principle of the living wage".

The Concertina. Second, they pay no more than lip-service to the Treasury plea that they should "open out the concertina". They spread the scales in the zone over £2,000 a year, but on their own figures only 3,000 civil servants are at present in this category: and the concertina so opened will be effectively squeezed by Surtax. In the middle zone between about £400 and about £1,300 a year, where the strength of the staff Associations lies, the concertina seems to have been squeezed by the Commission themselves. They insist that within the structure of the Service incentives can be given only by accelerated promotion (Para. 24): they recognize the difficulties of seeking promotion when it is associated with low differentials, and with transfer of residence (Paras. 29 and 314); and they criticize the excessive number of grades in the executive class (Para. 461). But they give rather improved pay on entry, and a uniform gain in the middle ranges.

Relativities. Third, the Commission give no more than a subordinate place to "horizontal relativities", a matter on which the Associations may well be divided. To the Treasury, "vertical relativities" are important on grounds of incentive, "horizontal relativities" are to be invoked only in default of all outside standards of comparison. This attitude suits those classes which are in demand in the outside world; the Institution of Professional Civil Servants ought for instance to be pleased with the Commission's view that there need be no fixed relation between "technical" salaries and "general" salaries except at the top of the scale, where they think that some regard must be paid to the importance of relativities as a badge of status. But the converse of this proposition damages the position of the general classes, which have no standard of assessment except that of their value to the Service, a special quality painfully acquired by experience over many years, which usually has no market value outside.

Much of this is by implication an essay on social norms and social structure in Britain in the 1950s: this appears more explicitly in what is said about the structure of the Service. Many

of the present forms of the Service were created by the Reorganization Committee in 1920, in the light of experience gained before 1914: the Commission make it clear that present realities no longer conform to old structure, but they were debarred by their terms of reference from suggesting a new form. There have been three main lines of change.

Education and Recruitment. First, the structure of "general" classes (administrative, executive, clerical, in particular) is related to an educational and social system which no longer exists. It assumes active competition for entry into the Civil Service among 16-year-old school-leavers with School Certificate, 18-year-old school-leavers with Higher School Certificate, and University graduates of first-class ability in non-technical subjects. This implies that good material will be available at each level: but that there will be a difference of attitude or temperament (essentially a social difference) such that few 16-year-old entrants will develop sufficiently within the service to compete for further advancement against 18-year-old entrants, and few 18-year-old entrants will be fit to compete against University graduates. The theory is that of the officer corps, introduced by the Trevelyan-Northcote report, and gradually given a third, intermediate, level to match the development of the public system of secondary education: a theory justified by the need to get men of initiative and ability into important posts at a relatively early age.

It is clear from the figures given to the Commission by the Treasury (expressed only in percentages) that the pattern of recruitment no longer corresponds to this theory. Of those who reached the grade of principal in the administrative class in 1954 52.6% had originally entered the class by open competition (including the reconstruction competition), 14.1% had come forward from lower classes in the Service by examination, 25.6% from the executive class by promotion, 7.7% from other classes by transfer. This corresponds quite closely to Mr. Kelsall's figures for civil servants of the rank of Assistant Secretary or above in 1950, given in the *Political Quarterly* in October 1954: 44% by open administrative competition, 14% by other forms of direct entry (including the subsequent establishment of wartime "temporaries"), 36% by promotion from lower classes, and 6% by transfer from other branches and other services. Of the places annually filled by competition only 20% are reserved for established civil servants of lower classes: but there is a great deal

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of promotion, and it seems unlikely that "Trevelyan-Northcote entrants" will in future hold much more than half the places in the class. The percentage may be even smaller if there is a repetition of the experience of 1955, when only 31 University candidates were accepted for 50 vacancies.

The figures for the executive class are similar. In 1954 61.1% of the vacancies were filled by promotion, 12.4% by limited competition, 7.9% by various other competitions, and only 18.6% by the traditional 18-year-old examination. At this level it is still possible to fill the vacancies offered for competition (only about 350 a year as against a total in the class of 35,400) but the surplus of acceptable candidates has declined steadily and was very small in 1954. 1936 was one of the smallest of the age-groups, but VIth forms have been increasing in spite of this, so that the Civil Service's share in the market must have declined. There is no strong reason to believe that the Civil Service will maintain even its absolute position as numbers in VIth forms increase further. Science and technology have increasing claims, and it is becoming usual for boys of decent average ability to go to a University rather than to seek a job at 18.

Finally, the clerical class. This was virtually placed "end on" to the executive class by a decision taken in 1945, which merged top grades of the clerical class in the executive class, leaving an overlap only for a limited number of higher clerical officers engaged purely on supervision of clerical work. The executive class is therefore recruited largely from the clerical class: and only 30.8% of clerical entrants in 1954 were 16-year-old school-leavers. The Civil Service Commissioners would have taken almost twice as many if they could have got them: but numbers are kept up adequately by promotions from minor classes, and by the establishment of temporary clerks; and in 1955 an experiment was to be made in recruiting experienced clerks between 40 and 60.

This reflects a situation which is one of the unexpected results of the Education Act of 1944. The grammar schools are reluctant to let good boys and girls go at 16, and the number of "premature" leavers is being steadily reduced. The technical schools and the best of the secondary modern schools certainly include pupils capable of good clerical work, but they are not brought along as fast as their contemporaries in the grammar schools, and in any case they are given a bias towards industry rather than towards office work. It is possible that the gap may be bridged by the drive for comprehensive schools and for G.C.E. courses in

secondary modern schools, which should bring many more children within reach of a good clerical education. But if the gap is not bridged, the situation will be a peculiar one. The administrative class and the executive class will each depend on bringing forward the best people from the class below: but the clerical class will be mainly for the middle-aged, supported by an exiguous stream of "career" entrants from the schools. Even now, the "examination" system is not what it seems: the proportion of entrants who pass into the Service by the old-fashioned written examination is relatively small, and the general rule is competitive interview, or some simple "test".

Changes of this kind work out slowly, as there is a large reservoir of talent within the Service. But in the end there must be some thought about the relation between the structure of the Civil Service and the structure of education in the latter part of the twentieth century. Presumably VIth forms and civic universities will continue to grow; and presumably the number of Arts students will grow, though more slowly than the number of science and technology students. Arts graduates on the whole do not find industry attractive, and there is perhaps room even now for increased Civil Service recruitment at something above executive and below administrative level, at about the level of the Assistant Inspector of Taxes and other departmental grades. One possibility is that in ten years the civic universities will have the same problem in placing their Arts graduates as Jowett had at Oxford when he backed the Trevelyan-Northcote scheme, and that there will be a case for extending this intermediate type of recruitment.

This in turn might involve a structure in which the administrative class is placed "end on" to the executive class, as the executive class was related to the clerical class in 1945. The Commission seem to be moving in this direction: they "find it disturbing" that the top posts in the executive class do not go above the level of an Under Secretary (Para. 459), they "have great sympathy" with the view of the Society of Civil Servants "on the interlocking of managerial and policy work" (Para. 459), they imply that "fair comparison" suggests an "end on" structure since this is usual in outside employment, and they say specifically that in the absence of outside comparisons internal relativities are here of great importance (Paras. 456-7). Treasury witnesses are still anxious (Para. 447) to minimize the amount of overlap between the classes, but the ground is being cut from under their feet by the increase in the size of the administrative class and the

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increase in promotion to it from below; by the use of large numbers of executive officers (some 3,500, says the Treasury—Para. 447) to “underpin” the administrative class in administrative divisions: by the invention of such hybrids as the “near principal” and the “executive assistant secretary”. Everything points to the evolution of a single “administrative” service, with points of entry at 16, 18 and 22 (using “administrative” as the word was used by the MacDonnell Commission (*Political Quarterly*, October 1954, p. 368), before it had been applied specifically to the old “First Division”). This will mean a more active policy of seeking out and developing talent within the Service. As Colonel Urwick said recently “you cannot groom an elderly spinster for stardom”. There are many difficulties in such a policy, but it seems from this Report that we have passed the “point of no return” and must face them.

General and Special. Second, the relation between the “general” civil servant and the specialist is no longer what it seems. It is assumed by the present forms of organization that the framework of administration is provided by people of general education, calling in specialists when required, as a Victorian gentleman called in his doctor, architect or solicitor: and that there is in practice a clear line between the man who has learnt his special subject by practice on the job and by private study, and the man who has been given a “ticket” by an examining body. The first assumption gives rise to claims of primacy for the “administrator”; the second to claims that advice on certain matters must be presented to Ministers only by specialists. The Royal Commission have very little patience with this controversy, and have perhaps made a major contribution to resolving it.

The Treasury has already done much to break down the isolation of specialists in small “pockets” by creating large inter-departmental classes and groups, such as the “Scientific Civil Service” and the “Works Group”. If one takes roughly equivalent levels, there are 39,500 “generalists” in the administrative and executive classes, nearly 31,000 “specialists” in the scientific, works, legal and medical classes. One might say therefore that the balance is fairly even: but it is unreasonable to call it a balance. At one extreme there are a small number of administrators trained to treat central administration as a whole, who are interchangeable between many different departments: but most “general” civil servants have been bred up in a single line of business in which they are extremely expert. At the other extreme,

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there are many scientists engaged in research and many engineers engaged in production: but at least as many specialists are “chair-borne”, doing much the same sort of work as the so-called “general” civil servant at a corresponding level, and using a similar range of knowledge.

This situation is not easy to represent in formal terms, but the Commission have tackled the problem at the top, where the issues are plainest. There is now (since they have invented it) a body called “the Higher Civil Service”, including all civil servants, whatever their original education, “whose salary maximum or whose fixed rate exceeds the maximum of the principal” (Para. 357). The Commission express some doubt about the lowest level in this upper hierarchy, and distinguish “the highest ranks of the Civil Service”, those above the level of Under Secretary. But their main point is extremely plain: “specialist staff in the higher grades, though retaining specialist labels, will in practice shed many of their purely specialist activities and assume responsibilities which place them definitely in the policy-making group” (Para. 363).

They do not give a table themselves, but the following can be worked out from figures in the Report:

	<i>“Highest Ranks of the C.S.”</i>	<i>Rest of “Higher C.S.”</i>	<i>Total “Higher C.S.”</i>
Admin. Class	94	887	981
Exec. Class	—	131	131
Scientific C.S.	22	559½*	581½
Works Group	26	602½	628½
Legal Class	20	100½	120½
Medical Officer Class	7	496½	503½
Totals	169	2,777	2,946

These figures may be in some ways misleading: for instance, the Commission themselves think that some of the executive class posts should have been rated higher: the scientists even at this level (over £2,000 a year on the scales suggested) include many who are still research workers and not administrators of research: the 503½ doctors (such is the level of medical salaries) include every member of the Medical Class, even the most

* The “halves” represent part-time civil servants.

junior. But the table gives a more realistic picture of who runs the central administration than does the formal structure of the service, and one can only commend the Commission's attempt to invent a new structure to fit the facts. The solidarity of the Higher Civil Service may need reinforcing; and the Commission's proposal to treat them as a single group for purposes of remuneration is likely to reinforce it. The ideal is that these men and women should regard themselves as a single "*grand corps de l'état*" in spite of their diversity of education and experience.

Locality. Finally, a point which can be made briefly, though it is a large one. "Out of 494,819 non-industrial established staff at 1st July 1955, 166,827 were in London" (Para. 282). "The Civil Service is now predominantly an all-over-the-country-service rather than a central London service" (Para. 308). The Commission therefore recommend not a provincial differential but a London differential; the civil servant in London is the exception, and Whitehall is as remote from most civil servants as it is from the rest of us. Little or nothing has been done to discover what these figures mean. How many local civil servants are primarily local men, disinclined to move even for promotion? What do they know about their own departments? and what do their departments know about them? What is the best career to which a civil servant can aspire, without working for a time at headquarters? Previous Royal Commissions in their time explored the implications of a London service, but there has never been an inquiry into the Civil Service as a truly national service.

A brief conclusion. The Royal Commission and those who gave evidence to it have done much to put Civil Service problems in perspective. But the investigation was cramped by inadequate terms of reference, and the Commissioners muttered a good deal *sotto voce*. Ought we now to have another Royal Commission, perhaps under the same chairman, to explore the questions left untouched? There is no crisis, and perhaps higher civil servants will have their hands full with the work of the Franks Committee on Administrative Tribunals. But it would be a public service to make clearer to the public that the Civil Service is not a mid-Victorian institution organized on the basis of what Sir Charles Trevelyan said in 1854: indeed, that in adapting itself to the twentieth century it has in many respects quietly reversed the principles to which it paid lip-service in 1954. Might we not celebrate the centenary best by finding out what the new principles are?

ULTRANATIONALISM IN POST-WAR JAPAN

By MARIUS B. JANSEN*

THERE have been many changes in the decade since Occupation planners fashioned a democratic structure for Japan. More and more old patterns, personalities, and themes return to the stage. Premier Yoshida was succeeded by Mr. Hatoyama, the only pre-war politician favoured by a personal purge decree from General MacArthur's headquarters. Of the seventeen members of the Hatoyama cabinet now in office, eleven were under the Occupation's ban, and Foreign Minister Shigemitsu served a five-years' sentence as a major war criminal. The Liberal-Democratic Party, a merger of the two conservative groups, commands a substantial majority in the lower house of the Diet and is committed to establishment of "public morality", educational reform, and changes in Occupation laws to make them "conform with national conditions". Steps are being taken to re-centralize the educational system, standardize textbooks, and control their selection. And while revision of the constitutional ban on maintenance of a "war potential" is still in preparation planes and tanks are under manufacture.

Yet it is much too early for sweeping verdicts on the demise of Japan's new democracy. Everywhere new interest groups which have had a decade to root themselves stand to protest and moderate the plans of the conservatives. Education boards and teacher groups are waging a vigorous campaign against the centralization and standardization which is planned. The labour unions are preparing a spring offensive to protect their gains and secure further benefits. Constitutional revision is still very far from accomplished. The united socialists lose no opportunity to challenge the less united conservatives. And there is room for misgivings about the justice of the sweeping condemnations of Occupation days. Most of the present leaders stood against the extremism of war-time. The reappearance of Mr. Hatoyama and Mr. Shigemitsu does not necessarily mean a return of pre-war nationalism, and the reappearance of some of the war-time military in posts of responsibility does not foredoom a rebirth of pre-war militarism.

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But there is no room for doubt as to the undesirability of the return of ultranationalist, terrorist societies. Such groups have gained in number and in boldness, and their pre-war leaders have regained some of the prestige and respectability that they lost in defeat. As currents of nationalism rise again, the ultranationalists rush to make their old claims of national superiority. An estimate of the strength and possibilities of the right-wing organizations, of their activities and handicaps in post-war Japan, can serve as a useful indication of the distance which the Japanese people are prepared to travel in going back to the old ways.

Rightist activities reached their post-war high during the closing days of the Yoshida Cabinet in 1954. In that year nationalist groups dropped leaflets from planes, they showered leaflets on Diet sessions, they made at least four plots against Mr. Yoshida's life, and addressed over fifty threats to him. In November 1954 ultranationalists staged their first public demonstration since Japan's defeat. Four thousand members and affiliates of the National Martyr Youth Corps (*Junkoku Seinendan*) rallied at Hibiya Hall in Tokyo. Among the speakers was Yoshio Kodama, a prominent pre-war terrorist and war-time navy agent, who assailed both the Yoshida government and Japanese communists. After his speech came a street demonstration. The Martyrs wore their dark blue uniforms with caps and black combat boots. They marched quietly, carrying banners inscribed with patriotic slogans, to the accompaniment of the national anthem. This rally illustrates some of the distinctions to be drawn when discussing the post-war right wing in Japan. Kodama attacked both the centrist conservatives and the left. The rally was very different from those sponsored by leftist groups; rigid discipline and order were marked, and not a woman was present.

The right wing in post-war Japan tries to carry on the work of pre-war ultranationalists. It recruits followers among those who believe that Japan's war aims were basically just and that Japan was defeated because it failed to live up to its noble spirit. Post-war changes in democratization represent, they feel, still another failure to abide by that spirit, and close ties with America are unworthy of the historical mission of Japan. Renovation, purity, and self-respect will provide cures for corruption in politics, cowardice in diplomacy, and selfishness in family and society. Japan can then be saved from the dangers of the left, it will be unencumbered by the self-seeking, craven politicians, and it will be free of Mr. Dulles and the MacArthur constitution.

Although many writers use the term "fascist" when discussing Japanese ultranationalist organizations, the European exemplifications of that term fit the pre- and post-war pattern in Japan rather poorly. The main stream of the Japanese rightist movement has been rooted in the distinctive mixture of traditional and industrial values and practices in Japanese society, and its works can be understood only by considering the tensions on which it has fed.

The right-wing organizations of twentieth-century Japan trace their ancestry back to societies formed by disgruntled ex-samurai in the early years of the 1880s. Their founders were alarmed by the extent of social and ideological change that had followed the overthrow of the feudal régime, and they feared that Japan was leaving its proper course. They were obscurantists and xenophobes, and they were happy to receive support from segments of the business world (notably the coal industry) which valued their insistence on expansion and internal unity. The most celebrated of these organizations, the *Kokuryūkai* (Black Dragon, or Amur, Society), formed in 1901, combined an insistence on traditional values with a call for leadership in Asia. Its members fostered study of Asian conditions and helped refugee Asian leaders, and they considered themselves self-appointed guardians of the national morality. Besides receiving support from sections of the business, army, and governmental groups, the ultranationalists were involved in many questionable transactions on the borderline between legitimate business and labour racketeering. Their organizations were not secret societies, but neither were they mass societies. They were small elite groups clustered around leaders who made every attempt for full publicity in order to exaggerate their influence.

After the first world war the rightist leaders had new cause for alarm. The collapse of war-time prosperity left Japan with a larger and more restless proletariat. Tenant farmers, unable to maintain the standard of living they had achieved during the war, grew mutinous. Patterns of obligations were everywhere threatened by radicalism, internationalism, democracy, and communism. So the rightist movement developed two wings; one turned to fight discontent with a re-emphasis of orthodoxy, while another, more radical group, developed plans for sweeping reforms. The former, who stressed "national essence" as the answer to all problems, included among their allies many conservative politicians who feared the destruction of traditional values. Mr.

Hatoyama, for instance, fought universal manhood suffrage in the early 1920s with suggestions for limiting the franchise to heads of households in order to reinforce the family system.

The more radical ultranationalists, with their proposals for social reforms, come closest to deserving the adjective "fascist". Thus Ikki Kita (1883-1937), a disappointed socialist, evolved a programme which included abolition of political party governments, limits on private wealth, nationalization of major industries, land reform, and leadership by a military revolutionary council. Kita's theories spread among the junior officers in the army and navy, and their attempts to hasten the coming of martial law contributed to the spectacular violence of the early 1930s. Kita and his chief supporters were executed after the army mutiny of 1936, however, and thereafter the radicals gradually lost out to the more conservative faction of the right-wing movement.

But many of the terrorists survived imprisonment, and several have returned to haunt the post-war scene. Nissho Inoue, head of the Blood Brotherhood League (*Ketsumeidan*) of the early 1930s, is to-day head of the Fatherland Protection Corps (*Gokokudan*), which was founded on the Emperor's birthday in 1954. Inoue's followers in pre-war terrorism were sworn to take one life per man, and his post-war memoirs bore the fitting title, *One Victim Per Man*. The secretary of his organization to-day is Tadashi Konuma, who carried out his assignment by murdering Finance Minister Junnosuke Inoue in 1932. Also prominent is Tomeo Sagoya, who was responsible for the death of Premier Hamaguchi at the time of the London Naval Conference. (Sagoya and Konuma had their sentences moderated several times and were finally pardoned in 1940.)

But the influence of the ultranationalists in pre-war days can easily be exaggerated. The rightists never achieved unity, and they never won power. Their function was essentially a destructive one: they capitalized on the disesteem of party politics and contributed to an instability so great that the political parties were forced out in favour of the army. The contribution and purpose of the army was an essential element in the instability and the result. Unaided murders had little effect, but when the energies of the young officers were utilized results were not slow in coming. Since, however, the ultra-nationalists were never fully identified with any one of the several competing power groups, the victory of the military did not mean power for the patriotic societies.

During war-time some rightists disapproved of the military's methods in promoting Pan Asianism and retired into obscurity, while other remained close to government and military leaders. Opportunists flourished; Yoshio Kodama (mentioned earlier), a vigorous activist who had spent a good portion of the 1930s in prison, achieved notoriety and wealth as head of the Kodama agency which serviced the navy with needed material by utilizing legal and black-market channels in Japan and China.

The surrender brought a sudden halt to the rightist organizations. Although a small number of extremists believed, with the young officers who assaulted the palace guard, that the surrender was against the will of the Emperor, there were remarkably few spectacular protests or suicides. Kodama reappeared briefly as councillor in the post-surrender cabinet of Prince Higashi-Kuni, but before long he was in Sugamo Prison while Higashi-Kuni was operating a grocery store. General MacArthur's headquarters moved promptly against the rightist organizations, dissolving 232 and purging some 3,000 leaders from public life. Some attempted new organizations only to have them stopped by summary orders from SCAP. But in any case the post-surrender days contained few opportunities for rightist propaganda. The deflation of war-time boasts of Japanism, national essence, and national purity was climaxed when the Occupation proved to be humane instead of vindictive. Kodama, who writes that he never sensed defeat despite the bombings and horrors of the war, was crushed to find that the Americans were well-behaved. "When I first saw with my own eyes the civilized occupation", he notes, "I could not but cry out from the bottom of my heart, 'Japan has been defeated. We have been defeated!'"

And so the rightists retired from public view. Some turned to business, but most did poorly. Others, who had long profited from activities on the borderline of social respectability, turned to manage the rackets that flourished amid post-war demoralization and misery. They continue to do this to-day. In October 1954 the Tokyo police reported the arrest of 595 racketeers who had extorted over one and a half billion yen from cabarets, pin-ball parlours, and banks. The suspects, who had a large stock of arms in their possession, insisted that they were not racketeers but extreme rightists, members of Kodama's organization. In 1955 Sagoya and several other leaders of the Fatherland Protection Corps were imprisoned for blackmail; and early in 1956 police raids on the organization's headquarters resulted in further

arrests on charges of extortion of funds from a sanatorium and an orphanage.

The ultranationalist leaders have been able to resume open work since the mass depurges of the late Occupation years. In 1950 the Korean War centred attention on the communist danger, and the following year came the San Francisco Peace Treaty which brought independence in the spring of 1952. Since then the soil for a new rightist movement has been good. Social confusion, economic boom and fears of panic, a middle class hard hit by inflation, the continuing presence of foreign troops, and the constant picture of political corruption have provided potential demagogues with rich material. In 1951 Hanji Kinoshita estimated that 540 branches of 266 organizations were in being. In July 1954 a newspaper summary counted over 700 branches with a total membership of 200,000.

Most of the organizations are related to pre-war bodies, and several, like the Fatherland Protection Corps, are led by assassins of the early 1930s. Two or three such organizations may be taken as outstanding. The Fatherland Protection Corps devotes itself to fighting communism, political corruption, and giving "proper guidance to youth". It has about thirty standing members who dress in a uniform patterned on that of the American Air Force, and a total membership of around 500. Fourteen members, quartered in Tokyo for "Group training" in spartan living, devote themselves to fencing, judo, and ceremonies revering the Emperor. The Martyr Youth Corps, whose rally was mentioned earlier, was formed in 1952 by Hidezo Toyama, son of Japan's greatest pre-war ultranationalist. It advocates patriotism as "the only salvation for the nation which is now contaminated by both communism and the tendency to be servile to the United States". Its Tokyo headquarters houses thirty carefully selected young men (frequenters of slot-machine parlours and romantic films are excluded) who drill and study under banners reading: "All members will die for the sake of the country."

The *Seisantō* (Production Party) is a revival of a group organized by the Black Dragon Society in 1931. It was originally designed as an anti-communist group among the proletariat, but since its leader was a labour contractor and the organization was financed by Osaka business men its success was not great. The post-war *Seisantō* claims 20,000 "troops" in the Osaka area, but police concede them one-tenth as many. Its programme calls for complete independence for Japan, including an "independent

Constitution", a grand union of a self-reliant Asia, and absolute peace. In 1954 the President and Chairman of its Central Executive Committee travelled to Formosa to confer with Chiang Kai-shek about the self-reliant Asia. The travellers told reporters that they conceived of national socialism as the answer to the two competing power systems of Russia and America, and that after their visit to Formosa they hoped to go to the mainland to persuade Mao to leave the Russian orbit in return for leading Japan out of the American orbit.

A *Seisantō* leader, Toshiharu Kawakami, also heads the League for the Defence Against Communization (*Sekka boshi dan*) which he formed in May 1952, after the communist demonstrations on May Day. The League's platform features worship of the Imperial family, love of the fatherland, freedom and rights of the people, and annihilation of communist influence. Kawakami, grandson of a xenophobic swashbuckler of Restoration days who slew one of Japan's great westernizers, is admirably equipped to train the 120 men he houses in his Kyoto residence. Among those receiving drill in swordsmanship, boxing, judo, and ideology is a youth who tried to assassinate Mr. Yoshida in 1954.

There are also many groups formed by former army and navy officers. For the most part, however, they seem to concentrate on self-help in the form of pension promotion. And since their affiliations and officers are stratified according to their service college class and rank they do not seem likely prospects for forming mass movements.

The ultranationalist movement in Japan to-day is made up of a myriad of small cliques and personal followings. A few attempts at unity have been made, usually based upon platitudes so broad as to be meaningless. But some kind of pattern does emerge from a study of the platforms of the principal societies.

Virtually without exception, the organizations confess hatred of the old-style militarism. Even men like Kodama and Colonel Tsuji, an unreconstructed militarist with a seat in the House of Representatives, deplore the conduct of the military in China. One of the new "isms", a "Three anti-ism", is against fascism, communism and capitalism. This persistent denial of reactionary intent may not indicate a change of heart on the part of the rightists, but it is an interesting indication of their estimate of public opinion.

Until very recently, the rightists have also been cautious on the issue of rearming. Most would favour it if it could be done with-

out American influence, but since such is not the case an ironic twist of fate has turned some of the chauvinists into noisy pacifists. One group holds that the money to be spent on rearmament could sustain the livelihood of an estimated three million youths, and its slogan is "Increased food production instead of rearmament!" The old military, of course, are somewhat dubious about the value of the new "democratically trained" troops anyway. And Colonel Tsuji, whose publication *Kyōwa* (Co-operation) calls for genuine independence first and full rearmament later, wants Japan to become a third force in Asia. It was Tsuji who, in 1951, announced that his war-time staff studies had convinced him that Russian strength was sufficient to defeat America and that Japan should therefore keep out of the American camp.

The temper of the times has led most rightists to profess at least a measure of attachment to democracy, albeit in proper combination with the Imperial institution. This is not entirely new, since they always professed a desire to join the people with their Emperor; it is as easy for them to assume knowledge of the people's will as it was to arrogate to themselves knowledge of the Imperial will. What is significant, however, is the tremendous importance attached to livelihood, production, and economic reform in the rightist propaganda. At times this seems to outweigh ideological considerations. Some profess approval of Marx, and even of Lenin, while condemning Stalin, and one group calls for a country "centred on the Emperor" in order to combine the best features of all systems, thereby carrying out the "high ideals of Marx".

But to the degree that democracy has been exemplified by the post-war régimes its prestige has not been enhanced. Denunciation of the corruption of the political parties has been another leading feature of rightist propaganda. This reached its post-war height in 1954 with the shipping scandals, Premier Yoshida's evasion of an investigation, and the June Diet brawl. To a degree, the post-surrender shame over the behaviour of the military has given way to shame for the behaviour of the politicians. In this new ethos communist China stands forth as something of an ideal. This is not limited to the anti-parliamentarian rightists; parliamentarians echo it too. Thus conservative Representative Yasuhiro Nakasone, after a visit to China, wrote that "after seeing the rising generation of Red China forging ahead with a burning passion . . . I only shudder at Japan to-day . . . a Japan where gambling and graft stalk in broad daylight, and the people roam

aimlessly without any faith in the Government and social order and morals".

And of course opposition to communism is the rightists' stock-in-trade. However much their propaganda and presence contribute to the communist purpose—by furthering anti-Americanism and by frightening liberals into the leftist camp—the rightists see themselves as the only real anti-communists. The Martyrs have several times assaulted groups applying for passports to communist China, and the visit to Japan by Madame Li Te-chuan, head of the Chinese Red Cross, provided a series of opportunities for demonstrations against communist China. Yet there is also a tendency to see the Peking leaders as fellow Asian nationalists temporarily deluded by poor advisers. Most of the ultranationalists, professional "Asians" and contemptuous of America's post-war democratic reforms in Japan, make treacherous companions in the struggle for a positive anti-communism based on social and moral values.

From all of this it would be possible to draw very gloomy conclusions about the prospects for democracy in Japan. Nevertheless from a study of the evidence available one is led to the conclusion that the rightists have very few of the advantages that were theirs in pre-war Japan while they have retained their handicaps. The re-emergence of colourful terrorists of the 1930s does not mean that methods that were then effective can now succeed.

First of all, the ultranationalists have been unable to work together. Despite several much-publicized attempts to bring all former and present leaders together, no union has evolved. Nor have new or young leaders appeared. And, with the exception of the youths in training centres, no new following has been attracted. Newspaper reports indicate that most meetings are poorly attended and that 80 per cent of the audiences are made up of persons over 40. The most able of the pre-war leaders are dead, and those who remain are anachronisms.

The ultranationalists have also failed to come up with any really new ideas. Their best old ideas, centering in Japanese spirit and essence, are still tarnished. The rightists are still bound to the glories of the social organization of old Japan. The beauties, as they put it, of the family system, the harmony of agrarian life, and the baneful effects of industrialization—these features commit them to promoting dispersion and localism in the countryside, and they discourage mass organizations in the cities where they might be possible. Add to this the rightists' distrust

of labour, and their pressing need for funds from members, and they seem poorly equipped to gain an urban following.

The leaders cannot form mass movements, and yet it takes a mass movement to get results in post-war Japan. Deprived of the many hidden sources of support which they could tap in pre-war days, the ultranationalists campaign actively for funds. The Fatherland Protection Corps conducted a campaign for "an order of a million", with each person contributing a thousand yen. When this lagged, Inoue and Sagoya went on a speaking tour, each describing his murderous exploits in the early 1930s, for admission charges of a thousand yen in the cities and five hundred in the countryside. But the response was not encouraging. The Martyr Youth Corps charges dues ranging from thirty to one hundred yen per month, and in addition tries to attract capitalists as "advisers". Most groups seem poorly financed, and hence the resort to dishonesty and force which resulted in imprisonment for the Fatherland Protection Corps leaders recently. Until and unless the new army and sections of the business world see merit in the rightist organizations, they are not likely to prosper.

What can the ultranationalists promise would-be supporters? Japan's relations with Asia furnish an illustration of the way old slogans have lost efficacy. Before the war, rightist leaders could point to ties with Asia in ideological and political programmes. They promised Asian reformers Japanese help, and they promised Japanese leaders Asian followers. And, failing leadership, there was always the possibility of conquest. But to-day conquest, even of South Korea, is unthinkable. And the rightists can hope to talk with almost no Asian leaders in ideological terms—with the possible exception of Chiang Kai-shek and Syngman Rhee, neither of whom has proven eager to follow Japanese leadership in the past. It is the left, and not the right, that can offer Japanese businessmen ties with China to-day.

And, as has been noted, the rightists never really won out in the 1930s. They merely provided the instability in which the military could take over. Their programme, when shorn of its mysticism and Confucianism, amounted to preparing the stage for army take-over; the army, they thought, would know what to do next. But there is no comparable group with which the ultranationalists can work in the new Japan.

Rightist organizations entered few candidates in the elections of 27th February 1955, unwilling to invest good money on poor chances. (In contrast, the communists entered ninety-nine can-

didates in order to be able to propagandize widely, withdrawing thirty-six candidates immediately before the election.) Seven prominent rightists ran for Diet seats. All lost; only two were contenders, and the other five received only scattered votes.

Since then ultranationalist strength has seemed to decline, and the organizations mentioned were certainly less active in 1955 than they had been in 1954. Japanese analysts have various explanations for this. The communist "peace offensive" provided fewer specific issues, and a public less alarmed by communism was less interested in supporting anti-communist extremism. The ultranationalists have been very short of funds. An economic upturn, however precarious, lessened the sense of crisis on which the extremists relied. Perhaps most importantly, Mr. Hatoyama's government provided fewer instances of corruption and "servile" policies. And it should be noted that Mr. Hatoyama and his entourage are personally less objectionable to the nationalists than were the bureaucratic group around Mr. Yoshida. There is, at any rate, little question of a temporary decline in ultranationalist fortunes.

But once these disclaimers of imminent disaster are made it must still be granted that the ultranationalist revival presents a real danger to Japan. So long as young fanatics see in chauvinism a code of values, so long as politics are corrupt, and so long as depression lurks behind the precarious balance of imports and exports, Japan's new democracy will be vulnerable to attack by the demagogues. Economic pressures caused by rearmament can add to the difficulties and opportunities. Governmental attempts to revive patriotism and loyalty as preliminary steps to rearmament offer new dangers. And, while the old values are still in decline, no new codes have come in to inspire the idealism of the young. This is a setting in which the extremism of the left and right can thrive.

Thus the rightists are a significant sign of a partial return to pre-war patterns in post-war Japan. But unless standards of national and international political and economic health dwindle rapidly the ultranationalists seem most unlikely to regain the influence that was theirs a decade and more ago. Their problems illustrate the fact that despite the apparent identity of persons and themes in post-war Japan, the total balance of forces has changed very considerably since 1945.

ESPIONAGE, SECURITY, AND LIBERTY

By LEONARD WOOLF

IN November, 1952, Mr. William Borden, who had been executive director of the Joint Committee of Congress on Atomic Energy in the United States, wrote to Mr. Edgar Hoover of the Federal Bureau of Investigation stating that in his opinion Dr. J. Robert Oppenheimer, who had been director of the organization at Los Alamos which produced the atomic bomb and was chairman of the General Advisory Council of the Atomic Energy Commission, was "more probably than not an agent of the Soviet Union". Dr. Oppenheimer was among the most distinguished of American scientists and had been chosen to deliver the Reith lectures for the B.B.C. However, President Eisenhower, on receiving this letter accusing Dr. Oppenheimer of being a Russian spy, "suspended Oppenheimer's clearance", pending an investigation, which meant that he should be regarded as a "security risk" and debarred access to "restricted data" or secret documents. The investigation took place before the Personnel Security Board of the U.S. Atomic Energy Commission and the Board made its report to the Commission on 27th May 1954, three members recommending that it would not be "consistent with the security interests of the United States to reinstate Dr. Oppenheimer's clearance" and one member dissenting and recommending that his clearance should be restored. The A.E.C., also by a majority of 3 to 1, adopted the recommendation of its Security Board. Anyone who wishes to study this extraordinary and important case can do so in the 1,000 pages and one million words of the official documents or in a book, *A Nation's Security*, which produces the evidence in a shortened form.*

In April, 1954, Vladimar Mikhailovich Petrov, Third Secretary in the Soviet Embassy at Canberra, and his wife, Evdokia Alexeyevna Petrova, Embassy accountant and secretary to the Soviet Ambassador in Canberra, sought and were granted political asylum in Australia. Petrov handed over to G. R. Richards, Deputy

* There are two official documents: *Transcript of Hearing before the Personnel Security Board and Texts of Principal Documents and Letters*. The book is *A Nation's Security: The Case of Dr. J. Robert Oppenheimer*, edited from the official transcript of evidence by Michael Wharton. (Secker & Warburg. 398 pp. 30s.)

ESPIONAGE, SECURITY, AND LIBERTY

Director of Security, a considerable number of official documents which he said he had taken from the Soviet Embassy. They seemed, *prima facie*, to indicate an elaborate system of Soviet espionage in which Australians and foreigners were implicated. The Australian Government appointed a Royal Commission of three Supreme Court Judges to inquire into the information given by the Petrovs and to report whether espionage had been conducted or attempted and, if so, what persons or organizations had aided and abetted it. The report of the Royal Commission was made and published in August 1955.* During the hearing, Dr. Evatt, leader of the Labour Party, appeared as counsel for some of the persons implicated by the documents, and took the line that the whole thing was a political conspiracy against him and his party and that the documents were forgeries. With regard to this allegation the Commission found that the documents were genuine, that there was no conspiracy, and that the Petrovs were truthful witnesses. On the evidence of the Petrovs and the documents, and after examining a large number of witnesses, the Commission found that the Russian Embassy at Canberra was used as a cloak to control and operate espionage organizations in Australia, and that these organizations used Australian communists and occasionally other people to obtain secret information, mainly from the Department of External Affairs, for the Soviet Government.

These two cases—the Oppenheimer case and the Petrov case—deserve very careful study and, if possible, objective judgment by every politically conscious person. From opposite angles they illuminate a difficult and dangerous problem created by the Soviet Government and communism, the problem of espionage, security, and liberty. Neither of them is unique; each is only the last in a long double series of similar cases. The Oppenheimer case was inevitably a personal tragedy and an instance of the most modern kind of judicial torture which has spread from communist countries into almost every country in the world; primarily it raised the question of security and liberty. Fundamentally it was of the same nature as the persecution of Owen Lattimore and the terrible melodrama of Whittaker Chambers and Alger Hiss. The Petrov case is the other side of this medal; the fundamental questions raised by it are rather those of espionage and security; it followed exactly the pattern of the Canadian revelations in 1945 when the cipher clerk in the Soviet Embassy in Ottawa left the

* *Report of the Royal Commission on Espionage* (Government of Australia. 484 pp. 5s.)

Embassy with his pockets full of official documents and obtained political asylum in Canada.*

I propose in this article to consider mainly the broader social and political aspects of the state of affairs which these cases reveal, the relation of this web, in which the Petrovs and the Gouzenkos on one side, Chambers and Hiss on another, and Owen Lattimore and Oppenheimer on yet another were entangled, to western civilization. First a word or two must be said about the state of affairs which the official inquiries in Australia and Canada, the Chambers-Hiss trials and investigations, and the terrifying modern witch-hunts of Senator McCarthy reveal. I believe that any unbiased person, after studying the evidence, would conclude that the findings of the Australian Royal Commission are fully justified and are applicable to Soviet espionage throughout the world. In every country, against which the Soviet Government is conducting a cold war and in which it believes that the possession of secret information would enable it to damage that country, it maintains an extraordinarily elaborate apparatus of espionage. The organization of the apparatus is always the same. There are two distinct forms of espionage. One is military espionage in countries outside the U.S.S.R. and is immediately under the direction of the G.R.U., the Chief Military Intelligence Directorate of the Russian Ministry of Armed Forces. The second conducts all espionage other than military and is immediately under the direction of M.V.D., the Russian Ministry of Internal Affairs. The centralization of M.V.D. espionage is extreme, all the agents in the various countries being rigidly controlled by the M.V.D. Moscow Centre in the minutest details. There are two branches of this organization, one called a Legal Apparatus and the other an Illegal Apparatus. The Legal Apparatus works through the embassy or legation. The head of the Legal Apparatus, called Resident, is overtly an officer of the Soviet Embassy with diplomatic privileges and immunity, but secretly an officer of M.V.D. The Russian agents who work immediately under his direction are themselves mostly secret officers of M.V.D., their overt offices being diplomatic in the Embassy or in the official Tass agency. Petrov, whose overt post was Third Secretary in the Embassy, was in fact M.V.D. Resident. The fact that a diplomat is an M.V.D. espionage officer is kept strictly a secret even from the

* The long and intricate story of these and similar cases all over the world is told in considerable detail in an American book, recently published: *Soviet Espionage*, by David J. Dallin (Oxford University Press and Yale, 558 pp. 45s.)

Ambassador and must not be divulged even to another M.V.D. officer except on explicit directions from the Moscow Centre. The Illegal Apparatus differs from the Legal Apparatus solely by the fact that it is under the direction of an "Illegal Resident", i.e. an M.V.D. officer who is not a member of the Soviet Embassy staff and therefore does not enjoy diplomatic status.

The chief business of the M.V.D. espionage apparatus is to recruit agents who are in positions where they have access to secret information and who will be willing to hand over that information to the espionage apparatus. The Petrov and Gouzenko documents show that the field of recruitment is mainly among communists or communist sympathizers belonging to the country which the apparatus is operating in. An elaborate system exists for spotting and watching anyone who shows the slightest interest in communism or the U.S.S.R. with a view to converting him into a secret agent of the M.V.D. espionage. The Australian, Canadian, and United States investigations show that the U.S.S.R. has been successful in recruiting large numbers of persons in these countries, mostly communists, some paid, and some unpaid, willing to become secret agents of Russia and hand over to the M.V.D. officers secret documents or information. In Canada, for instance, besides Allan Nunn May, the scientist, 14 persons were convicted and sentenced for working for the Russian espionage apparatus. Among them were four Canadian government officials organized by the Russians as a group, the two political leaders of the Canadian Communist Party, a woman secretary who dealt with secret documents and correspondence in the British High Commissioner's office, and a woman secretary in the Canadian Department of External Affairs.

All the important states of the world, and probably all the unimportant, maintain secret services and practise espionage. Red and pink apologists and admirers of Soviet Russia are accustomed to use this fact as an argument to prove that there is nothing peculiar or peculiarly dangerous in Russian espionage. This is quite untrue. Regarded from the point of view of national security, the Russian espionage system stands by itself. Its scale is probably very much greater than that of any other country; its organization is different and it uses methods which make it extremely dangerous to states against which it operates. The military branch of it is probably much the same as that of other countries. It is the M.V.D. branch, directed from the Moscow Centre, which in two respects is unique. There is first the dual

system by which large numbers of diplomats, ostensibly performing diplomatic duties in an Embassy, are, unknown even to their superiors, in fact espionage agents, acting under the directions of the Moscow Centre of the Ministry of Internal Affairs. It is inconceivable that such a dual system could be operated by the U.S.A. or Britain in and against the U.S.S.R. or any communist country. Secondly, the Soviet espionage apparatus differs from all others in the kind of agent or spy which it is able to use and which it does use on a very large scale. The spy used by non-communist countries is practically always a paid spy. The American, Canadian, or Australian who becomes a Soviet agent and spy in the U.S.A. or a Dominion is a member of a Fifth Column; he is an ideological spy, a man or woman who believes that he or she is betraying his country for the highest principles. Many of them are, no doubt, the kind of half-baked, stupid, disgruntled people who are always to be found in political movements; but on the other hand some of them are people of great intelligence and distinction who have reached positions of considerable importance. It is obvious that, if native spies can injure their own countries by becoming secret agents of an enemy state, then these ideological communist spies are of immense advantage to the U.S.S.R. and proportionately dangerous to the states in which they are operating.

The last sentence leads us straight to one of the two important problems connected with Soviet espionage. It is the problem of national security. What, in fact, is the efficiency of these espionage systems, and in particular the Soviet espionage? To what extent does it really menace western nations? Does it obtain information which the U.S.S.R. can use against the U.S.A. and the Commonwealth? And what are the most effective methods of countering it?

I am not concerned in this article with military espionage which in Russia is organized by military men from the Ministry of Armed Forces. This kind of spying has existed from time immemorial and is much the same everywhere. It is concerned with obtaining military information about armaments and the disposition of armed forces. It is probably nearly always quite effective. Despite the most elaborate security precautions there is little information of vital importance about the weapons and forces of a great power which the other great powers do not obtain. There is no reason to believe that the organization of this kind of espionage by the U.S.S.R. differs very much in methods or efficiency from that of other countries.

The espionage revealed by the Petrovs, Gouzenko, and others is of an entirely different nature. It is the kind of espionage on which in most countries the Foreign Office spends its secret service money. It aims at collecting heterogeneous information—"secret" or not—which may be of service to the spying or of disservice to the spied upon country. The information collected in this way in peace time is normally futile. Arthur Ponsonby once told me that when he was Under-Secretary for Foreign Affairs in the Labour Government, it was his business to read all the secret service reports, and that, so far as he could see, the money spent on this service was entirely wasted. The Petrov papers show that a great deal of the Soviet civilian spying is equally futile. The M.V.D. had spun an extraordinarily intricate web of espionage over Australian society from the Soviet Embassy. There is not one single case in which one can say that the Russians obtained a piece of information of the slightest importance. For instance, there are two documents written for the Russians by two Australians who are journalists and communists. One contains short reports on 45 Australian journalists. The other consists of short reports on such subjects as American espionage in Australia, and is described by the Commission as "a farrago of fact, falsity, and filth". There is only one case in which the Petrov papers show that the Russians were anywhere near to obtaining important information. And, even in that case, the Commission came to the conclusion that "in fact, the results obtained from these laborious and persistent efforts of the M.V.D. were almost negligible".

All this might seem to warrant the conclusion that the whole of Soviet espionage is a negligible mare's nest. But this is not so. The communist spy system is a dangerous and disastrous phenomenon. This is due to the fact that so many communists and fellow-travellers are prepared to give secret information to the Soviet Government which they think may damage their own country and be of use to the U.S.S.R. The ideological spy is a very different person from the paid spy. He is often in a key position politically and has himself direct access to "top drawer secrets". In the particular conditions created by the cold war, the possession of information, particularly scientific information, might be of vital importance to the Russians, and the prevention of their obtaining it might be of equal importance to the U.S.A. and Britain. We know now that scientists and government officials in positions of great responsibility, like Dr. May and in the U.S.A. H. D. White, Captain Ullmann, and Judith Coplon,

handed over secret information and documents to the U.S.S.R. There can be no doubt that, in the world as it is, the existence of a Fifth Column of this kind is a danger to national security. Though the paid spy or traitor in peace normally betrays secrets which are not worth paying for, in war espionage and secret agents have again and again provided information of the most vital importance, e.g. about the flying bomb; and the cold war shows by its name that it is a kind of war.

It seems practically certain that the communist and crypto-communist scientists, like Dr. May, secretly gave the Russians information of the highest value which enabled them to make atomic and nuclear bombs earlier than they otherwise would have done. It is probable that some of the secret documents handed over to the Soviet espionage agents by non-scientific communists in Canada and the U.S.A., e.g. the Canadian Lunan and the American Judith Coplon, contained information of considerable importance. This means that the actions of a not inconsiderable number of communists and fellow-travellers who are prepared to act in the interests of Russia against their own countries are, in a sense, a threat to the security of these countries, and it is only reasonable that the governments of the western powers should take steps to protect their "security" against the U.S.S.R. and its agents. There are two different methods which can be and are used for this purpose: one is the establishment of an efficient counter-intelligence secret service and the other is to "screen" or investigate the activities, affiliations, and associates of all persons who have access to secret information which might be of value to the Russians.

Counter-espionage can be a very effective method of circumventing communist and non-communist spies and traitors. The Australian Royal Commission report is illuminating about this. The Australian Security Organization was established only in 1948, when the government began to be suspicious of the activities of Russian agents. But there is evidence that even in five or six years it had become quite effective in counteracting the M.V.D. Many of the persons implicated by the Petrov papers were already under suspicion and observation by the Australian service. And there is one highly significant revelation. There was in Australia a Dr. Bialoguski who represented himself as a person of strong pro-communist leanings and was in the confidence of many communists; he became a friend of Petrov. In fact, he was an agent of the Australian Security Service which used him for

the counter-intelligence work. In 1953 he became aware of Petrov's inclination to leave the Embassy, and seek asylum in Australia and he played an important part in bringing this about. And it is amusing to learn that after Petrov's defection, when an Australian communist tried to get evidence which would discredit Petrov, he went to Bialoguski and attempted to bring pressure on him "to give false evidence for the purpose of discrediting Petrov". There is, of course, no complete security in this world against any danger, including the danger of communist spies and traitors, but probably this kind of counter-intelligence work is most effective and does least harm.

The other method of protecting the state against communist espionage is the screening of persons who have access to secret information and/or anyone suspected of communist sympathies. This brings us to the Oppenheimer case. As everyone knows, America has a rigorous security system and, thanks to Senator McCarthy, large numbers of persons who have access to secrets are combed and screened and inquisitioned and often deprived of their jobs because at one time or another they showed "left-wing sympathies". On the face of it, Dr. Oppenheimer was always a bad security risk. He had certainly shown left-wing sympathies and had given money for objects sponsored by the communists; many of his friends were communists; both his wife and his brother had been members of the Communist Party. At Los Alamos he was the key man for all the atomic secrets. Naturally he was regarded with the greatest suspicion by the security officers. He was screened by them more than once and each time was given clearance. It was only after he had done all his most important work for the A.E.C. and could no longer do much harm if he was "an agent of the Soviet Union" that Mr. Borden made his accusation, his clearance was suspended, and the investigation which in effect condemned him took place.

Opinions differ profoundly about Dr. Oppenheimer and his behaviour at the investigation even among quite unbiased people. Some unprejudiced persons, who knew him and others concerned in the case, think that he came badly out of it because he did not "stand up to" his accusers. Others take almost the opposite view and think that he showed his accusers were in the main right. A careful reading of the evidence seems to me not to warrant either conclusion. The kind of ordeal by verbal torture to which Dr. Oppenheimer was subjected is hard to stand up against even if you are the wisest of men and have lived the most blameless of

lives. Dr. Oppenheimer is a near, if not complete, genius in more ways than one; he has great intellectual and organizing powers; he is an emotional humanist. But, according to the accepted or professed standards of public life, he is not a wise man, nor has he lived a blameless life. He admitted that he had lied in one case to the security officers; he admitted that, when he was "working on a secret war project", he spent the night with a lady friend who was or had been a communist. But on the whole he seems to me to come extremely well out of the ordeal. His answers were direct; the answers of a man who was not trying to conceal the truth, even though he had to admit doing unwise and wrong things. The case of Dr. Oppenheimer is from a personal point of view of absorbing interest, but here I am concerned with its public and political relevance—its relation to western society and civilization.

The Commission found that Dr. Oppenheimer was not an agent of the Soviet Union and had not divulged secrets. Nevertheless they decided that he was a "security risk" on the ground that he showed "fundamental defects in his 'character'" and that his "associations with persons known to him to be communists extended far beyond the tolerable limits of prudence and self-restraint which are to be expected of one holding the high positions that the government has continuously entrusted to him since 1942". The other charge against him, perhaps the most serious of all, that he had recommended to the Government "on sinister purposes that the hydrogen bomb should not be made and had impeded its production, though it was partially accepted by the Personnel Security Board, was not endorsed even by the majority of the Commission and was completely rejected by the dissenting member of the Commission.

To be a spy, or traitor, to betray your country to a foreign government, is held to be one of the greatest and most despicable crimes everywhere. The penalty, both in western and communist states, is almost always death or very long terms of imprisonment. That a man of Dr. Oppenheimer's scientific and intellectual eminence should have been tried on a charge of being a traitor and should have been found by a tribunal to be just short of a traitor would, even by itself, cause one grave misgiving. But when one adds to it the case of Owen Lattimore, of Chambers and Hiss, of the hundreds of people innocent and guilty persecuted by the McCarthy inquisition, when one considers it in the light of the revelations of Petrov, Gouzenko, and similar cases all over the

world, one is forced to admit that there is something in this whole situation peculiarly threatening and sinister for western civilization. For though Dr. Oppenheimer was not a Soviet agent, it is clear that a large number of communists and fellow-travellers in every western country are. Many of them work for the Soviet espionage service on what they think are the highest motives. The curse of communism has always been the creed that the end justifies the means, and that the good communist should lie to and betray everyone and everything in the cause of communism and Russia. The deliberate infiltration of communists with these views into responsible positions in the public services creates the threat to national security which we have been considering. And part of the threat lies in the fact that it undermines and corrupts public life, the civil services, and the professions—a result which, no doubt, the communists and the Soviet Government aim at. For it introduces into society at its most vulnerable points a feeling of doubt, suspicion, and insecurity.

All this produces, as we have seen, a real danger to "national security". But, even when all allowance is made, for the betrayal of atomic secrets by communist scientists and of other secrets by other communists, it is doubtful whether the direct damage done by Soviet tools is very great. At any rate it is not nearly as great as the indirect damage to liberty and social decency which is the result of the corruption of so many public and private persons. It leads so easily to the deplorable, but not unnatural, witch-hunting inquisitions of Senator McCarthy and his kind. These indiscriminate delations, accusations, and inquisitions are indistinguishable from the Russian trials and purges and produce the same effect: they destroy by terror the foundations of civil liberties and intellectual freedom.

Is there any remedy for this disastrous situation? It is lamentable enough that people like Hiss and Chambers and Judith Coplon and Nunn May, like Burgess and Maclean, who, in other times and under other circumstances, would have lived decent and useful lives, should have been corrupted to become the agents of a cruel and reactionary government. So long as clever men are as stupid as some clever scientists are, and stupid men are as clever as so many stupid communists are, the world will have its Nunn Mays and its Chambers on one side, and its Stalins on the other. But does that mean that we must also on our side have our purges and our inquisitions with the inevitable destruction of liberty? The answer seems to be that it depends entirely upon

ourselves. It is reasonable to have a strong, vigilant counter-espionage service in every western state. It is probably necessary to have a screening of public servants who have access to "top secrets". But there security measures should stop, the government and the public alike exercising restraint. There is no doubt that public departments are much too fond of making things secret which the whole world might know with impunity. The fewer secrets, the less danger of communist spies. In fact, one may say that the less we act like communist governments and communists, the less reason shall we have to fear the Soviet Union and its agents.

A DECADE OF POST-WAR GERMANY

By J. P. NETTL*

A HISTORIAN is interested in the durability or otherwise of a country's habits and institutions. Religious or near-religious states—Tibet, Persia, Spain until 1900—would probably obtain the highest marks; Germany comes close behind them. Two world wars, both lost, have no more than scratched the social surface. There has not even been any of that kaleidoscopic elegance which is the speciality of France—*plus ça change, plus c'est la même chose*. And the most remarkable thing is that German institutions and habits have survived a programme of deliberate destruction and refashioning from the toddler stage which is probably unique in the history of the world. First, enormous war damage—has any country been as devastated as Germany in 1945, since the Mongols swept across Asia?—then deliberate dissolution of the remaining social fibre, followed in turn by the most rigorous programme of re-education that four grim, stalwart nannies could devise. Yet in spite of it all Germany is to-day not only sturdy and muscular but very much the same country, with the same habits and institutions that she has had for eighty years. With one great, all-pervading exception: the destruction

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of Prussia and the particular social phenomena that are known as Prussian. This would seem to be the only lasting consequence of the division of Germany into two separate, antipathetic parts.

At first sight the complete crumbling into dust of the National Socialist edifice is in contradiction to any claim of durability for German institutions. But the extent to which the Third Reich was really a National Socialist state is open to considerable doubt. Was it not rather the state of the Weimar Republic, even of the Second Reich, over which had grown a lichen of Party institutions, hiding but by no means destroying the old structure underneath? There had been much rivalry ever since 1933 between the army and the civil service on the one hand, and the Party on the other; but only during the last two years of war, as the political leadership felt unable to rely on its armed forces or on its administrative machine, did the Party really have total control of Germany—thus identifying itself wholly with the military defeat. Everyone is now agreed that in the so-called 1918 Revolution, Empire and Junkertum disappeared in a cloud of socialist and liberal smoke, but when it cleared the same people were there again, albeit without titles and in less conspicuous uniforms, but with ideas and methods unchanged. In twenty years' time there may well be the same agreement about the "revolution" of 1945.

The great question which faced the Allied Occupation was to settle the burden of guilt. This boiled down in the main to a simple alternative: were the Allies dealing with a small group of virulent fanatics who had imposed their will on a more or less malleable nation, or was everyone guilty who had not actually resisted the Nazis—or at least kept himself strictly apart from the German war effort? Since it was impossible to organize punishment for a whole nation (that idea had indeed been mooted in Allied circles but had been abandoned as early as 1944) all those in authority must be punished, irrespective of whether they were active Nazis or not. The British and American Occupation authorities, under direction from the highest level, on the whole accepted the principle of universal guilt. Complicated lists of undesirable categories were drawn up, according to rank, profession, status, membership of party and of such things as sports clubs, voluntary fire brigades, and even old gentlemen's smoking clubs. It was essentially a measure of political sanitation; in conformity, however, with the Anglo-Saxon vision of law as a worshipful golden cloud permanently above our heads, the whole

scheme was decked out in the trappings of a legal proceeding. To the Germans this appeared hypocritical, and did more than anything else to bring Anglo-American "legal" military government—what a contradiction in terms!—into contempt. The French were rather less interested in appearances, while to the Russians the problem of guilt, of drawing a wider or narrower circle of the guilty, was irrelevant—it was a question of putting the right people into undisputed power and getting the others out. They knew exactly how they wanted to set about it.

In spite of its many hesitations and absurdities, the Anglo-American occupation of Germany was a unique and conscientious attempt to change the social, economic, and political structure of an enemy country for higher reasons than mere convenience. The Allies accepted the ultimate responsibility for the fate of their defeated enemy, moral as well as physical, and this is something quite new in international relations. This acceptance of responsibility for making a new Germany had its effect on the victor nations, too. Just as war always provides a boost to technological advance, so must a scientific rehabilitation of another country inevitably cause some fruitful rethinking of accepted political truisms. At least, it should be so; the German question was perhaps at first too much a matter of universal emotion, and then a dreary wrangle exhausted by too much argument above, of interest only to experts. So the German experiment passed largely unnoticed in Britain and in the United States. In the course of the occupation, however, all sorts of practical and cardboard schemes emerged and re-emerged: a loose confederation of provinces, Rhineland separatism, reduction of industrial capacity to a level geared to a slightly-better-than-subsistence level of calories per German stomach. The British contribution was the idea of decentralization, of vigorous local government in which people took an interest, and of a non-political body of civil servants and teachers. The Americans contributed their own brand of liberal economics and productivity as a political panacea, and the most rigorous dose of democratic processes, elections for this, that and the other. Often the two Occupying Powers met head-on in the application of principles dear to their notion of good government: over the nationalization of heavy industry, over the power of provincial governments as opposed to local authorities, over the relative merits of trade unions and employers' federations, of Left and Right. But they were both agreed on two things: the need for change, whether the Germans

liked it or not, and the undesirability of social revolution on the lines of that taking place in the Soviet Zone.

It is often forgotten that there must have been considerable discrepancy between the policy worked out at higher levels in London and Washington—which is what we studied as "the policy"—and that applied in the day-to-day routine of a small German town. This problem is as much a Russian as an Anglo-American one: it is, after all, expecting a very great deal from officials—most of them temporary and inexperienced—to enforce on a foreign country a strange policy, different not only from their own experience of government, but applicable in surroundings which must have been thoroughly unfamiliar. As a result of this, there is no doubt that many of the directives were in some cases watered down and in some cases exacerbated, according to the predilections of the individual concerned; the contradictions of the policy as evolved became even greater in the application.

The year 1948 saw the first great turning point after the war. Before that there was an aura of decrepitude over Western Germany; democracy and empty stomachs failed to find much in common, production was lagging, cigarettes had replaced the mark as the effective token of exchange. There seemed no political forces to fill the vacuum left by the dissolution of the Nazi party, while the detention camps were still full of undecided (or undecidable) cases of undesirables and members of the so-called "Automatic Arrest" categories. The West and the Russians were bickering, accusing each other of unilateral, irrevocable, and undemocratic actions in each other's respective areas of occupation. The West were mostly concerned at Soviet reparations policy, which they alleged to be excessive in scope (the aid pumped in by the West to keep the Germans alive was being drained off in the East), as well as contrary to the Yalta and Potsdam agreements. When the Anglo-Americans tried to obtain Russian agreement to a Four-Power currency reform in order to jerk the German economy towards some measure of self-sufficiency, the Russians refused—probably because some of their very profitable reparations would have been seriously affected. They would consent only if their special economic interests in eastern Germany were expressly exempted. And so in the end the Western Powers went ahead on their own. The Russians reacted swiftly: Berlin was cut off and blockaded; what had been a tiresome wrangle in the remoteness of the Allied Control Authority in Berlin, a continual remission of any settlement to the next Foreign Ministers'

has seriously considered abandoning it to its fate (of probable extinction) in return for a really worthwhile prize—the disruption of N.A.T.O., the neutralization by international treaty of a united Germany; the offer has not yet been made in unequivocal terms, but it may yet be made. Since the death of Stalin such flexibility in the pursuit of unchanged global aims is perfectly feasible.

The inter-action of the Two Germanies—since 1948 more rigidly out of touch and separated than any other two foreign, sovereign states—is one of the most fascinating aspects of recent history. There is first of all the competition of the Occupying Powers. With almost comic and certainly shaming haste, Americans impatiently in the lead, the western governments ate up sheet by sheet their ringing war-time declarations about the sort of Germany they envisaged for the future. The French, to whom the Russian menace was five hundred miles away but the German problem clear and present and on the doorstep, hung back, a reluctant rearguard in this hasty retreat. It was even too fast for a large section of public opinion in England, especially when, in 1951, it came to the question of rearmament. Until recently T.U.C. congresses, anxious to keep their record clean, still voted annually against German rearmament. However, parity with the Soviet Zone was considered essential. As the Soviet military government became a High Commission, as the Russian government continued to change labels which did not alter by one jot the realities of power in eastern Germany, the western powers handed over group after group of functions and jurisdictions to the west German government. The whole sorry business of rearmament is one of the best examples; there has been an armed force of para-military police in east Germany since the beginning of 1948! Similarly, foreign affairs: the creation of such an east German ministry in 1949 was the merest farce, and even to-day its minions flourish almost exclusively beyond the Iron Curtain. The future historian of the west German revival in the decade 1945–55 will have no difficulty in pin-pointing the division of Germany as the main cause, and the rivalry of the west and the Soviet Union as the powerful lever.

Even more important, however, than the inter-allied rivalry was the struggle between the two Germanies. A competition of this kind for the favours of a powerful non-committed (but actually non-existent) public opinion is loaded in favour of the contestant with the least scruples. The communists, as early as

1948, captured the slogan of “Unity”—they even call themselves the Socialist Unity Party—and they have been plugging it ever since. Their failure to date to sway any large political group in western Germany is due largely to the disproportion in standards of living in the two parts of Germany, and the too-obvious harshness of life in the east. They would naturally have preferred to tempt a Federal Germany in the throes of unemployment and economic crisis with planned “democratic” prosperity, but this has proved impossible. They tried to exploit an alleged revival of National Socialism in the west, deduced from the political re-emergence of individual, unrepentant Nazis—some factual justification here—but true or not, it was not a subject to excite west Germans with their earful of de-Nazification.

It is perfectly possible to sell a false idea of the Soviet Union to the Indians or the Egyptians, but it is hopeless to try to disguise eastern Germany from the west as long as tens of thousands of refugees pour into west Berlin, and as long as one can see facts and people in the Democratic Republic from a fourth-storey window on the *Kurfürstendamm*. The continued existence of west Berlin, both as an independent outpost of west Germany and as an essential part of Berlin as a whole, was and is the biggest bane to any communist attempt to shoot any kind of line in west Germany. If the Russians should one day succeed in uniting Germany on their terms, it will not be as a result of misunderstanding, but either through military victory, or as a result of a wrongly calculated risk on the part of west German politicians in joining an all-German government in which the communists have too large a share.

Russian policy, for its part, was also affected by the peculiar situation of a divided Germany. There is, in spite of everything, a curious hesitancy about Soviet policy in Germany, a refusal to forgo all hope of tempting west Germans into unification *à la Russe*, to make east Germany an utterly autarchic, spiky satellite like the others. This hesitancy must be very irksome to as robust a communist as Ulbricht, the most powerful figure in the Democratic Republic. A Russian decision to abandon another communist government, to which clear statements of committal have been made many times, would be a most risky proceeding in its effect on other communist governments, and especially on communist parties in free countries, but it is not out of the question if the prize is really worthwhile. Nothing totally irrevocable has yet been done in east Germany, and many things have not been

done; the Lutheran Church exists and continues to function with vigour. The Soviet industrial empire within the Democratic Republic (uranium mining excepted) has been almost entirely liquidated. And, most important of all, communism is only skin deep, in spite of all the pressure. The events of June 1954 prove this conclusively, and the reports—the existence, even—of the refugees confirms it. There clearly remains the social and political soil on which forms of society other than communism can flourish, given the chance; this situation may not last for ever, but it is surely present to a more hopeful extent than in the other countries of eastern Europe. This is both the strength and weakness of the Russian gamble.

But there is also for the west a seamy side to the close proximity of another, Soviet, Germany. It is twofold. Nearly every criticism of the Federal Republic's relative neglect (until recently) of the hardships of rapid economic expansion which inevitably favoured the lucky *possidentes* more than the refugees or the professional classes, has been met with a bland and unanswerable: "Look east; it's worse there." The comparison has helped—though the tendency was there anyhow—to warp the development of social democracy as a radical force in west German politics. Indeed, the German Social Democrats, with their awful memories of 1933, determined this time to outdo the Right wing in the propagation of nationalism; a neutralist nationalism which, if it did not follow the Russian line, did at least try to lay emphasis on an order of political priorities similar to that put forward by the Socialist Unity Party. And they were against the same things, too: west German rearmament, excessive alignment of Germany with the western powers. These were the excusable acrobatics of a party which had not been in or near power for over twenty years, and was therefore prepared to do almost anything to obtain it. But they make the access of this party to power a fearful thing to contemplate. The German Social Democratic Party is the most determined enemy of communism, having been the chief sufferers from communist politics in the east; at the same time the party, on present showing, would play a very helpful role in furthering communist plans if it obtained power.

In a wider, non-party sense, too, much of what has happened in the Federal Republic has been the direct result of the communist example across the border. No doubt the strong pressure against government interference in the economic field is largely due to a reaction from the regimented days of the Nazi war

economy and of the occupation. Planning is a word not very dear to German ears; Roepke is king of German economic thinking, and not even Keynes without heretical content. But in the last resort the great argument in the west against planning is the economic state of the German Democratic Republic. Similarly, co-determination (*mitbestimmungsrecht*); the idea dates from long before the war, but its impetus as a major object of social democratic and above all trades union policy is quite recent, a sublimation of the class war, a mild replacement for class victory—all horrid words now that they pour so liberally from the propaganda presses of east Germany. It is too early to pass judgment on this system of workers' participation in management at works level; certainly it has only very recently begun to take the strain in the first series of tough wage demands by the unions. There were complaints of workers' representatives on the boards "betraying" their comrades, but these complaints were inevitable and to be expected—they were not unanimous by any means. The whole idea of co-determination runs counter to British trade union policy, where the emphasis of labour participation in the management of nationalized industries is at the top or centre of the industry as a whole rather than at the level of shop or factory. Co-determination contradicts even more strongly the classical notion of the class war to which even the mildest socialists on the Continent continue to cling in theory. It has more in common with the Nazi system of the *Betriebsgemeinschaft*, the works community.

Criticism of German economic policy since 1948 is rather stunted by the fact that their policy has been so phenomenally successful. They have kept inflation at bay; not absolutely, of course, but far more effectively than Britain or France. The obstinate 10-per-cent tail of unemployment which dogged the Federal economy for years has largely disappeared. The Deutsche-mark is hard currency, within sight of dollar convertibility, exports are high and rising, and, most important of all, savings and investment are running at a high level. There is still a rash of capital shortages across the face of the economy—there is as yet no proper securities market. Rearmament, once it gets under way, may offset the large fiscal surpluses. But there is probably no economy in Europe whose future is as bright, and certainly none whose recent past as impressive. How has it been done?

There has been a single-minded direction of purpose, a clear view of where to go. The opponents of Dr. Ehrhard were many

and vocal—he had almost the entire body of professional economists in the world against him—but what he did was done consistently; this alone gave him a strong advantage over the hesitations and compromises of successive British Chancellors, and over the long-distance advances and retreats of the French. And more important still, his actual policy has been fully vindicated in substance. It was a policy of minimum governmental regulation, of liberality in imports and taxation; a policy which took it for granted that the interests of the community coincided with those of the majority of producers and consumers. This may seem an obvious conclusion for any government, but it requires the courage to ride roughshod over minority interests, which may have powerful and vocal political support—and it makes two assumptions which few other European governments since the war have dared to make. The first is that an increase in earnings need not necessarily be reflected in increased consumption—in other words, a belief in the power of private savings, which in Britain have ceased to be an influential factor in the national economy. The second, even more courageous assumption, was that labour would exercise self-restraint in its wage claims, at least during the early formative years. This despite the fact that company profits were likely to be large and become larger, that prices would rise faster than wages, that the main beneficiaries of tax relief would be potential investors—that is, the rich. Both conditions were fulfilled, to the confusion of the experts outside Germany, and Ehrhard's policy has been a success. Now the trades unions are pressing their wage demands, but the economy is strong enough to absorb them. Even unemployment, the corollary of German *laissez-faire*, is at present reduced to the full employment level of 2 or 3 per cent. Most gratifying of all, the increase in production, great as it was, was matched by an increase in exports. The Federal Republic is a consistent creditor in O.E.E.C., and its currency, theoretically at par with that of the Democratic Republic, actually stands at a heavy premium to it.

Since 1948, especially since the institution of responsible domestic government in west Germany, two main parties have disputed power, with various smaller parties juggling for influence alongside. The Social Democrats have been in uninterrupted opposition in the Federal legislature, though they control several provincial governments. The very fact that as a party they have tried to bridge the twelve-year gap of National Social-

ism has profoundly affected their policy and its appeal to the electorate. Attributing their failure from 1918 to 1933 to inflexibility—too much theory, too little practical toughness—they developed since 1945 a penchant for cunning which, however, proved so far curiously unsuitable for the political climate of post-war Germany. It went particularly badly with the mild left-wing caution, the preoccupation with economic problems, which marked the attitude of the trade unions and the workers as a whole. But the main bias against the political chances of the Social Democrats is the very geography of the Federal Republic; the Catholic Rhineland and Bavaria, traditionally in a minority since 1870, have to-day a parliamentary majority in the Federal Republic, a fact for which they must thank the accident of the demarcation line between east and west Germany. This adds the spur of self-interest to the Social Democrat campaign for reunification, conversely its glamour for the Catholic Christian Democrats is *pro tanto* diminished.

Unlike the Social Democrats, the Christian Democratic Union is a post-war party, without commitments to any definite coherent past. It is a centre party, with ramifications to the Right and Left. It resembles the Italian Christian Democrats in policy and structure, and even in the role of its leading personalities—a loose party of compromise and association rather than a disciplined mass organization with a centrally evolved policy binding all members, and held together largely by the authority and pre-eminence of one man. Impressive as was the figure of de Gasperi, that of Adenauer is more impressive still. He has set the tone of west Germany's post-war political alignment in spite of the fact that his western policy has not been wholeheartedly accepted by all his colleagues and allies, and may not outlast him personally. His greatest achievement, however, has been the unspectacular, almost negative, fact that instead of the thrills of controversy, of far-reaching legislation, his government has provided a solid, unobtrusive political framework within which the Germans were able to go safely and prosperously about their business.

The main difference between the Adenauer leadership of the Christian Democratic Union on the one hand and the ideas of some of his reluctant colleagues in the C.D.U., of his political allies in the government coalition—the Free Democrats and other right-wing parties—and above all of his Social Democrat opponents, was his belief that the German people were less interested in politics than in economics, and those of the purely

selfish variety which Guizot a hundred years ago distilled into the political slogan: "*Enrichissez-vous*." All the post-war Federal elections have proved him right; even the siren call of German unity, which on the face of it must have seemed irresistible, has failed seriously to upset his position. But in so far as his ascendancy is based on his personal prestige, it is not certain to what extent his policies have genuine and permanent roots in the political life of western Germany. The end of the Adenauer era is predicted each time his party loses seats or control of a provincial legislature, and the Social Democrats have not hesitated to combine with the extreme right-wing parties in the provincial legislatures against him, though some of these parties are allies of the Christian Democratic Union in the Federal coalition. German ideas of solidarity within government coalitions are even more fissiparous than those of the French, or perhaps their politics are at least equally irresponsible except in the narrowest parliamentary or party sense.

In both its forms—as an aggressive menace and as Europe's sorest point of conflict between east and west—the German question is quiescent at the moment. It is very doubtful whether the division of Germany really outrages anybody's conscience outside Germany, in west or east; underneath the lip-service to disapproval of a nation palpably torn in two there is indifference, even relief. Within Germany the agitation also seems to have a slightly self-conscious, sentimental glaze; it has emphatically not affected the political strength of the parties—indeed, it seems somehow to lack substance under all the vociferous declarations. On the contrary, the division has produced benefits for the west, even if not for the east—imports of cheap foreign grain instead of dependence on the subsidized agriculture of the eastern provinces, the emigration of capital and skills from east to west, and the fact that west Germany does not have to dig deep into its rapidly filling pockets to make good the Russian depredations in eastern Germany. Unity may yet be imposed on Germany by Four-Power arrangement, in the interests of world peace, but it is doubtful whether German feelings are strong and single-minded enough to enforce unity against the dead weight of the *status quo*, against the ultimate indifference of Germany's neighbours.

United or not, what are the chances of Germany's revival in her traditional role of menace? There is certainly no evidence that such a recurrence is impossible, that there has been any funda-

mental change. The bristly, poisonous skin of National Socialism has been discarded—but it was only a skin. The Germans have vociferously refused to stop being an arrantly middle-class society, and it is undoubtedly the same middle-class which, actively or passively, carried National Socialism. The Allied chance to bring about a basic change in the nature of German society was not taken, and the serious conflict between Russia and the west made any really radical experiments in the west impossible. What is more, the present preoccupation with economics is not necessarily a good sign; it might well mean that right-minded politics and a proper appreciation of their difficulties and wearisome self-restraints have still taken no root in Germany. Once interest in economics ceases, the economic revival is no longer a miracle and becomes a matter of course, nothing to be grateful for, there may be a revival of appetite in lunatic political adventures. It need not be, but it may be so. The Saar, the division of Germany, the western Polish territories, the Germans expelled from eastern and south-eastern Europe, are all potential ulcers which, given the right (or wrong) political climate, might become malignant. We must either just cross fingers and hope, or press on with the various schemes of European association—N.A.T.O., the Coal and Steel Community, the Brussels' Pact, Euratom, with the goal of an at least partially united Europe at the end. Such organizations, undramatically pursuing their technical tasks by discussion, by contact, by compromise, might create a community *status quo* in Europe which would make a one-sided breakaway difficult and undesirable. The only undisputably permanent changes in Germany since 1945 are the economic reconstruction and the disappearance of Prussia; and the surprising thing is not how much Germany has changed, but how little—in spite of its completely new face.

THE STRUGGLE FOR LAW IN SOUTH AFRICA

By JULIUS LEWIN*

IN the last session (1955) of parliament, the Nationalist Government in the Union passed two Acts designed to resolve the constitutional crisis that has tormented South African politics for the last seven years. The first was an Act enlarging the country's final court of appeal from five to eleven judges, and requiring all eleven to sit in any case in which the validity of an Act of Parliament is challenged. Of this new bench, a majority of six have been appointed by Mr. Strijdom's Government. The second Act enlarged the Senate from 48 to 89 members and devised a new system of election and nomination that will leave the Nationalists with seventy-seven senators and the United party with eight. Mr. Strijdom is now confident that if the Senate Act is challenged in the courts, the new appeal court will uphold its validity. Next session, in 1956, the 50,000 Cape Coloured voters on the common electoral roll will be removed by the due process of a two-thirds majority of both Houses of Parliament sitting together, as required by the constitution.

The Cape Coloured voters are spread over a dozen different constituencies, most of which were won by Nationalists at the last election when they gained a majority of twenty-nine in the Assembly. Why, then, does the Government go to such extreme lengths to disfranchise these voters, who form less than three per cent of a total electorate otherwise wholly white? The answer to this question is two-fold and it indicates that the long-drawn crisis of the constitution is not concerned only with a dwindling Coloured franchise incapable of influencing the outcome of a general election. First, the Nationalists want an entirely flexible constitution in order to be able to declare the country a republic without fear of challenge in the courts. And, secondly, the Nationalists want to be sure that if the rule of law is to continue its formal operation, it will nevertheless not obstruct white supremacy, as it has repeatedly done in the past. The Nationalists, indeed, regard the rule of law, as interpreted by an independent judiciary, as an unfortunate legacy of British colonial

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government in the nineteenth century. In waging the struggle between parliament and the courts, they are conscious of carrying on a contest with the English common law. For although the legal system of South Africa is Roman-Dutch in its basis, every lawyer knows that English constitutional law has prevailed in public life through the absorption of theories, doctrines and practices that are British in origin.

This conflict with the rule of law is not new. It began early in the nineteenth century when Dutch-speaking farmers resented, to the point of open rebellion, the British administration of criminal law. They objected to circuit courts that allowed Coloured farm labourers to bring charges against their white masters. Barely a dozen years after the British occupied the Cape in 1806, there were incidents that reveal, in retrospect, the Afrikaner perception, however dim, that racial domination and equality before the law were ultimately incompatible ends. It is also relevant to recall that before the turn of the century, President Krüger had dismissed his Chief Justice because the latter declined to interpret the constitution of the Republic in the way required by the Government. The issue in that conflict concerned the so-called "testing-right" of the Supreme Court, the question whether a court could insist on a parliament following a procedure previously established by law or custom. A similar issue was involved in the historic decision of the appeal court in 1952 when all five judges concurred in holding that parliament must respect the entrenched clauses of the constitution requiring a two-thirds majority of both Houses for an Act diminishing the Cape Coloured franchise. The Nationalists were not slow to perceive the parallel. They did not dismiss the five judges; they merely altered the composition of the court.

The controversies that these events produced are part of the changing pattern of law and administration that has emerged in South Africa with increasing clarity. Legislation embodying racial discrimination against Africans, Indians, and Coloured people is as old as the Union itself. So is the tendency of the Supreme Court, under the influence of English tradition and precedent in public law, to assume that all men are equal unless a statute explicitly provides the contrary rule in specific circumstances. The Supreme Court has not, indeed, insisted on applying the principle of equality in a rigid form if some compromise was possible. It has usually been the practical difficulty of applying a compromise that has ultimately led to rejection of the principle

of equality by means of explicit legislation. A good example of the process comes from the provision of public services. When post offices were first divided into two sections, white and non-white, an Indian who in 1933 contested the legality of the division (which was not authorized by parliament), lost his case. The appeal court in *Rasool's case* held (with one notable dissenting judgment) that the separation of the races was valid on the assumption that the separate service provided was equal for both white and non-white people. No one with eyes in his head ever believed that equal, though separate, facilities were, or ever would be, provided in fact. But it was a convenient doctrine for lawyers to accept. After the Nationalist Government took office in 1948, it began to apply the *Rasool* decision more widely. A new generation of lawyers, however, detected the flaw in the theory of equal but separate services. No government had ever really provided equal service in practice when segregation was adopted. In *Lusu's case*, the appeal court found in 1953 that the railway station in Cape Town did not provide waiting rooms or lavatories of equal comfort for both races and consequently that an African who used the white room could not be convicted of a crime.

This decision, although it followed a long series of well-established precedents, infuriated the Government. The bluff had been called. The whole theory of *apartheid* had rested on the absurd assumption that equal but separate arrangements were fairly made. Judicial examination of the practice in one small area had exposed the absurdity of the idea. Even worse was the fact, recognized by everyone, that the Government had neither the intention nor perhaps the resources to provide parallel services for the two racial groups either on the railways or anywhere else. There was therefore nothing else to be done but promptly to pass the Reservation of Separate Amenities Act, 1953, which gave large general powers to all public officials to divide services on racial lines that ensured separation *without equality*. After a life of just twenty years, the theory of separate but equal facilities had died under the test of practice.

Cabinet ministers and Nationalist members of parliament freely expressed their opinions of the judges who had put them to the necessity of introducing a very explicit colour bar. They knew, and the public knew, that hitherto it had been possible to hide social realities behind legal draperies that made it hard for the watching world to realize what was actually done.

Another illustration of the same process comes from motor transport. An Indian named *Tayob* in a small Transvaal town had run a taxi service longer than any white man. He served all races, regardless of their colour. A local transport licensing board deprived him of his licence, taking the view that it was reasonable for white people to be conveyed only by whites and black or brown people by non-whites. On appeal, the Transvaal provincial division of the Supreme Court declined to disturb the board's decision. On further appeal to the Appellate Division of the Supreme Court, the decision was reversed. The highest court held that "the Transport Act does not empower a local board to do unreasonable things such as decline to renew a licence because the applicant is an Asian". In 1955, however, the Act was amended to allow a board to do what the court had rejected.

In the eyes of the English common law racial discrimination is never reasonable. But what constitutes racial discrimination has now itself become a question on which the newer South African judges have begun to differ from the older generation. A year after *Tayob's case* was decided, another Indian named *Dass* appealed to the Natal Supreme Court against a local transport board's decision. The board had refused him a licence to run a bus service in an African township on the ground that buses serving an African area should belong to Africans. "The race of the community which has to be served is a factor that has to be taken into account", declared Mr. Justice J. C. de Wet, "just as is the state of the roads, the density of the population, and other features in the particular area which are weighed up when the board has to decide whether or not a certificate of transportation should be granted." Declining to follow the appeal court's reasoning in *Tayob's case*, this court in effect held that the refusal of the licence in these circumstances was not tantamount to discrimination on the ground of race.

The Supreme Court has sometimes restrained the application of *apartheid* in another way, namely, by insisting that a judicial procedure must be followed when individual rights are threatened with injury. The South African Supreme Court, following the English legal tradition, treats with profound respect a few "principles of natural justice". These are simply elementary rules of proper procedure that administrative authorities must observe even when the legislature has entrusted to them a wide discretion in carrying out policies of *apartheid*. These principles ensure that both sides to a dispute do have a fair opportunity to state their

case; that no decision be rendered until all the evidence has been heard; and that the decision shall be in such accord with the overwhelming weight of the evidence that any reasonable man would be bound to have reached the same conclusion.

Five years ago Dr. Malan's Government passed the Group Areas Act, a far-reaching measure that aimed to divide every city and every town into racial zones in which only white or black or brown people could live or trade. The task of making the division was a complicated one in urban areas where unplanned economic integration has proceeded for half a century. The task was delegated to a Board to which the Government nominated men in sympathy with its policy. So zealous in the pursuit of official policy was the Board that it showed impatience with the attempts of lawyers to argue on the merits of the projected racial areas. In the Transvaal small Indian communities were threatened with ruin in several towns which proposed to compel Indians to move their shops from the main streets to the bare veld miles away. The Board held that the Transvaal Indian Congress had no direct interest in a hearing and refused to hear its representations—until the Supreme Court ordered the Board to do so. In another instance in Johannesburg a member of the Board in effect announced what its decision would be long before the hearing had concluded, and once again the Supreme Court was ready to intervene. Parliament came to the rescue of the Board and local authorities eager to drive Indians away from the central areas. An amending Act was passed giving the Board discretion whom it would hear before reaching its decisions.

Yet another illustration of the resentment felt against the intervention of the Supreme Court occurred in 1954. Detectives from the special political branch of the police were in the habit of attending certain political meetings (not open to the public) uninvited and unlawfully. One Sunday in Johannesburg the conveners of such a meeting urgently applied to the Supreme Court for an order restraining the police from attending their meeting. The police, taken by surprise, left their case to be stated before Mr. Justice Blackwell by an unhappy police officer who was no match for a barrister properly briefed and fully prepared. The judge ordered the police to withdraw from the meeting—which they did, according to press reports, amid jeers from the crowd. The Minister of Justice was furious. Months later he attacked Mr. Justice Blackwell (who had retired from the bench and left the Union) in parliament for “not doing his duty”. But most

lawyers had agreed that the judge's decision was the right one in the circumstances, since no existing law allowed the police to attend private meetings. During the last session of parliament two new Acts were therefore passed. One enlarged the functions of the police to cover almost any activities they might undertake. The other required the Government to receive from the courts three days' notice in any legal proceedings brought against it. This latter law may make it impossible, even in an emergency such as an illegal deportation, to stop officials from taking an action that might cause irreparable harm to an individual's life or property.

If an individual is not a white man, the rights he can enforce in a court of law have diminished with every passing year. Sometimes (but not always) the courts have rescued a right for an individual but the victory nowadays is short-lived because parliament is quick to nullify a court's decision by passing amending legislation designed to close the remaining loopholes. Africans, Indians, and Coloured people have hitherto sometimes succeeded in getting “the law” on their side when courts have decided particular cases in their favour. Now parliament promptly alters the law to their disadvantage because the Government wants the law on its side, beyond any doubt. In the struggle to have the backing of the law, the Government is winning the day. But the price to be paid for this victory is heavy. Africans now realize that their traditional faith in law as such is an illusion. And it is not only Africans who can no longer believe that either parliament or the courts will one day somehow dispense social justice.

The course of South African policy had long been clear but now the full implications of the policy of thorough-going racial segregation have also emerged. A government determined at all costs to enforce *apartheid* in the teeth of all legal or practical difficulties will abandon the rule of law itself. For the theory of human equality, which inspires the rule of law, and the theory of racial separation, which inspires the South African Government, have come into collision again and again. However the conflict may have been disguised in the past, recent events show that in the future the rule of law will continue to prevail only in the most technical sense. The deeper meaning that the term has historically borne in politics and in jurisprudence will become a thing of the past. South Africa may retain the outward forms of constitutional government, but its substance will have gone the way of its spirit, which has already departed from the scene.

COMMON GROUND AND EMERGING CONFLICTS BETWEEN THE BRITISH PARTIES

By LESLIE LIPSON*

IN every community contrary tendencies are operating at the same time. Not only does the legacy of the past resist or adapt to the evolving future; but the form which that future will assume, being itself a matter of choice, invites controversy. To analyse these trends, however, in an advanced democracy such as Britain would have been easier forty years ago than it is to-day. Many antitheses which at the outbreak of World War I were useful categories for classification of facts and opposition of ideals no longer reflect so accurate a picture of to-day's reality and to-morrow's prospect. Take, for example, the simple contrast between tradition and progress. How does this dichotomy apply to a country which, being stable but not static, has even made a tradition of the necessity to change, and where everything—Labour included—is encased in traditional moulds? It is surely significant that a group of younger Conservative M.P.s could write a policy statement for their party under the title "Change is our Ally", and that the life of an Ernest Bevin could nowadays be commemorated in Westminster Abbey with an inscription honouring him as "Trade Unionist and Statesman".†

Some of the old Isms, which once generated such strident polemics, now begin to seem oddly irrelevant. The theme of capitalism *versus* socialism has a quaintly archaic ring in this mid-century period when the truth we observe is a mixed economy blended of public enterprise and private effort. The classic debates over socialism have followed those of classical *laissez faire* into the same limbo. If "we are all socialists now", so are we all capitalists. Even the division between Left and Right, that served

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† A Labourite remarked to me at the Margate Conference of 1955: "This is a movement with a complicated structure. It can be understood only in the light of its history and traditions."

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conveniently to separate one's political sheep and goats, is ceasing to have the same validity. Where, for instance, are the majority of British trade unions to be placed? And, if they are located on the Right, which is at least arguable, how shall one define the Labour Party wherein the unions figure so powerfully? Nor are the Conservatives any the more easy to classify, since the *status quo*, which it is their mission to preserve, now includes a host of reforms that erstwhile were identified with the Left. When comprehensive social services are once established, what label—Left or Right—should be pinned on their guardians? Shall Conservatives be differently classified from Labour if they accept and administer much the same programme? A progressively-minded Conservative minister commented to me that in the eyes of some of his party's stalwarts he looked "pretty close to being a communist". It is his ideas, however, that are translated into current policy, not those of the diehards. As for the latter, if one measures their influence on decisions, though hard they die, yet die they do!

Now, what does this signify? It evidently means that political discussion calls for an altered conceptual framework. Wrapping to-day's facts in yesterday's packages can result only in forced argument and distortion. We are still applying to present politics some categories that do not fit; and other categories, more appropriate to what we seek to explain, are not yet in use. Hence the way to proceed is by avoiding distinctions that served as rallying-points for battles already fought. Let one's analysis flow instead from the emerging problems of society. For the politics of party combat are compounded of two principal elements. One of these consists in the motivations by which the individuals who enter public life are driven and by the rivalry between the competing teams that a two-party system evokes. The second, more important, element is to be found in the matrix of society. The structure and dynamics of party politics are derived in the main from the society around them. It is primarily the ethos of a community, its legacy of success and failures, its pressing problems and unrealized hopes, that make the living tissue of the political process. One's party system—indeed the whole apparatus of governmental institutions—is an organized response to the compulsions and preferences of society. Consequently, the British parties have to be interpreted in terms of the kind of nation that Britain is now or is becoming.

The party system at the moment is hovering between the closing of one phase and the start of another. This is because

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many of the issues, both long and short term, around which British political life has revolved, have simultaneously reached their culminating point and have either been solved or are less controversial than formerly. The long-term issues are those that energized party combat for virtually a century and a half: the democratizing of a constitution which aristocracy had operated, the extension of public social services to provide security for the underprivileged, the choice of policy in foreign, imperial, and Commonwealth affairs, and the determination of the functions that the state should perform in the economic process. For these problems, in varying degrees, a settlement or consensus has been reached on fundamentals. With the franchise fully extended, the Lords shorn of power, the Monarchy cast in the role of the ideal family exemplifying the family ideal, the bureaucracy reformed and much modernized, no deep-seated constitutional question remains.* The social services, likewise, have been absorbed into the established order. Their basic plan no longer arouses controversy, though debate continues over their details. That certain of the latter can produce temporary squalls the Bevanite revolt gives proof. But these, viewed in proportion, remain on the scale of teacup tempests. Similarly with foreign affairs, colonies, and the Commonwealth. The main principles here are not in dispute. "Splendid isolation" has been abandoned for copartnership. The unity of the Commonwealth, alliance with the United States, and a rather frigid friendship for western Europe, are the guiding principles of Britain's external relations. The H-bomb is feared, but is manufactured and stored for its deterrent value. Colonies are handled like undergraduates, reading for the self-government diploma. Again, as with the social services, applying the general to the particular will occasion honest disagreements. With the objectives no longer in issue, the more heated are the arguments about method, and these perforce will multiply since colonial affairs must risk as many gambles as foreign diplomacy has gambits.

The question of the state's role in the economy is differently posed nowadays, but perhaps it remains the most fluid of the four big issues already mentioned. The cry of nationalization will not set the Thames on fire, though its results in individual cases will be debated with some heat. Having charged the Labour Party with being doctrinaire in nationalizing iron and steel, the Con-

* Thus the attitude towards the constitution in Mr. Herbert Morrison's *Government and Parliament* is one of profound veneration and satisfaction.

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servatives proved equally so in denationalizing road transport. Probably, when Labour returns to power, they will leave iron and steel in private hands and road transport will be renationalized. Nor are more of these changes likely, unless a major depression again erupts. Public controls, however, of the privately-owned sector of the economy are quite another matter. The types of control—physical, monetary, or fiscal—their blending and their intensiveness, will yet make or mar many a Chancellor. From a doctrinal standpoint, the question of controls does not mark a firm dividing line between the parties. Both of them—despite what Conservatives sometimes say to business audiences—have an ingrained propensity to control. None the less, they will differ in their choice of techniques and of the groups which are to benefit.

Nor is it only in such long-run trends that the two great parties have drawn together. The coming to fruition of these factors coincides with the culmination of others of a shorter term. For one thing, the post-war period has ended. Politically, it lasted from the election of 1945 to the resignation of Sir Winston Churchill. It covered both the Labour régime and the Conservative regeneration. It was dominated by men who rose to the top in the interwar years. From the economic standpoint, too, one period is closing, another beginning. Rationing has gone; shortages are no longer so acute; American aid is not needed; the production battle, with the one serious exception of coal, is largely won; the export drive has had its successes, and even its triumphs. Mr. Butler did have a point when he stressed, in reply to critics of his budget of autumn 1955, that Britain's problems were no longer those of adversity, but of an economy buoyant with returning prosperity. The current inflation is due, in part, to full employment, the satisfying of domestic demand for consumer goods, the spurt in house-building, and general private over-spending. In part, also, it is the effect of policies of the Churchill-Eden Ministries that reduced subsidies and taxes and allowed food prices to rise.

At first glance, there would seem little reason to doubt the inference to be drawn from these facts. The parties, it has been maintained,* are converging towards a common denominator, the principles upon which they agree are more numerous and

* This view has been cogently argued in an impressive article by Professor Beer. See "The Future of British Politics: an American View," *Political Quarterly*, Vol. XXVI, No. 1, pp. 33-43.

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more fundamental than their disagreements. The Labour opposition is led by its conservatives, the Conservative Ministry by its progressives. Both parties, having a mass vote of over twelve millions, must court the goodwill of groups which may shift allegiance. Britain, in short, no matter who holds power, is governed by the centre. After the storms of the forty years from 1910 to 1950, the country has reached a haven of calmer waters. Or, as a Conservative Minister put it to me: "Politics are entering a dull period."

The contemporary relations of the parties are indeed curious. Labour is the victim of its own triumphs, of some bad luck, and of a certain amount of mismanagement. The triumphs are undeniable. Its rise since the turn of the century from a coalition of struggling splinter groups to a government with a mighty majority has precipitated a rolling tide of social improvement. While it is true that both Liberals and Conservatives contributed notably to social services, public ownership, and regulation of the economy in the public interest, without a Labour movement organized among the under-privileged and sparked by idealistic intellectuals the volume of reform in the first half of the twentieth century would have been far less and its tempo much slower. Labour succeeded because in this sphere they cared the most to succeed. Nowadays, however, the very fact of their success has changed the content in which the Labour Party must work. To them, as to every movement of reform, is posed this inescapable dilemma: either to achieve one's goal and sink into stagnation, or not to achieve it and suffer frustration. The entry into politics of the working class was an act of protest, fired by moral indignation. A crusading temper carried it through half a century of derision, disappointment, and defeat, until victory was its reward. But, in a changed society the same indignation becomes an artificial product. Listening in this day and age to the orators of the old style, one thinks they do protest too much. The worst harshnesses, the roughest edges, of the social order have been smoothed away. In the juster milieu of the welfare state, what is there to get so excited about?

One sign of this among many was the failure of Mr. Bevan, whose refurbished brand of old-time socialism did not win a large enough following in the party or make much of a dent upon the trade unions. Nor was that failure due to any lack of personal qualifications. Mr. Bevan has everything a political leader needs—except judgement. Confident in himself, he does

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not inspire the confidence of others. A wilful dash of recklessness is no asset to a party that has arrived at the promised land; and when turned inwards (instead of outwards against the party's rivals) such a quality becomes a self-destructive force. Five years of protracted faction-fights not only reduced the efficiency of the party's organization, but also presented to the public the sorry spectacle of a divided leadership. Of a certainty these squabbles explain, in part, the slump in Labour's vote in 1955.

The Conservatives, too, have been confronting the problems of transition. Down and out in 1945, they worked hard to reorganize and return from the wilderness. Their electoral gains, mounting progressively in 1950, 1951, and 1955, resulted from two accomplishments. One was the revamping of the party machine under the skilful tutelage of Lord Woolton. With ample funds, a better structure, and clever publicity, "Uncle Fred" infused a new spirit into party workers and created a winning team. But effective organization alone does not win political battles. More important was the change in orientation. In the election campaign of 1945, Sir Winston Churchill, badly advised by Lord Beaverbrook, adopted a tactical line too far to the Right. The lesson of that election was clear. The popular mood demanded more public enterprise, better social services, and greater equality of opportunity. Conservatism must adjust to the electoral will or remain for long in opposition. The readjustment was largely the work of Mr. R. A. Butler and the able group of younger men who clustered around him in the Conservative Political Centre. What they did in effect was to draw from the Labour victory the same moral which Disraeli had deduced from the Representation Act of 1867 and which Bismarck learned from the challenge of the Social Democrats. Conservative thinking became permeated with a neo-Disraelian outlook. The masses crave most for security, it was argued, and are radical only when they have little or nothing to conserve. The welfare state could be assimilated to the benevolent paternalism of Tory democracy. In Conservative hands, it would be well, nay better, administered. For social services create interests and thereby generate pressure groups which could sway the Parliament. The art of disinterested government remains the province, or property, of the ruling class. Add to this a Burkean reverence for traditional institutions; throw in the romanticism of a neo-Elizabethan age; and a Conservative renaissance was in full swing.*

* For an excellent analysis of the broad ideological currents which flowed in this direction,

Nor is the significance of this theme to be lightly dismissed. One might call it clever, astute, and shrewd politics—and all of those it was. But it has amounted to much more than a slick publicity stunt. Many of those who have contributed to this revised philosophy are ardent, humanitarian, and unquestionably sincere. If actions speak louder than words, the proof that the new Conservatism has understood the facts of life may be found in the designation of Sir Walter Monckton as Minister for Labour and of Mr. Ian MacLeod as Minister for Health and latterly as Monckton's successor. Conservatism of this brand, combining with a period of greater domestic prosperity, was able to gather 52 per cent of the votes in a general election (1955) conceded on all sides to have been quiet and dull. The popular majority was not great. But, thanks to the distribution of the votes, the parliamentary majority is considerably more secure than it has been since 1950.

And what of the future? For how long will the Conservatives retain their small, yet adequate, lead? Will Labour achieve a recovery comparable to that of their rivals? Can they discover some new *élan* to provide a fresh momentum? Or are they doomed, like the Liberals and other successful reformers, to disintegrate? The belief that "Britain seems to have entered a long period of peace" is advanced by Professor Beer, although he allows that such a peace could be disturbed "by outside forces, such as a slump in the west or a war in the east".† Generally in my talks with Conservatives I have found this view to be widely held. Nor is this surprising. It is sometimes to the interest of those in office to minimize the difference between themselves and their opponents. If the parties are fundamentally alike, why trouble to change the government? For the same reason, in discussions with Labourites, I have met more of a disposition to emphasize the disagreements between the parties. After all, an opposition must oppose, or it has no business to exist. Unless it can convince the public that it would be an improvement over its rivals, what is its claim to office?

It is my own opinion that the period of domestic peace will not last so long; that each party embraces in its ranks discordant elements whose pacification will militate against inter-party harmony; and that the long-term evolution of British society fore-

see the articles in the special number of the *Political Quarterly*, called "The Revolt against Reason" (July-Sept. 1955, Vol. XXVI, No. 3).

† *Op cit.*, p. 33.

shadows a new phase in party strife. The last point is the one that requires discussion first, since, besides the inherent need for politicians in a two-party system to announce that they differ, their differences must have material to feed upon—and it is in society that such material is found. The crucial question may thus be put: Is there any major change occurring in society, because of which some new irritant or protest or interest will organize and upset the present equilibrium? Or will some powerful existing group feel perhaps that the now-established order fails to do justice to its claims?

The broad changes which Britain is undergoing can be listed under the two heads of economic and social. The domestic economy, if to-day's trends continue, is moving in a direction where Britain has not ventured before and which could result in a sharp readjustment in living conditions. In general, this movement can be summed up as a closer approximation of the British way of life to the American. Before World War II, the necessities of life in Britain were cheap, and were kept so by deliberate policy. Other commodities, for the most part, were dear and their production was restricted. They therefore tended to be luxuries which only the wealthier could afford. In the United States, on the other hand, the necessities were relatively dearer than in Britain, while other commodities cost relatively less. Thus it was possible for millions of Americans, by working hard, to acquire such amenities as a refrigerator, washing-machine, or motor car. Of recent years in Britain production, prices, and consumption tastes have showed signs of following the American pattern. The prices of food and clothing have risen, while those of the former luxury articles are dropping. Sales of household appliances and cars, which form so distinctive a feature of the American scene, have greatly increased. Countless British families which were denied these things in the past begin to find them within their reach; and each taste of articles of comfort, convenience, or pleasure, whets the appetite for more.

If this tendency lasts long enough and spreads ever wider, the direct consequences and side-effects open up a fascinating vista for speculation and forecast. One may envisage a home life in which women will have more labour-saving gadgets to relieve them of drudgery. The living standard of the working class and lower-middle income groups will rise. People will have more leisure time, which in turn they will devote to outings in the family car, to gardening, and to radio and television. The last of

these is peculiarly important because of the rapid extension of TV facilities. Indeed, the creation of the Independent Television Authority is a straw blowing in the same wind, since as an advertising medium it is purposely designed to stimulate sales. A nation of tele-viewers will become a market of gadget-buyers. Influenced by the insidious repetitions of the advertisers, people will be spurred to "keep up with the Joneses". To earn the income that buys the appliance that creates the leisure that makes the wife and children happy, the husband must exert himself to earn more. The domestic economy will boom under an elastic demand and an expanding supply. The material possessions that can make everyday living more pleasant will be spread more evenly. Britain is on the threshold of recreating the acquisitive society in a new egalitarian setting.

Tensions, readjustments, and even conflict, are likely to accompany, and to some extent offset, this improvement in material well-being. The once-contented pig, if one may adapt Mill's phrase, will find himself a discontented Socrates, prodded no doubt by a discontented Xanthippe in the kitchen. Buying on the instalment plan and thus mortgaging their future wages, men will press their demands for higher wage rates or longer hours of overtime, and any raise granted anywhere will stimulate commensurate increases elsewhere. Thus the economy will be subject to inflationary pressure and the politics of collective bargaining will assume yet greater significance in employer-employee relations. Moreover, as the purchasing power of the working class increases and their living standards rise, to find labour for disagreeable work will become more difficult. Britain will, therefore, be pressed to admit foreign labourers from Europe and will face a swelling tide of West Indian and African Negro immigrants. Nor is this a piece of fantasy. The possibilities just sketched are simply an extrapolation of tendencies already at work. During 1955 industrial peace was severely disturbed by some critical strikes. The desire for overtime work has made the question of overtime rates still more important. Inflation forced the Conservatives to introduce two budgets in one year. Christmas buying was at a high volume, and more proposals for wage increases are in the offing. Under the inexorable effect of taxation much of the old wealth has disappeared or is disappearing. What has been aptly called* "the new expense-account aristocracy" is

* By Ronald Bryden in "Generation in Exodus," *Political Quarterly*, July-Sept. 1955, p. 293.

taking its place. Possibly, too, a new proletariat is forming, of which the West Indians are the vanguard. Be this as it may, Britain already has the makings of a colour problem.

The political implications of these trends, however, will also depend on factors which are social rather than economic. Basically, these pivot around the question of equality. Putting it in a nutshell, one could say that Britain has achieved political equality and is progressing towards greater economic equality, but is still far removed from social equality. Class differences vanish more slowly than political privilege or economic inequality. To one who surveys the British scene after many years spent in studying such countries as the United States, New Zealand, and Canada, no impression is so forcible as that of the strong survival of distinctions between classes and between individuals of superior and inferior status. The British method of government has solved the question of political freedom. The humanitarian conscience of the nation has settled the problem of welfare. But on the issue of quality versus equality many and major controversies remain. Probably none of these will have so vital a bearing on government policy and the future character of the people as the structure and standard of the educational system. One nation will not emerge from two separate sets of schools, especially where the one has social advantages over the other. Naturally, therefore, the "eleven-plus" examination and the comprehensive school are acutely debated in political discussion. On these matters no general will yet exists or has revealed itself.

Thus it would appear that, besides the normal accumulation of minor discontents, which can bring about the downfall of any Ministry, there are likely in the future to be some severe controversies over matters affecting the foundations of society and the relation of the state thereto. If the foregoing analysis be correct, the movement towards a managed, largely guildized, economy may be checked or even reversed by a disposition on the part of powerful elements of the business world and trade unionism to go their independent ways. Also, Britain has to decide whether the social structure shall be brought more into accord with the egalitarianism of her politics and economics. Clearly these issues will impose a strain on existing relations between the parties and among their component groups. Each of these giant organizations is a coalition of strangely-assorted allies. On the Conservative side, big business has never been entirely happy with its political affiliation. When the Liberals broke up and their rem-

nants were distributed between Conservatives and Labour, big business was one of the slices which the former received. But the alliance has not been altogether harmonious. Conservatism, which traditionally cared for the small, inherited, family business, has not quite come to terms with such mammoths as Unilever or I.C.I. Indeed, in such matters as legislation on monopolies, the party may well have a mind of its own. The large corporations and the City retain the Conservative label for a simple reason: politically, they have nowhere else to go.

The Labour Party, likewise, as could be seen even before the Bevanite revolt, is not exactly a happy band of brothers. The relations of trade union leaders to socialist intellectuals, of working class to middle-class members, call for continual diplomacy. As a high-ranking Labourite, himself a middle-class intellectual, told me: "One has to remember that a person from the middle class is in the Labour Party by courtesy." From several old-time trade union leaders I have heard the complaint that the party does not pick enough candidates from the unions and is too much influenced by intellectuals and theorists (the latter being synonymous terms). There are indeed trade unionists who will argue that the unions can sometimes do better in negotiating with a Conservative Ministry than with a Labour one. Conservatives, after all, must listen to trade union leaders as the representatives of the working class, whereas the Labour Party has its own claims to know and represent their interests.

Labour is still sorely divided over pressing issues on which it will have to frame a policy. How far will the movement actually move in eradicating social inequalities? Do Labourites prefer equality in the sense of uniform treatment for all, or rewards apportioned to differences of merit revealed through equality of opportunity? When a man sees his boss riding in a Rolls, is it his urge to destroy the Rolls or to hope that he may one day ride in it himself? Or (without apologies to Marie Antoinette) when all do have bread, how should cake be distributed? Are the better schools to be abolished because they are better and because the majority cannot enter them? I was told on good authority of two Labour members of a local council who approached the Minister of Education with a request that he close their Grammar School on the ground that it conferred special advantages. They admitted that the Grammar School was giving a good education and had no proposal of what to put in its place that was equally good or better. Such an attitude is nihilistic! Nevertheless, on a more

constructive level, the party, if it is serious about having one nation, must tackle the school problem. Thereby it will have to formulate its ideal of the role to be performed in a democracy by an *élite* otherwise recruited than through ancestry or wealth.

The immediate prognostications, one may conclude, point as definitely to stormy weather as do some of the long-term trends. The parliamentary parties now face one another with new leaders, each of whom has to establish his title-deeds. It is significant that the Conservatives slumped so quickly after their electoral victory of May 1955, and that the end of the year witnessed a diminution in the prestige of both the Prime Minister and his second-in-command. Mr. Hugh Gaitskell, entrenched in power with a convincing majority of the parliamentary Labour Party, is not only well equipped to unify the movement, but has already shown a marked combativeness in attacking the Government. Hence the next period in politics may prove to be less dull than some are fearing—which, if it be the case, will surely be healthy for British democracy. Lord Balfour may have been right in his remark that "our whole political machinery presupposes a people so fundamentally at one that they can safely afford to bicker". But, in the long run, it is unsafe for democracy to be content merely to bicker, for that would lead to the politics of pettiness and stagnation. A strong democracy and a dynamic people should welcome the fresh stimulant of stirring issues.

THE COMMONWEALTH AND EUROPE: BRITAIN'S DILEMMA

By F. V. MEYER*

THE last fifty years have seen many changes in the United Kingdom's external affairs. The Empire has developed into the Commonwealth as central control gave way to talking things over amongst equals. Relations with the United States have become as close as can be, again by the method of talking things over when it became clear that splendid isolation no longer suited either country's position in the world. In contrast to these happy developments, there have been two wars and much other trouble in the United Kingdom's third sphere of influence, the continent of Europe. Yet, if we think of "the continent" less in terms of Germany, and more in terms of France, we find that here too there has been continuity of policy from the Entente of 1904 to the Western European Union Treaties and the Agreement concerning the relations between the United Kingdom and the European Coal and Steel Community of 1954.

Western European Union relates to specific military commitments. Whatever their strategic significance may be, they cannot become fully effective without continuous consultation on a miscellany of other matters between the British Government and the continental governments in whose territories British troops will be stationed. This miscellany includes finance of military installations, housing, and land use, to mention only a few. The Agreement with the European Coal and Steel Community contains no commitment beyond establishing machinery for talking things over. An agreement to talk things over, without any specific commitment on either side, is a good agreement. If circumstances do not favour close co-operation, no treaty enjoining specific actions can do anything about it. The very existence of such a treaty may well lead to more irritation than there would be without it. If circumstances are favourable, an agreement to talk things over can be the basis on which to build close co-operation in whatever direction most suits the circumstances of the time,

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when a commitment to any particular course of action may well have become out of date.

Specific commitments in international treaties are necessary only where there is still a certain amount of distrust in the relations between the agreement partners. Where there is mutual trust and understanding, the least specific agreement may be the best. The Entente of 1904 combined both features. It consisted of specific agreements relating to the two powers' position in North Africa, where mutual suspicions had to be allayed. Its second feature was no more than an understanding to talk about their respective foreign affairs problems, where in most spheres their former rivalry had disappeared. The agreements relating to the two countries' North African interests were useful. But it was the understanding to talk about things in general that had far-reaching consequences. By now friendship with France is regarded as an axiom of British foreign policy and it seems inconceivable that British public opinion would support British external commitments with an anti-French bias. Only two generations ago this would not have seemed natural at all.

If the vague Anglo-French Entente could have such far-reaching consequences, can it be expected that the present Anglo-continental agreements to talk will broaden and strengthen this development? There are important differences between the Entente and the new agreements. Let the new agreements be called "The Association". One difference is territorial. The Entente related to the United Kingdom and France. The Association covers the Benelux countries, Italy, and Western Germany as well. Yet in this difference there is also similarity. The Entente put an end to Anglo-French rivalry, and was the foundation-stone of one of the closest amities between European nations on record—two nations that three generations before had been engaged in one of the deadliest of their many struggles. The Association joins the United Kingdom, France, and Benelux with two countries, their enemies in war only a decade before.

The second difference is in the negative aspect of the Entente and of the Association. Both were answers to an external threat. But because Anglo-French relations have been through the state of the Entente, it is now possible to meet a new external threat by the closer relations implied in the Association. It may be said that the Entente was the forbear of the Association with an "extended France"—if it be permitted to use the name of France as standing for "the friendly part of the continent".

The third difference between the Entente and the Association is functional. The Entente related to diplomatic and military affairs. So does the Association, but it also implies continued economic co-operation. If the Entente is one of the Association's parents, the O.E.E.C. is the other.

The fourth difference is more difficult to define, but may go under the heading "legal" or "diplomatic". The Entente was a break with British diplomatic traditions of the second half of the nineteenth century; but in other ways it was a re-alignment of power in accordance with past behaviour of the great powers. The Association implies no break with present British diplomatic tradition. On the contrary, it is an attempt to apply to Anglo-continental relations some of the successful methods traditionally used in intra-Commonwealth relations and in Anglo-American relations. These methods of talking things over have been used in Anglo-continental economic relations since the inception of the O.E.E.C., but are now to be used in a wider context. The Entente altered the balance of power. The Association does not really alter the balance of power; no country abandons isolation or "the other side". It tidies up western relations; through association with the United Kingdom the continent becomes linked to the Commonwealth. The United Kingdom is no longer the strongest single power on earth, but the pivotal "bridge-power".

The Association is more formal than the corresponding closer relationships with the Commonwealth and the United States. This is because two wars between now associated powers are still within living memory and also because the French fear a British military withdrawal from the continent. As long as mutual trust is not taken for granted, relations with Europe must be more formally arranged than with the other two areas, where British support is assumed if either the United States or a Commonwealth country should be attacked. Until Europe is just as sure of British support, and the United Kingdom as sure of European support, relations are liable to be that much more formal because they are less close. The present Association still needs specific military commitments, though in all other matters it is vague. If it is true that vague agreements are more adaptable to changing circumstances than any specific commitment could be, then the Association holds out promise of closer relations through talking things over as they arise.

It is not surprising that some formality is still needed in the United Kingdom's relations with the continental powers of

western Europe. It is much more noteworthy that so relatively little formality is now considered necessary. Is it too much to claim this as a great success for British diplomatic methods of vague ententes and informal discussions? However the Association came about, these methods of co-operation were the only ones that appeared sufficiently promising to the British and the French as well as to the other members to win the support of their parliaments.

The change in the United Kingdom's international position is one of the outstanding events of the present century. No longer the centre of the world's mightiest empire, the United Kingdom now is the headquarters of a Commonwealth and for that Commonwealth one of the bridges with the United States and the sole bridge with Europe. British primacy may be over, but more than ever before do all the bridges of the free countries converge at London.

These political changes were accompanied by economic changes. Here it must be noted that in the United Kingdom's external relations the economic changes followed the political changes. While economic and political factors are intertwined, it is too often assumed that economic changes necessitate political re-alignments. This is often true, but not always, and sometimes it is the other way round. In the case of the United Kingdom's twentieth-century relations with the United States, the Commonwealth, and Europe, the political changes preceded the economic ones.

In the political sphere it was clear as early as 1918 that United States power had begun to exceed the United Kingdom's. But the change from British to American primacy in international trade was not apparent until the United Kingdom abandoned the gold standard in 1931, and in many ways was neither fully understood nor acted upon until the second world war.

The same applies to the Commonwealth. The political maturity of the dominions was apparent at the time of the Imperial Conference of 1917, if not before. At that time the self-governing dominions were "entitled to a voice in the conduct of foreign relations".* The Imperial Conferences of 1926 and 1930 defined the status the dominions had by then attained. The dominions were recognized as equals of the United Kingdom. They not only had a voice in the way Downing Street conducted foreign relations, but were entitled to conduct their own foreign relations.

* Cf. K. C. Wheare: *The Statute of Westminster and Dominion Status*, Oxford University Press, 1949, p. 24.

The definition of political equality, and its legal enactment in the Statute of Westminster (1931), preceded the Ottawa Agreements (1932). In the Ottawa Agreements the United Kingdom adopted the dominions' economic policy of Imperial preference. The economic benefit of Imperial preference may be disputed. What is clear, however, is that the United Kingdom finally embraced a long-established tariff practice of the dominions: the political equal could no longer be different in external economic policy. Moreover, in the various trade agreements concluded at Ottawa certain margins of preference were guaranteed to the dominions on a number of commodities. None of these agreed preferential margins could be reduced in subsequent trade agreements without the consent of the dominion to whom such margin was tied. Prior to Ottawa the United Kingdom and the dominions were free to alter their tariff rates without mutual consultation. Now they received a voice in each other's conduct of external economic affairs. This, and the uniformity of the basis of external economic policy, may well have been a more important result of the Ottawa Conference than the actual details of the policies then adopted.

It is well known that economic co-operation was impossible in Europe until the balance of power was completely changed by the second world war and its aftermath. Until recently, the great powers of Europe were just rivals, both in political and economic matters. This rivalry was so ingrained, that even where political relations were friendly, the economic rivalry persisted. Political friendships were primarily arrangements for diplomatic and military co-operation against a common threat, rather than the framework of positive economic co-operation. There always remained the theoretical possibility of a re-alignment of powers. Yet, even within this framework there were some small beginnings of economic co-operation between the United Kingdom and France, though only a long time after the political *rapprochement*. The Entente dates from 1904, the economic *rapprochement* only from 1936. In 1936 the two countries and the United States concluded the Tripartite (monetary) Agreement, by which they undertook not to hurt one another through currency devaluation without prior notice. It may be said that this was only a feeble beginning of economic co-operation, and that an agreement not to injure one another is hardly positive co-operation. In the circumstances of the time, however, it was quite a step forward. Even such limited agreement was possible only because no war

between the contracting parties was conceivable. There were some limited measures of economic co-operation with Belgium and the Netherlands* and the Scandinavian countries,† but these were small countries with no undue political ambitions. No economic co-operation was possible with Germany and Italy and the smaller powers that feared, or were friendly with them.

As a result of the second world war no western European power is left with any illusion that she could become the leading power of the world. Consequently, the basis of former intra-European rivalries has been removed. With the basic cause of past wars gone, western Europe has become more willing to talk things over and become prepared for peaceful economic co-operation within the new political framework.

One can talk to too many people. Is Europe, as this country's third talking club, the one too many? This question does not imply that this country could ever ignore Europe, being of Europe herself. It concerns rather the misgivings of those who fear a weakening of the United Kingdom's special ties with the United States and the Commonwealth, if this country enters too deeply into yet a third close relationship.

The United States approves and supports European integration—so much so that she has been called the most European of all the powers. The United States is not a member of the Association, but she was one of the driving forces behind its formation and has underwritten the military parts of it. Were the United Kingdom not a member of the Association, the United States' guarantee and goodwill would create United States-European ties without the United Kingdom. The United Kingdom would be by-passed in important matters. As a member of the Association the United Kingdom fulfills her role as the bridge between the United States and Europe. Hence Anglo-American ties will be stronger with the United Kingdom inside the Association than if the United Kingdom had stayed outside the Association. There is no dilemma here for the United Kingdom. The choice is not "the United States or Europe", but "both or neither". For any close ties with the United States mean involvement in Europe, and close ties with Europe are an additional link with the United States. Those who feel not too happy about this present state of affairs may call it Hobson's choice for the United Kingdom, but there is no dilemma.

* Joined the Tripartite Agreement.

† Sterling currencies and bilateral trade agreements.

The effects of European co-operation on Commonwealth ties are more complicated. Some have misgivings on political grounds, some on economic grounds. The political issue will be dealt with first. The Commonwealth is a discussion group of nations with a common outlook. The United Kingdom, as its chairman, feels unable to enter into any commitment towards foreign countries that would in any way disturb this group. What exactly would disturb this group depends on circumstances. The issue did not arise as long as Imperial foreign policy was the prerogative of the United Kingdom. It did not *fully* arise before the second world war, notwithstanding the rise in the dominions' stature in world affairs in the inter-war years. By 1919, the dominions had a voice in foreign affairs and the right to be heard by the United Kingdom. By 1939, the dominions could conduct their own external relations and had the right to be consulted by the United Kingdom. However, "the dominions for the most part deliberately refrained from taking full advantage of their opportunities for influencing United Kingdom foreign policy".* There were the United Kingdom's special relations with the United States, the entente with France, and the limited measures of economic co-operation with the United States, France, and some of the smaller European powers. None of these gave even the impression of interference with the United Kingdom's position in the Commonwealth and the dominions' right to be consulted.

In 1939-40 there was in Britain a renewed and intensified feeling of solidarity with France. In June 1940, in France's direst hour, Sir Winston Churchill even offered complete union with France—though this was rejected by the French Cabinet. Immediately afterwards France was occupied, so that Anglo-French co-operation was suspended during vital years. At the same time Commonwealth solidarity continued to be developed and intensified and Anglo-American co-operation assumed its modern shape. What might have been compatible with the United Kingdom's position in the Commonwealth in June 1940 no longer appears so in the 1950s. After all the emotions that followed 1940, public opinion by now seems to have crystallized into support of an intermediate position. Isolation has ceased to be practicable and pre-war co-operation with France and other friendly powers in Europe was not enough. But nothing must be done to inter-

* Cf. N. Mansergh: *Survey of British Commonwealth Affairs: Problems of External Policy*, 1931-39, Oxford University Press, 1952, p. 59.

fere with the United Kingdom's right to consult the dominions and the dominions' right to consult the United Kingdom.

The right to consult is in some ways even looser than the right to be consulted. Nevertheless it is more in keeping with the equality of the United Kingdom and the dominions in the Commonwealth than would be the right to be consulted. Moreover, the latter might never be exercised, while the former is always latent. The right to consult may be a looser tie than the right to be consulted; but it is, as it were, made of stronger material. This is not a quibble. It marks a further stage in the evolution of the Commonwealth. It explains also why the Churchill offer of 1940 could not be repeated in exactly the same way in the 1950s. Had the Churchill offer been accepted, the dominions would have been consulted about its implementation. At that time the Commonwealth tie was a right to be consulted rather than a right to consult. A similar offer, now, might impede the United Kingdom's and the dominions' continued right to consult each other. The Commonwealth tie has become a right to consult rather than a right to be consulted. This rules out an American style Anglo-European federation. The federal system of the U.S.A. enables South Carolina to consult North Carolina, but prevents South Carolina from consulting Canada without the intervention of the federal authorities. The United Kingdom cannot go as far into Europe as South Carolina has gone into the United States. The United Kingdom must preserve the right of direct Commonwealth consultation.

Anyway, there is no European federation to join or not to join, nor is there an immediate prospect of one. As long as this is not an issue, Commonwealth ties do not hold back the United Kingdom from close political co-operation with friendly continental countries, nor does European political co-operation cause any disturbance in the present organization of the Commonwealth.

The reorganization of the Commonwealth does not imply that the United Kingdom can no longer have an independent foreign policy. If the dominions have acquired the right to conduct their own foreign relations, it does not follow that the United Kingdom has forfeited hers. Nor has anybody seriously suggested that the United Kingdom should stand aloof from European co-operation. Neither geography nor history allow this. Moreover—to put it with brutal frankness—there are far too many has-been powers in a Europe, still full of vitality, for the United Kingdom and the Commonwealth to be disinterested in what they are

doing. Singly, none of the continental powers in western Europe is as strong as the United Kingdom; but what of a political structure comprising France, Germany, Italy, and Benelux? The United Kingdom has pledged herself to support European integration and has played an active part in it. If the continental powers want to go further, in fact as well as in rhetoric, the United Kingdom must either lead or at least adjust herself to the new situation. For to be next door to a new great power and not to be associated with it seems an awkward prospect. Anyhow, if the major powers of continental western Europe want to cast off the garb of national rivalry and put on the mantle of Association, what greater compliment can there be for the United Kingdom and British methods of conducting external affairs?

The extension into Europe of the principle of informal co-operation does not impede existing obligations. One can be a member of more than one club. The Association is the United Kingdom's third club. Membership of this third club is the completion of the United Kingdom's role as the Commonwealth's bridge with Europe. To be a successful bridge between the Commonwealth and Europe the United Kingdom must be strong in both. Her strength in the Commonwealth will be the greater, the greater her strength in Europe; and her strength in Europe will be the greater, the greater her strength in the Commonwealth. Her problem is to keep the two developments in line.

The question remains: How far should the Association go in economic matters?

In order to appreciate the uncertainty about how far European economic integration should go, it is necessary to survey briefly some aspects of the United Kingdom's economic relations with the great powers of Europe during the last three generations.

In the eighteen-sixties Europe was economically more closely integrated than at any time before or since. At that time the old trade barriers were broken down in the treaty system that commenced with the Cobden-Chevalier Treaty of 1860 and in a few years embraced all the powers of Europe in a system of all-round most-favoured-nation treatment and low tariffs. Some of the countries of Europe have continued to practise the liberal precepts of the era, but France, Germany, and Italy broke away from it at various dates around 1880. Although most-favoured-nation treatment was continued in practice as well as in theory until the nineteen-thirties, low tariffs gave way to protection as early as the eighteen-eighties. The effects on these countries'

commercial relations with the United Kingdom were marked. Each time protection was increased in one of these countries, its share of the United Kingdom export trade declined.

The protectionist powers chose to rely more on domestic savings than on British savings for their further development. Protection reduced their import surplus (or increased their export surplus), so that their indebtedness to the outside world was reduced (or their credit increased). Less of their own resources became foreign owned (or more foreign resources were acquired by them). While there was not necessarily a reduction in the supply of British capital goods, there was a reduction of British-owned capital in those countries.

This did not much harm the United Kingdom when those countries first returned to high protection. Throughout the second half of the nineteenth century there were plenty of alternative outlets for British capital in the empire and elsewhere. Whether the protectionist powers did themselves any good is more questionable. They behaved as if their vital interests demanded independence of foreign (mainly British) capital. Some British savings were excluded from these countries because of their reduced import surplus (or increased export surplus in which case their savings took the place of potential British savings in third countries). More of their domestic savings were applied to replace the British and to create economies as near like the British as possible. Their alternative would have been to use their own domestic savings to create additional capital, complementary to the capital provided by the British. They preferred to use their savings for compulsory purchase of British railway and gas companies and the like and to create capital goods in place of the capital goods that were, or could have been, provided by the British. In the age of nationalism the former course was not to be.

For the British, good came out of evil: for the release of some of the capital tied up in Europe, and the discouragement of some of the potential further British capital exports to Europe, speeded up the development of the British Empire. This does not mean to deny that the bulk of British capital exports would in any case have been attracted to the Empire rather than to the United States and Europe. All that is claimed is that the process was accelerated by the exclusiveness of the protectionist powers. For three-quarters of a century the major continental powers pursued policies designed to estrange their economies from the British. They succeeded. They must now understand that the British

economy has become accustomed to looking elsewhere for its major markets.

While the United Kingdom had surplus savings and outlets for such savings in primary producing areas, she was able to afford regional deficits with the major powers of Europe and the United States. The primary products depression and the financial crisis of the early 1930s changed the position. The United Kingdom no longer had an external surplus and cut down on her regional deficits with the United States and Europe. In consequence, the United States and the manufacturing countries of Europe lost trade with the United Kingdom, just as the United Kingdom had been losing trade with them ever since the 1880s (the 1860s in the case of the United States). The liberalization programme of the O.E.E.C. is the first successful attempt to reverse this process towards economic estrangement between the United Kingdom and the manufacturing countries of the continent.

Now, if the disintegration of Europe helped to speed up the economic development of the Empire, is it not reasonable to expect that European reintegration would retard further economic development in the Commonwealth? The basis of such reasoning could be somewhat as follows. In any area where trade and capital flow freely, there is a tendency for wealth to concentrate in the economically most efficient centre. This concentration of wealth can be observed in any country. It can be observed also throughout the world, where treasure has always had a tendency to concentrate in the hands of the economic "leader", be it Rome or Byzantium in the ancient world, or Amsterdam, London, and New York in modern times. This tendency can be alleviated by the protectionism of the weaker powers, and strengthened if protection is taken off. Now, suppose that intra-European protection continues to be relaxed, as has been the case in recent years. Within Europe, the strongest single economy is the British economy. Any move towards intra-European free trade would then mean some concentration of European wealth in the United Kingdom.

Such concentration of wealth in the United Kingdom would come about in one of two ways. Suppose that European free trade is established in respect of products that are produced more cheaply in the United Kingdom than elsewhere in Europe. The relevant United Kingdom industries would then expand more rapidly than their continental competitors—or in times of trade depression would contract less than their continental competi-

tors. British savings would be invested in the industries concerned, and the additional profits in the widened market would increase these savings. There may be a physical limit to the expansion of these British industries. If so, the concentration of wealth will take the alternative form of concentration of control. The expanding industries can use their present or additional savings to buy out their continental competitors. In either case British savings will be attracted towards investment in the United Kingdom or elsewhere in Europe.

Just as past European protectionism released British capital for investment elsewhere, so the reduction of intra-European trade barriers may result in attracting British capital away from the Commonwealth. It may then be argued that the Commonwealth interest of the present time is against any further freeing of intra-European trade. If this were the whole story, the issue would be simple. It could then be said that the political *rapprochement* with Europe should not be followed by too much further European economic integration, lest Commonwealth interests suffer.

So much for the Commonwealth interest in the 1950s. What of the Commonwealth interest in, say, the 1970s? Suppose that the United Kingdom stays out of any further European economic integration, so as not to hurt current Commonwealth interests, while the rest of Europe accepts further integration. In such case there will be a concentration of wealth in other European centres. New economic power and centres of savings will spring up elsewhere. Some of this could have been the United Kingdom's by the 1970s.

If so, there will be an expansion of the more efficient continental industries. They will be the centres of investment and control, so that their efficiency will be further enhanced. They will gain at the expense of outsiders, not only in the European markets, but also in any third markets where they compete on equal terms with British industry for export outlets. In all probability the United Kingdom would lose markets and relative economic strength in general.

In short, less capital will be available for Commonwealth development in the 1950s if the United Kingdom goes too deeply into the European economy; but more capital will be available in the United Kingdom, and therefore for Commonwealth development, by the 1970s if the United Kingdom goes more deeply into the European economy. Herein lies the United Kingdom's dilemma.

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The preceding has been written on the assumption that United Kingdom investment in the Commonwealth is one of the strong ties of Commonwealth, and that United Kingdom capital is available. It is almost taken for granted that the United Kingdom should have a favourable balance of payments, so much so that few question why. It is useful, however, to be reminded of the why. A country that has a balance of payments deficit lives on credit or, to put it differently, on other peoples' savings. As long as the country does not impair its creditworthiness through excessive borrowing, this is an ideal state of affairs in terms of economic welfare. If this were the only consideration, no one would ever aim at a balance of payments surplus, but would put up with it only because no credit was forthcoming. The reverse side of the medal is that a balance of payments deficit can occur only if those who supply the credit receive British promises to pay at some future date. Outsiders then acquire a lien over some part of British production, and British economic sovereignty is correspondingly impaired.

If the United Kingdom has a balance of payments surplus, this means that the United Kingdom acquires a lien over overseas production, and British economic sovereignty is correspondingly extended. This way the balance of payments surplus assures an increase in future economic welfare, because it has widened British economic sovereignty in space and time. In space because overseas economies must now work to some extent towards the needs of the British economy in order to be able to pay; in time, because such repayment normally extends over a number of years.

For an "imperial" power a substantial balance of payments surplus with "dependent" economies is essential. In such a balance of payments surplus lies the secret of central imperial economic control. It may be desirable to have such a balance of payments surplus simply because it is always better to have an expanding rather than a contracting economy. What is questioned, however, is whether it is essential for the maintenance of Commonwealth ties.

In the political field the United Kingdom has ceased to control the Empire and has become the chairman of a Commonwealth of Nations. Is it not natural to ask whether a similar development is possible in economic affairs? There does not appear to have been any United Kingdom payments surplus with Canada for some time. It has not weakened Canada's loyalty to the Common-

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wealth. There has been United Kingdom investment in the sterling area, amounting to somewhat over £1½ billion in 1946-54.* But over one-third of this was balanced by an increase in the United Kingdom's sterling liabilities to sterling-area countries. What does this mean? The United Kingdom has still supplied the bulk of capital invested in the sterling area via the United Kingdom. But one-third of this was balanced by short-term loans of sterling-area countries to the United Kingdom. The United Kingdom may still be the provider of most of the capital the sterling area raises in London, as befits her as chairman of the Commonwealth. In addition, however, the United Kingdom has become a central clearing house for sterling-area savings, and thus retains her position as central source of funds for sterling-area investment. But she no longer is the sole provider of the capital. In economic, as well as in political, affairs, the United Kingdom is moving towards a position of chairman, rather than controller, of the sterling area. In some years, for instance in 1953, the United Kingdom increased her sterling liabilities by more than her investments in the sterling area, so that her position as central clearing house for sterling-area savings exceeded her function as provider of capital. Yet, no one would suggest that the economic ties of the Commonwealth were any weaker in 1953 than in 1954 (when United Kingdom investment in the sterling area exceeded the increase in sterling liabilities to sterling-area countries).

It is suggested that the provision of capital for Commonwealth development may be desirable, but is not essential for the maintenance of Commonwealth ties. It is further suggested that the function of the United Kingdom as clearing house for sterling-area savings, rather than as sole provider of capital, is one that needs watching and developing; for this new economic function corresponds with the changed political framework. If so, then one of the short-run obstacles towards closer economic co-operation with Europe has been surmounted.

Nevertheless, it remains important that an adequate supply of savings is available in the United Kingdom, not only for Commonwealth development, but also for the development of British industry. Far more important than the provision of capital for further development is the ability to supply goods on demand in exchange for the goods we import. These exports have to be largely manufactures in exchange for the primary products this

* Cmd. 9430.

country imports. Such exchange of complementary goods is perhaps a more important tie to hold the sterling area together than even the supply of capital. It is important for the United Kingdom to hold these markets. To do so, she must have as efficient a home industry as possible, lest some markets be lost to competitors. Such loss of markets would really weaken the sterling area to breaking point.

In order to have an efficient industry it is necessary to invest in industry, and this requires savings. In spite of much that has been said and written in recent years, the United Kingdom has a large savings potential. This fact has been hidden by the necessity to live on capital during the war and then by certain growing pains of the welfare state and the redistribution of incomes. There is some evidence, however, that savings have become substantial in the last few years, so that this particular problem may be approaching a solution.

Savings are substantial once more, and fewer savings are needed to maintain Commonwealth contacts than for imperial control. There is a fair prospect that the United Kingdom will soon be able to supply adequate savings for home needs and for Commonwealth development, especially if other Commonwealth countries also channel their savings into Commonwealth development.

An adequate supply of savings helps, but it does not solve the dilemma. For European integration offers further scope for the concentration of capital in the United Kingdom, or control of capital by the United Kingdom. In the long run this will ease the United Kingdom's domestic position and her position as chairman of the Commonwealth in economic affairs. In the long run the bridge point will be that much stronger and secure. However, in order to get to the 1970s we have to get through the intervening years.

The dilemma between the Commonwealth's short-run and long-run interest in intensified United Kingdom economic co-operation with Europe may be expressed as follows. If resources are devoted to the building of a new bridge, fewer resources can be devoted to the volume of traffic that passes over an existing one. In the long run, however, two bridges can carry more traffic than one; and the more traffic passes over one of them, the more traffic is likely to pass over the other.

TOWN PLANNING IN RETREAT

By PETER SELF*

THE report of a Government department will never be read as *belles-lettres*. But there may be other reasons for examining it carefully. It should provide both a mass of information (statistical and factual) and also a guide to the development of public policy. It is unfortunately true that Ministry reports are apt to be shy as well as austere documents. By the time the report appears, a new Minister may be pursuing a different policy and could only find embarrassment in too lucid or persuasive an account of his predecessor's aims. Nevertheless, Ministry reports can be as revealing in their omissions as in their disclosures. They (or some of them) are essential aids to the historian and the critic; and it is necessary to take them seriously if they are ever to be improved.

This particular report† is worth considering because it deals with a new (or rather a re-formed) Ministry handling several important functions over a crucial five-year period. In January 1951 the experiment of a separate Ministry of Town and Country Planning was ended after a seven-years' trial. The new Ministry became responsible for town and country planning, housing, and local government matters generally; it thus brought together again three of the functions handled before the war by the Ministry of Health. The Labour Government was midwife to the new Ministry, but for most of the period covered by this report the Conservatives were in office and Mr. Macmillan was Minister of Housing and Local Government.

The new Ministry inherited crucial responsibilities in three main fields, and handled them very unequally. Initially its title was "Local Government and Planning"; in October 1951 this became "Housing and Local Government". During the Macmillan era, housing dominated the Ministry's activities. By contrast, its treatment of local government affairs was dilatory and evasive at a time when questions of structural and financial reorganization were (as they still are) pressing. Its handling of town and country planning was equally disappointing. The scope of planning powers and activities was enormously raised by post-war legis-

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† Report of the Ministry of Housing and Local Government for the period 1950-51 to 1954. Cmd. 9559. (H.M.S.O., 7s.)

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lation, and the incoming Conservatives declared their determination to preserve the new system intact. This they did so far as legal powers are concerned, but the new Ministry steadily retired into its shell, and refrained from exercising the functions of initiation and co-ordination conferred upon it by the Town and Country Planning Act, 1947. Its policies have become more negative and defensive.

How much connection was there between these events? At the political level, a great deal. Mr. Bevan, when Minister of Health, preferred the glamour of chasing housing targets to tackling the donkey-work of local government reform. Mr. Macmillan handsomely outdid him. By treating housing construction as a kind of emergency military operation, he helped to raise the output of houses in England and Wales from 172,000 in 1950 to 309,000 in 1954. It was in its way a remarkable achievement, the details of which are faithfully recorded in this report. But the policy involved a heavy price, not only in terms of lower housing standards but also in neglect of sound planning—the Ministry being too anxious to have houses built quickly to bother overmuch about where they went up. Economically it meant giving housing the lion's share of public expenditure and diverting to housing resources which were urgently needed for other purposes, such as industrial re-equipment. As Chancellor, Mr. Macmillan is now busily reversing his earlier policy by cutting back housing expenditure. The successful poacher has turned gamekeeper.

Ministerial neglect of local government questions during the period of this report was shameless. The private bills of local authorities were repeatedly turned down on the plea that the Government's own policy for local government reorganization was about to appear. Mr. Macmillan promised that this excuse would not be offered again when he secured the rejection of the fourth Luton Corporation Bill (seeking County borough status) in early 1954. A fifth Luton Bill has since come and gone, a sixth may appear shortly—but still no Government policy has appeared. Now that housing policy has switched to dealing with the contentious problems of subsidies and rent restrictions, the danger that a Minister of Housing and Local Government will neglect his other responsibilities is plainly less. But it still exists. The political temptations that can accompany an apparently logical grouping of Departmental functions need to be noted.

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TOWN PLANNING IN RETREAT

The administrative (as opposed to the political) importance of planning is shown by the fact that almost half the Ministry's report is devoted to this subject. The Ministry has made useful progress in some directions—for example in devising methods of control over mineral workings. But the general picture of departmental activity which emerges from this report is a long way removed from the kind of central planning envisaged in the Barlow, Uthwatt, Scott, and Schuster reports. A central planning authority would (so these reports in general assumed) take the initiative in devising policies for such matters as the general distribution of the population, the broad pattern of development, the location of industry, and the treatment of agricultural land. But, apart from the control of minerals and the creation of national parks, no real central guidance or initiative was forthcoming over this period in the broader spheres of policy. The Ministry appears to have dressed itself in the garb of a cautious and somewhat petulant umpire—vetting the proposals of the local planning authorities on grounds which are frequently obscure, but making few constructive contributions of its own.

These defects appear at their most striking in the virtual collapse of regional planning. The report of the previous Ministry of Town and Country Planning (Cmd. 8204, covering the years 1943–51) devoted a section to regional problems. Apart from separate treatment for Wales, the present report makes no reference to regional planning whatever. We are told nothing of how far the important outline regional plans, prepared towards the end of the war, have in fact been implemented; nothing even of progress in the crucial London region. The original regional plans have not been revised, nor have new ones been commissioned. There is no analysis either of the co-ordination effected by the Ministry's own regional offices; but this omission is easily explained—the Ministry has practically ceased to co-ordinate.

It is, however, a commonplace that the present counties and county boroughs cover the wrong areas to deal with many important matters. Many county boroughs, for example, have enormous surplus populations who need to be provided for in other areas. The Government's one contribution to this problem, during this period, was the Town Development Act of 1952, whose operation depends wholly upon voluntary agreements reached between distant local authorities. But such agreements cannot easily be reached without an effective regional plan for the redistribution of population, industry and other forms of em-

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ployment. In the absence of strong regional guidance, local government rivalries have completely blocked effective planning in such areas as Lancashire and Cheshire. The curious spectacle has also been seen of a local authority (the London County Council) struggling to "export" people and industries to places 50 and 100 miles distant while Government departments stand unhelpfully on the sidelines. Small wonder that the Ministry has very little progress to report under the Town Development Act.

Turning from the regional to the national level, it can be seen that planning policies have been weakened during this period by two circumstances. First, the Government has become wary about initiating large public schemes and anxious not to inhibit private enterprise—a consideration which is several times referred to in this report. Partly this is a matter of politics, but partly too it derives from the continued failure to settle the compensation-betterment problem satisfactorily. During this period, development charges were abolished but the basis for compensation has continued to be tied to ascertained 1947 development values. This arrangement has had some advantages; for example, it has made possible quite good progress with the creation of a green belt around London. But it has also increased the reluctance of the Government to sanction large measures of public land acquisition, since the compensation to be paid compares unfavourably with the prices that owners can realize privately. This policy has made the *comprehensive* redevelopment of inner areas (from which so much was hoped) increasingly difficult. Some schemes launched after the war (particularly the large Birmingham scheme) have continued to progress, but cities have been discouraged from relocating industries, resiting shopping centres and improving social facilities. The bad results of over-cautious, piecemeal planning are of course now being strikingly demonstrated in the City of London, although in this particular case the City has only itself to blame.

The existing new towns grew rapidly over this period and achieved a satisfactory balance of housing and industry. But the same motives frustrated all attempts to get more new towns designated, although some are obviously required. Mr. Macmillan started his term of office by reversing a hard-won decision that a new town for Mancunians should be built at Congleton, and ended it by rejecting Manchester's last desperate attempt to build two satellite towns at Lymm and Mobberley. The same motives again have frustrated the public acquisition of land in

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expanding areas—even for such necessary purposes as local industrial estates.

Secondly, the Ministry has been finding it difficult to reconcile the "preservationist" with the social goals of planning. Hence the report is obscure and even a little dishonest on certain matters. The previous Ministry report (Cmd. 8204) was emphatic that "to safeguard agricultural land to the greatest possible extent is one of the Department's main objects", and gave a section to this subject. The present report has only oblique references—probably because the Ministry is no longer sure of its policy. Again, the vexed subject of housing densities is largely ignored. It is said that the scale of the overspill problem can be minimized "by securing development at high density", but there is no analysis of the social and financial costs of such an approach. It is surely dishonest to have a careful section on the costs of council houses, and to say nothing about the much higher costs of flat construction entailed in a high density policy.

Part of the trouble is that the arguments for protecting the countryside (on which Conservatives are understandably keen) have got distorted by becoming linked with irrelevant financial and social objections to public schemes of development. The result is much confusion at planning inquiries and an inconsistent treatment of public and private development, which ought to be subject to the same planning principles and standards. In fact, of course, such state measures as new towns are much better protectors of the countryside than a diffused resurgence of private enterprise. Private enterprise can perfectly well be fitted into town development and new town schemes if it is so desired, but planning is bound to be ruined by land speculation in so small a country as Britain if public initiative is not deployed in acquiring the principal sites for new development. The account given in this report makes it clear that these truths have not yet been politically digested.

It would, however, be wrong to blame all these defects upon Ministry policy over this period. For one thing, the rot in central planning administration started earlier with the strange decision of Dr. Dalton to cut down the staff employed on research, since when the quality of technical and research personnel has declined. Still more important, the control of industrial location—which, as the Barlow report recognized, is a vital component of national and regional planning—is vested in another department, the Board of Trade. The Board has been pursuing its own poli-

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cies which in some cases (for example the pumping of new industry into congested areas like Merseyside and Clydeside) is flatly at variance with sound planning. Again, the reduction of employment in the London area is an essential condition for the success of planning measures (such as the green belt and the new towns) and was also a prime legislative motive for giving the Board its powers of control. Yet, extraordinary to relate, neither the Ministry report nor any Board of Trade reports give even the simple figures of factory construction and employment in the London area. No stronger example could be offered of the disintegration of planning at the regional level.

The Macmillan era has seen a retreat from the broader goals of town and country planning. Planning has become localized (and perhaps more pettifogging); regional planning (such as there was) has almost disappeared, and within the counties more powers have been delegated to the county district councils. All is by no means lost. The early central initiatives over new towns, national parks, and the control of minerals are now bearing fruit; the local planning authorities have gained valuable experience, although they have been drawing in their horns on such matters as the relocation of badly-sited industry and the control of advertisements, while only a few authorities (one is the London County Council) have produced a designation map which fulfils its purpose—that of bringing together total public requirements for land. But the very omissions of this report demonstrate the need for overhauling planning machinery and policies at national and regional levels.

* * *

The chapters on local government in the report deal with several important developments. Perhaps the most significant of these is the emergence of the central government as the senior partner in the finance of local services, since from 1951-2 onwards total income from government grants has exceeded total income for rates. The extent of government aid varies enormously and follows a curious regional pattern. In 1952-3, sixteen counties got more than 70 per cent of their total income (rates-plus-grant) from the Government, but seven county boroughs got less than 35 per cent. The heavily subsidized counties were all in Wales or East Anglia, the least aided counties in the South-East of England. Among county boroughs those in the North-East and the West Midlands were aided generously, while, not surprisingly, the seaside resorts got the least.

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The report records changes in the basis of valuation which will come into force this year (1956). The new valuation list will certainly put rating assessments in different areas on a more uniform basis, and thus enable the Exchequer Equalization Grant (which is related to ratable value per head) to be distributed more fairly. But it will not deal with certain special needs—such as those of authorities which are either declining or rapidly expanding—which were pointed out in the report of an investigating committee in 1953. Nor will the new valuation system of itself reverse the dangerous financial dominance of the central Government.

The most subtle post-war development in local government is the changing character and volume of central control, and this subject is hardly mentioned in the report beyond a cursory description of some measures taken following the second report of the Local Government Manpower Committee. This Committee, it is now becoming apparent, did not dig deep enough. It failed to consider adequately at what point the legitimate activity of laying down national policies and standards shades into the undesirable activity of fussy and detailed central supervision.

During this period, a fair number of Private Bills were promoted seeking boundary adjustments or changes in status. Extension of more than 1,000 acres were allowed in the cases of Bath, Brighton, Carlisle, Nottingham, Plymouth and Sunderland. The omission from this list of the largest cities emphasizes the point that their planning, housing and other problems can no longer be solved by simple boundary adjustments. As already indicated, none of the nine Bills seeking county borough status were successful.

Thus no progress was made during this period in tackling any of the three pressing problems with which local government is faced. The overhaul of central control, the reform of local finance, the reorganization of local areas and functions—all these matters wait in the wings for a Minister with the courage and time to tackle them properly.

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THE NATIONALITIES PROBLEM AND SOVIET ADMINISTRATION. SELECTED READINGS ON THE DEVELOPMENT OF SOVIET NATIONALITIES POLICIES. *Selected, edited and introduced by* RUDOLF SCHLESINGER. *Translated by* W. W. GOTTLIEB. (Routledge. 294 pp. 30s.)

THE editor of this new volume in the International Library of Sociology and Social Reconstruction deplores in his introduction that the use of Soviet documentary evidence on the policies adopted by the Soviet authorities in the administration of non-Russian territories "has been inevitably coloured" in western publications "by the author's standpoint and interest". He accordingly claims to provide a "selection of representative original evidence" for the benefit of the critical reader. It must be stated at the outset that he has completely failed in this aim.

It is first of all pertinent to inquire why studies of Soviet nationalities policies written in the west must "inevitably" be coloured. Scholarly study is no different in the case of Soviet political or social institutions from what it is in the study of any other institutions. The test is simply whether the author has endeavoured to discover the true facts, on all the evidence properly weighed and assessed. An honest author has no insuperable difficulty about this—witness, for example, Dr. Pipes's recent monumental study on *The Formation of the Soviet Union*, which is a model of dispassionate scholarship. Dr. Schlesinger does not appear to be acquainted with his book, since he does not refer to it in his introduction. But Dr. Kolarz's fair and factual summary *Russia and her Colonies* he describes as "an interesting presentation from the standpoint of the 'bourgeois nationalists'", which, whatever that may mean, can hardly be intended as a compliment. Dr. Schlesinger's volume is therefore presumably designed to show how such studies should be written.

What emerges? Twenty-eight so-called "documents" are offered in this volume with occasional footnotes by the editor and with a short introduction. The use of the term "document" implies at the least that the matter reprinted can be regarded as official pronouncements by responsible leaders, or as the official transactions of legislative, administrative, or similar bodies. With five exceptions, all the "documents" here reprinted, with all the solemn trappings of scholarship, are articles by propagandists exercising their skill in presenting the current party line of the moment. One might with as much justification offer as a serious study of English social conditions a selection of articles on prevalent abuses culled from the popular Sunday press.

It is true that such propagandist articles have their uses—but only in the hands of a scholar who is prepared to assess their worth in the light of all our knowledge of Soviet policy. This is, incidentally, now quite extensive—especially since the war, after thousands of new emigrants have been able to fill in many gaps in the picture. Presented, as it were, in isolation, selected at random as they are, these "documents" can at best give the uninstructed reader a partial and often totally misleading picture of the mutations of Soviet policy in the administration of the non-Russian nationalities. At worst, they will give him no picture at all. Two examples will illustrate this.

The Soviet Union's policy towards the three Baltic states, Latvia, Lithu-

ania, and Estonia, which were first annexed in 1940 and recaptured in 1945, falls into two main phases. In the first phase, after extensive deportations, mainly from among the middle class, in order to break resistance, land was distributed to the peasants under impressive constitutional guarantees that no policy of enforced collectivization would be pursued. In the second phase, to the accompaniment now of mass deportations of peasants, a policy of rapid and forcible collectivization was put through. This second phase also necessitated extensive purges in the communist party apparatus. All this can be shown very largely from documents culled from Soviet sources. In particular, one document, captured by the Germans and subsequently published in the west, shows the meticulous care with which the first deportations were planned down to the last grim detail. Now surely the planning of a large-scale deportation is a problem of considerable administrative interest, and moreover one which is unfamiliar in the west. One would have thought that space could have been found for this document at least. But all Dr. Schlesinger provides on the Baltic states is a portion of one article, written in 1940, which contains such completely outdated statements as that the land decrees of the Baltic states "guarantee the complete inviolability of the working peasants' land tenure and private property"; or that "every attempt to infringe on personal peasant property, or to force on the working peasants the organization of kolkhozy (collective farms) will be sternly punished . . .". How is Dr. Schlesinger's imaginary "critical" student, anxious to avoid the "inevitable" bias in western publications, to get any sort or kind of complete picture on Soviet administration of the Baltic republics from this one article?

To take another example. There is no "document" in this collection dated between 1936 and 1940. "With the completion of the collectivization of agriculture", says Dr. Schlesinger, "frank speaking about the difficulties met with in the non-Russian regions came to end, at least for the time being". What will the "critical" reader infer from this? Presumably, that nothing can be gleaned from Soviet sources on the state of the nationalities during these years. If so, he will again be sorely misled. For it was in the course of these very years that the purges fell with a heavy blow on the national minorities. As for "frank speaking", if Dr. Schlesinger had looked at the provincial press for the second half of 1937 he would have discovered a wealth of items giving a strikingly uniform picture among most of the major nationalities. He would have found a crescendo of unmasking of "bourgeois nationalist spies and saboteurs", with show trials usually followed by death sentences, spanning the entire party, administrative, and cultural machinery of the principal non-Russian territories. The uniformity of the pattern in the development of each of these national purges, the similarity of the charges, the coincidence in timing, and finally the abrupt termination of the whole process in 1938 can leave little doubt but that these were planned administrative operations rather than security operations. Now the use of a purge as a method of renovating the party, administrative, and cultural machinery of territories under one's control is again of great novelty and interest to the student of political institutions. Yet, in spite of the fact that this book claims to be primarily concerned with problems of administration, Dr. Schlesinger's "documents" give no inkling of what was happening during these critical years.

Even this unsatisfactory and misleading selection of excerpts from Soviet political journalism might have been of some value had it been prefaced by

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an introduction capable of linking the separate items together and putting them in the perspective of the true facts. Dr. Schlesinger's introduction is of little use for this purpose, because, whatever its intentions, it is in fact little more than the presentation of the official Soviet case—or rather cases, since Soviet policy on the non-Russian nationalities has undergone many mutations. These shifts, says Dr. Schlesinger, "were obviously conditioned by the development of the internal and external policies of the U.S.S.R.". What a wealth of questions are begged in that word "obviously". For what is apparently "obvious" to Dr. Schlesinger is only one possible explanation. Several other explanations occur immediately: that the shifts were conditioned by the struggle at the top between different leaders; that they were conditioned by the shifting methods by which the communist oligarchy thought it could best safeguard its own insecure position; or yet again, that they were conditioned by the changes of interest of the Russian portion of the U.S.S.R., to which the interests of the non-Russian portions were sacrificed. It is the duty of anyone who approaches the question of Soviet nationalities administration to consider all these possible explanations, and many more. There is little profit to be derived for scholarship where the author starts off by accepting one as "obvious", and fails even to consider the others.

LEONARD SCHAPIRO.

AMERICAN GOVERNMENT AND POLITICS. By ALLEN M. POTTER. (Faber. 318 pp. 25s.)

MR. POTTER is a young American scholar lecturing in American Government at Manchester University. He felt that his British students, both undergraduate and extra-mural, needed a brief and lucid and up-to-date guide to American politics, and he set about providing it. The result is successful and stimulating, with a highly personal flavour, for Mr. Potter is not an outsider looking in on American politics but an insider looking out, explaining, it might be said, the unsystematic to the uninitiated. And, unlike so many of his compatriots these days, he happily eschews theory. Though his standpoint is liberal and critical, he makes his points factually and without preachment; there are no extravagant claims here for the political genius of the Founding Fathers; Calhoun appears only once in these pages and that not as political philosopher, and John Randolph as a Burke *manqué* appears not at all. And, though all too rarely, Mr. Potter allows himself a cutting edge: "Federalism is like a heavy mortgage: it makes it possible to build a house, but it is very difficult to pay off." "Patronage is a fertile field for producing recurrent crops of political gratitude only if it is ploughed regularly." And, when Franklin D. Roosevelt's Supreme Court Reorganization Bill in 1937 led to changes of attitude on and some retirements from the Bench, "a switch in time saved nine".

Mr. Potter begins hesitantly. His first two chapters, The Constitution, and The History of Federalism, are designed to give basic history, but they are too cursory to be really satisfactory, and some of the judgments are debatable: there was much more than "sectionalism" to Southern secession in 1861 (p. 37), the war of 1812 surely was accompanied by something more than "a partial resurgence [*sic*] of mercantilistic nationalism" (p. 43). But

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from this point on, Mr. Potter moves with more confidence, subordinating history to an understanding of the present, with chapters on Federalism, Party Politics, Congress, the President, the Judiciary, State and Local Government, and Private Rights. On all these topics he has much to say that is shrewd as well as informing, and on three topics in particular he has some really original contributions. First, he offers and sustains the argument that 1933 was an administrative, a political, and a fiscal revolution, perhaps more decisive than 1865. It was not only that a political *volte face* took place, with Democrats becoming social-service-minded centralists and Republicans reluctant states-rightists, but the parties became national parties based on a sharper sense of class division than ever before, and their leaders became national figures who appear likely in the future to have a status and quality they have not always had in the past. T.V.A., Mr. Potter points out, came from above, not out of interstate regional co-operation—or out of sectional solidarity, he might have added. He might usefully have examined how far this centralization and personification of issues is a result of modern methods of publicity—the whole field of public opinion is one he neglects. Second, and offsetting the centralizing trend, he emphasizes with freshness and frankness the continuity of grass-roots politics in America. Behind the politics of Washington are those of forty-eight state and of three thousand county machines. The pressure groups, the precinct captains, the city bosses, the House of Representatives, with its rural gerrymandering, these are still vivid and vital forces, and, as in French but not British politics, they are all rooted in the spirit of locality. The Senate is to-day strikingly more liberal for example than the House. Unlike our own, American politics are fluid and undogmatic, and, as a result, they depend on the professional organizer. To him, at all levels, as with Jim Farley, "issues aren't my business". His concern is with rewards and punishment. The breed is tough and, like all tough breeds, steeped in sentiment. Mr. Potter explains convincingly why the bosses opposed national social services, lest they impair the primitive but warm and human services of the machine. He also wisely points out that whenever a boss dies, he is always "the last of the old-time bosses". But, as in other countries, they are a breed addicted to longevity and like all old soldiers averse to dying in battle. Thirdly, Mr. Potter emphasizes the importance of the courts and of law in understanding the United States. He stresses that the court is a political institution. He echoes John Marshall ("Brother Story can add the citations") in his remark: "If the justices are good politicians, they can receive most of the legal competence they need from the bright young secretaries who come to them from the law schools."

Mr. Potter has no blinkers on: in all the changes and reforms of the years since 1933, the machine has still been held together by political oil and grease, and still creaks audibly at times. But he is an insider, who can judge it on its own terms. If his book lacks the pith and punch—and the footnotes—of a Denis Brogan, it is an objective introduction to the continuing complexities, and the continuing fascinations, of the American political scene.

ESMOND WRIGHT.

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THE REBUILDING OF ITALY. By MURIEL GRINDROD. Royal Institute of International Affairs. (Oxford University Press. 269 pp. 21s.)

ITALIAN correspondents in London greeted this survey with long articles of astonished praise coupled with regret that nothing so complete had been compiled in Italy. The standard of Chatham House scholarship called for praise, but the surprise was at the intimate knowledge and sympathy which have guided Miss Grindrod in her rapid, but none the less thorough, inspection of the figures, facts, and problems of post-war Italian development. On reflection, however, it seems obvious that an inquiry of this sort, in which the arguments for and against every policy and position are stated but, often deliberately, not weighed, could only be compiled from without. Distance in space, in default of distance in time, widens the visual field. Detachment is also necessary for such an inquiry even though it be the slightly counterfeit professional aloofness of the reporter who leaves comment to the editorial page. The historian, praise be, is not thus detached. Miss Grindrod's purpose is not, of course, historical appraisal, but an intelligent accumulation of data for present and future reference. The data include not only facts and figures available in official documents, but a remarkably thorough inventory of states of mind, of aspirations and reactions, interests and claims, and of methods tried and discarded or kept in reserve for future use. It would be difficult to find a single "moment" of Italian feeling during the last ten years which is not fleetingly recorded here.

The method has its limitations for the author does not choose, or at least very seldom chooses even implicitly, between the pros and cons. Thus communist criticisms of the land reform are listed without sufficient indication of whether they are to be considered justified or not. So too the charges of "immobility" levelled against the coalition governments are recorded without a clear assessment of their value. This is looking at things from the stratosphere. One sees the mountains but cannot judge their height. Only in her brief but excellent conclusion does Miss Grindrod allow a quantitative (and qualitative) appraisal of political forces to appear, at least by implication. Throughout the work there is repeated mention of the part played in Italy's rebirth by the Action Party, Italy's Jacobine *d'élite*. The dispersal of this group, whittling it down to the rump of *Unità Popolare*, is followed with a sympathetic mention of the loss to Parliament in 1948 and in 1953 of men of the calibre of the old *Azionisti*. "It is, ultimately, in the light of their attitude towards the Resistance—and, to go back a further remove, towards the Fascism that it fought—that Italians give their judgements on the past decade," she writes, and, in recording the disappointment of enlightened liberals and socialists at the apparent failure of the new democratic state to give life to the ideals of the Resistance embodied in the constitution, she implicitly accepts their standpoint.

Fair to generous in expounding socialist and communist, no less than liberal and radical points of view, completely dispassionate in describing the various grades of reaction, Miss Grindrod is sometimes taken off her guard in writing about the Christian Democrats. Elder statesmen and younger politicians on the Catholic side are viewed in the benignant light of her admiration for de Gasperi and acquire an aura of vaguely Puritan austerity essentially foreign to the busy intriguing personalities of this party. Few Italians

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would agree with the verdict that one cause of the party's loss of votes in 1953 was that "people had grown tired of the Christian Democrats with their rather humdrum and pedestrian virtues." What most alienated large sections of the electorate from the Christian Democrats was the general weariness with the incessant scandals of the *sottogoverno*. The invasion of the state by the party, the constant placing of party interests, and, worse, of the personal interests of the party's clientèles, above public interest, the influencing of the magistracy and the encroachment on the schools all tended to create the fear that Christian Democrat rule was being transformed into a régime. The tendency was vulgarly summarized by the Left in the epithet *forchettoni* (approximately "the greedy ones"). More elegantly and, in the end more effectively, it was fought week by week, year in year out, by the radical paper *Il Mondo*. Where so many sources of opinion are scrupulously indicated it is surprising no mention has been made of this paper and its function.

Miss Grindrod adduces "the wilfully obstructionist tactics of the Left" to explain the charge of immobility levelled against the coalition governments. But there was also an "obstructionism of the majority" from within the coalition, and more specifically from inside the Christian Democrat Party itself, which retarded fiscal and agrarian reforms and, what was really more important, held up the completion of the constitution. It was this inner conflict between Christian Democrats which made the presence of liberals and social democrats in the coalition so necessary to de Gasperi in order to conceal the potential weakness of his own side and keep up the fiction of a great "inter-class" centre party. It is true that in his "political testament", addressed to the Catholic integralist Fanfani, he recommended this policy as a safeguard against a recrudescence of anticlericalism, but, in truth, secular feeling is so enervated in Italy to-day that its debility may safely be accounted a major weakness of Italian democracy. If, indeed, de Gasperi sincerely feared a "ghibelline" reaction to clerical prepotency such a fear would tend to confirm the backward-looking character of his statesmanship. Certainly he needed the coalition to help him to withstand pressures from the Vatican, but it is difficult not to believe that, in the circumstances, he had come to look on "immobility" as a necessary principle of government, as it had been with the Austrian chancellors to whom he has often been compared. It was the conflict between this principle and the impetus acquired by the land reform which brought down the de Gasperi régime. After this "the wilfully obstructionist tactics of the Left" gave place, under socialist propulsion, towards the end of the Scelba government, to a new practice of forcing the Christian Democrats to press their own reforms. The problems which this policy gives rise to belong, however, to the present and not to the last decade.

The chapters on economic reconstruction are necessarily based on official figures and read at times like the pages of "Italian Affairs". Projects and legislation are described but their outcome is not assessed. Some assessment of the results of the 1951 Vanoni tax reform would have been possible, for instance. The problem of industrial monopolies is not touched. In this section the chapters on education and on the southern problem are the most interesting and complete. It would have been worth adding the official statistics on the number of children who complete the five years elementary course, about half of those entered for the first year. On the southern problem one is inclined to agree with the verdict that "if circumstances allow of the peaceful

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development and conclusion of these plans, there seems every reason to hope by the mid-1960s a great change will have come over the face of southern Italy." Some critics think that trouble may be lying further ahead when the second generation of new smallholders is old enough to claim its share. One would question the assertion that the land reform is being pushed with vigour in Sicily. It has met with more difficulties there, both technical and political, than on the mainland and the Regional Government is weaker and less able to stand up to group pressures than is the Central Government.

The survey covers a complete cycle of Italian history ending with the election of President Gronchi. Since that event there has been a change of tempo in Italy. In ten months much has been accomplished which had been on the agenda for seven years. Most important of all, the Constitutional Court now exists. A brief assessment of the record of the first presidency of the Republic might have made this change more comprehensible to the reader.

NINETTA JUCKER.

THE BRITISH GENERAL ELECTION OF 1955. By D. E. BUTLER (Macmillan. 236 pp. 24s.)

THE 1955 election was a dull election: it was, therefore, difficult not to write a dull book about it. This is the fourth volume in the series of election studies sponsored by Nuffield College and it is made less exciting by the marked similarity with Dr. Butler's book on the 1951 election. Inevitably these election surveys include a considerable amount of reporting of recent events and this, combined with the repetition of structure, leaves an impression that one has read it all before. The party manifestos, the candidates and their election addresses and the role of the press and the B.B.C. in the campaign are all fully analysed. A group of local studies describe events in three constituencies, Barons Court, Banbury, and Bury and Radcliffe. All this conforms to the 1951 pattern, but there are some useful innovations. One is an admirable appendix by Mr. Michael Harrison on trade-union activity in the election. Another is a full statement of the result in each constituency on a party and percentage vote basis, but I am sufficiently old-fashioned to wish that the names of candidates and the actual votes obtained had been included, for this is intended to be a work of reference.

The electoral statistics are examined with the usual care. It is shown that the amount of the fall in the numbers voting does not correspond with the size of the swing against Labour; thus there is no reason to suppose that a majority of the non-voters were Labour supporters. Regional variations in the movement of opinion strengthened Labour in East Anglia but led to Conservative success above the average in parts of the Midlands and on Tees-side. Minor party candidates fared better than in 1951 and sitting members of any party had an advantage over their opponents. Both these features of the results may be explained by the absence of any great issues in the contest between the two major parties. In spite of the advance of television and the further decline of the public meeting, the 1955 election had a little less of the form of a plebiscite than had its predecessor. It is the bigger pity, then, that the book should contain so little mention of local incidents outside the three constituencies studied in detail. This is not a mere plea for anecdote, for

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even a calm election surely contains rather more vigour and colour than emerges from these pages.

Apart from the postal vote, Dr. Butler is doubtful how far the quality of organization affected party fortunes. "The evidence is inconclusive but it certainly gives no positive support to those who contend that the results were greatly affected by the efficiency of the local machines" (p. 205). This is contrary to the views of the Wilson Report on the organization of the Labour Party but, as political partisans, the judgment of the authors of this Report must be suspect. The establishment of the Wilson Committee is not mentioned in this book and the concern of the Labour Party with its own machinery is dismissed in a few sentences. A full account of the 1955 election should include some commentary on the evidence offered by the Wilson post-mortem; this book, however, had gone to press before the Report was published.

The limitations of *The British General Election of 1955* stem largely from the nature of the task given to Dr. Butler, and it contains much careful work that will be of value in the future. It is to be hoped that Nuffield College will continue this series. Perhaps the next election will provide more stimulating material for a psephological case-study.

The steady rise in the cost of publishing since the war is well reflected in a comparison of the prices of the four volumes on the general elections since 1945. All have similar format and are of similar quality of production. (The first volume came from the Oxford University Press and the others from Macmillans.)

Year	Length of Book in pages	Price	Pence per page
1945	311	18/-	0.69
1950	353	21/-	0.71
1951	289	21/-	0.87
1955	236	24/-	1.22

PETER G. RICHARDS.

STUDIES IN CLASS STRUCTURE. By G. D. H. COLE. (Routledge. 195 pp. 21s.)

THE Marxist forecast of a class division becoming more and more simple with a diminishing number of increasingly wealthy exploiters faced by a growing class of exploited who sink ever further into misery, a mass of undifferentiated and sweated labour, has been completely belied by development in the west. On the contrary, it is the middle class which has multiplied under capitalism. This process has gone far in Britain but farther still in America, Australia, New Zealand, where indeed the time seems to be approaching when everyone will regard himself as belonging to the middle class. Modern industry accompanied by technological progress has produced an ever-spreading army of skilled and semi-skilled. Misery, far from being promoted by it, has been progressively eradicated. At the same time, while the proportion of labour engaged in direct production has been falling, that in tertiary occupations—technical, office, management, and subsidiary services requiring special types of training—has been as steadily rising. The professional classes have increased much faster than the general average and since they derive their livelihood mainly from payment for services, and only to a

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very minor degree from ownership, this fact provides further evidence of the falsity of the Marxist prognosis. The class struggle has grown not more simple, but much more complex.

Professor Cole gives this account with his usual lucidity and comprehensiveness, attempting a general outline of present British class structure on the basis of the latest census figures. These he finds not very satisfactory for this purpose, but on the whole better than anything that existed before. They suggest to him as a rough approximation that 60 per cent of occupied persons are manual workers, made up roughly in equal proportions of four grades—fully skilled, fairly skilled, semi-skilled, and unskilled; 9 or 10 are professional workers ranging from the higher professions to school teachers; 2 or 3 are supervisors; 8 or 9 are clerks or typists; and 4 or 5 are shop assistants.

The book also contains chapters on the influence of technological changes on the development of class structure in western Europe, on the social structure of England, and on the conception of the middle classes. This last brings out once more the extreme difficulty of finding any satisfactory objective criteria for a term which nevertheless everyone thinks he understands. But certainly the most interesting part of Professor Cole's study is of what he calls "élites in British society".

This is the true stuff of politics—"to enquire into the nature of the directing influences and groups which, by their conflicts and agreements and by their very assumptions, limit the effective powers of parliaments and governments, and much besides, and shape the course of British political and social life". Indeed, no one can begin to understand the working of our system of government who does not know something of the picture here drawn by Professor Cole and see it in the main in the colours in which he paints it. Upon the old aristocratic class structure based on the land has been superimposed a series of others over the past century. There is the plutocratic structure of industry and commerce. Then there is the professional and administrative one built on education and specialized service. But the world of labour has itself thrown up its *élites*. So have local government and political parties. It is the merit of Britain to have produced "in a high degree this diversity in unity . . . a diversified and non-exclusive group life, which renders possible for the individual attachment simultaneously to a number of overlapping groups". And here we have a most interesting study of this process. One of the great advantages of the political system is the extent to which the House of Commons has become representative, and a meeting-place, of the most widely drawn *élites*. For it thus embodies to a remarkable degree the real forces within society.

It is clear that the educational system is necessarily one of the chief moulds of the class structure. While it was the key to the unity of the political system of the last half-century, with the strongly integrating upper middle class influence of public school and older university, it has been greatly modified by the educational reforms that followed in the wake of the two wars. Freer, longer, and more diversified education, and the great extension of universities, have propelled Britain in the direction of a much more open society. Professor Cole's study here covers that evolution over a century and more. It deals necessarily therefore with much which, though important, is old ground; and the probably more rapid and fundamental changes of the last twelve or thirty-eight years—since the Butler or the Fisher Acts—are lost a

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little in the longer story. What we now most need is a focus upon their effects. It is to be hoped that Professor Cole's book will stimulate the study of changes in the class structure, and their social and political consequences, that have occurred in the last few decades. For these may well be of greater significance than anything that emerges from the history of the longer span.

H. R. G. GREAVES.

THE RISE AND FALL OF NAZI GERMANY. By T. L. JARMAN. (Cresset Press. 388 pp. 25s.)

THE EAST GERMAN RISING. By STEFAN BRANT. (Thames and Hudson. 202 pp. 18s.)

IT might be a good thing if writers would take a self-denying ordinance and produce no more books on Nazi Germany for a few years. Mr. Bullock, Mr. Wheeler-Bennett, and others have already taken the story about as far as it can go on the basis of present knowledge. We are no longer near enough for the contemporary analysis of Nazism as a political phenomenon, but still too near for the dispassionate historical appraisal which will ultimately become an attractive task for the historiographer and the political scientist—a task which will probably never be done by anyone old enough to have been involved in the heated arguments of the first seven years of Hitler's régime or in the catastrophic process which brought about the collapse of the Thousand-Year Reich after a mere dozen. That is why Mr. Jarman's book is so little satisfying. Though he has read widely and selected his sources well, and though his account carries the stamp of factual accuracy, it adds little new to the story; it is not a work of scholarship, but it is too remote from the events and trends it describes to be even good journalism.

Mr. Jarman divides his subject into two parts. The first is an attempt to trace and define the historical and psychological factors in Germany which made it possible for the Hitlerian phenomenon to happen. He relies on the familiar genealogical tree of German philosophy from Hegel through Treitschke, Nietzsche, Gobineau, Chamberlain, and Bernhardt to *Mein Kampf*—with, oddly, a bare reference to Clausewitz and a mere dozen lines for Spengler—and then proceeds to a set of generalizations about the German character which, no doubt, have their element of truth, but should either be supported by less deliberately selective evidence or else left unstated. As it is, the whole first section of the book reads rather like a pamphlet from the early days of the war when people were still trying to decide whether we were fighting Germany or only the Nazis, and though Mr. Jarman is more liberal in his approach than, say, Lord Vansittart, his generalizations are hardly more convincing. The psycho-analysis of a nation is a tricky enterprise; it must either be done well or left alone.

The second part of the book is a straightforward account of the history of the Nazi Party from its foundation to the end. The main sources used include most of the published material, with a great deal of reliance on Ludecke, Gisevius and Ciano as well as the Nuremberg documents, but these are supplemented by personal observations from the pre-war period and by the author's own correspondence with Germans in the days when they were still trying to explain Hitler to the outside world. The result is readable and infor-

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mative, if not particularly profound; in particular, he goes some distance towards making it clear why the initial social and economic achievements of the Nazis in the Germany of the depression secured at least tacit approval from people who did not really like their methods.

There is a final chapter which speculates on the future of the Nazi myth. It would be possible, on the basis of Mr. Jarman's philosophical analysis in the first part of the book, to construct an argument to show that German nationalism and antiparlamentarism are continuous forces deeply rooted in the character of the people, and that the writings from which he quotes so freely are real and true expressions of a collective outlook. If that argument is accepted, it is then not Nazism but the Weimar Republic that is the phenomenon, and the parliamentary structure of the Federal Republic to-day is out of line with the course of German history. Yet that is a conclusion from which Mr. Jarman shrinks. He argues (and most people will agree with him) that a continuance of the cold war in which Germany is one of the main ideological battlegrounds is likely to increase the appeal of authoritarian nationalism, and the cure for that is to ensure that the Federal Republic (in default of the whole of Germany) is firmly integrated into the European system. It is a question, of course, whether a new authoritarianism would be Nazi in character. Nazism may have been the special product of special conditions—the slump on top of the inflation and the weakness and errors of Weimar—or it may have been just one more expression of the permanent German character. If the former, then a fresh authoritarian challenge would not necessarily take the Nazi form and might have to be countered by different methods. If the latter, then hopes for the survival of a democratic Germany become dim indeed. In point of fact, no formal structure of argument to support either case provides much of a guide for action, least of all by governments other than the German; the truth is somewhere between the two, and both western policy towards Germany and the policy of the Federal Republic itself will presumably continue to be pragmatic.

To Mr. Brant, the events of 17th June 1953 are the clearest possible proof that the German people have in them a capacity for revolt against oppression which presumably did not show itself during the Hitler period because the positive economic achievements of the Nazi régime were sufficient to remove the main causes of material discontent. This book does not claim to be a work of scholarship; it is a journalist's account of an exciting episode in which an enormous amount is still unexplained even after one has read the book.

According to Mr. Brant, the rising of the building workers at the Stalin-alley was a more or less normal piece of trade union reaction against the employers' attempt to get too much out of them; the immediate signal was a raising of the "norms", and it was only after the original act of defiance had begun that people realized that revolt all along the line was a practical possibility. So tense was the situation throughout East Germany that the news from Stalin-alley set off a "chain reaction" throughout almost the whole country and led to spontaneous outbreaks in all the principal towns and in parts of the countryside too which quickly assumed the character of a general political revolt. There is no suggestion of planning beforehand. According to Mr. Brant, both the East German authorities and the Russians were caught unprepared and took some time before they could decide what to do; apparently the government of the People's Republic was overawed by the violence

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THE POLITICAL QUARTERLY

and ubiquity of the outbreak, and would have succumbed at least to some of the demands if the occupying power had not stepped in and suppressed the movement by force. Their unpreparedness goes some way to confirm that the rising was in fact spontaneous, since it is hard to believe that a revolt over so large an area as East Germany could have been planned in advance without some inkling of what was afoot having reached the authorities. It is equally hard to believe that it was not planned. But if so, by whom?

Probably it is not possible to answer these questions yet, and even if possible it might not be politic. Whatever the reasons and whatever the mechanism, the events of that day remain unique in the history of communist-dominated countries, and perhaps in the history of Germany too. Mr. Brant concludes that the universal nature of the revolt was an expression of "Rousseau's *volonté générale*, the sovereignty of the general will", and adds that "the doctrine from which true democracy derives had come to Germany at last". Some day a historian may be able to get this remarkable occurrence into its proper perspective, but he will need much more information than Mr. Brant can yet give us.

T. E. M. McKITTERICK.

THE LABOUR GOVERNMENT AND BRITISH INDUSTRY, 1945-51. By A. A. ROGOW and P. SHORE. (Blackwell. 195 pp. 18s.)

My first reaction to this book was that, for a useful work on an interesting subject, it was singularly hard to read. A little examination soon showed why: the vocabulary of the authors is that of high-grade financial journalism, while the rhythm of their prose is almost that of free verse based on a line of four stresses. The result is odd and soporific, and this is a pity, for *The Labour Government and British Industry* is one of the few books on recent economic history which deserves to be read. Time might also reveal it as an important triggering mechanism for new trains of radical and socialist thought—i.e. as succeeding where *New Fabian Essays* failed.

But it succeeds on a rather narrow front. "Industry" here includes neither technology nor workers, but only business men and administrators. (More and more I am driven to the conclusion that our economic thought needs a new and more powerful J. A. Hobson.) It is a book about what people thought and said, not about what they did. Just because of this it is quite unusually good on the "Public Relations of Government and Business", and "The Impact of Nationalization"—which is interpreted as largely meaning the ideological and propaganda impact. For all this concern with business men I think the authors are rather bad at imputing business psychology—both by making mistakes about it and by too often neglecting it. The real failure that results from this narrowness of approach is, however, to be found in the completely inadequate chapter on "Industry and Labour"—a chapter so thin that it might well have been omitted. Such a theme must be treated at length if anything worth while is to be said in face of the mass of existing documentation.

On the other hand, within its limits, this book does illuminate, as no previous study has done, the touching readiness of Labour in power to tolerate—even foster—the most trivial, anti-social, even immoral liberties whereby men pursue their pecuniary interests in the face of any public good. The

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flight of hot money is only one example. And if this book has a protagonist other than the Labour Party, then it is the faceless, ubiquitous shadow of the Trade Association—all of which, in 1956, makes for reflection.

The authors incline to think that any future labour government bent—if such a thing be imaginable—on extending the range of public enterprise, could no longer count on the passivity and even the co-operation of private industry in achieving this aim which they enjoyed in the brave days some ten years ago. Perhaps they are right, and such a step would result in some *lutte finale*. It is certainly error, though, to think that an economy cannot endure fractionally free and fractionally public. And it is also error to think that the deliberate participation of business in politics for specific short and long term ends is novel—something more or less invented by Lord Lyle. At least one-half of the history of party in these islands remains, it is clear, to be written.

This book, then, is a uniquely valuable contribution to our thinking ourselves into the world of the 1950s, but it goes only part of the way. One good reason for this is that no book can be—or should try to be—about everything at once. This is a short and confined study, and that is part of its merit. But other limitations are rooted in less virtue. Books on politics and economics are seldom based on the unhappy fact that all life, private or public, is based on the tactics of expediency. It is for this reason—as well as for more technical considerations—that economics is a branch of politics, and not, as is usually believed, *vice versa*. It is therefore naïve to regard a time when the mass of the people had "never had it so good" as a time of crisis—surely a serious word? In this failure of perspective lies the worst fault of the Atlee régime.

DONALD G. MACRAE.

Vladimir & Evdokia Petrov EMPIRE OF FEAR

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SHORTER NOTICES

MARGRIETA BEER 1871-1951. A Memoir by DOROTHEA SINGER. (*Manchester University Press*. 81 pp.)

MRS. BEER was a member of that distinguished company of women who contributed so much to the public life and social improvement of the nation by their persistent, well-directed and disinterested activities during the past half-century. She was highly educated, possessed of independent means, and filled with a deep sense of social purpose. This led her first to serve as an independent member of several Trade Boards and to much investigation, writing and lecturing on the industrial training of women and children, and other labour questions. The rise of fascism in the inter-war period drew her into the international sphere. The suffering, injustice, and cruelty which took place in Austria, Germany, Italy, and Spain evoked her immediate sympathy, and she was tireless and fearless in her efforts to save and succour the victims. Margrieta Beer's life deserves a literary record, for she sought neither praise nor publicity for herself. Mrs. Singer's short monograph is extremely well written and concentrates on the essentials. It makes us realize how valuable can be the work of those who, though not engaged in politics in the conventional sense, devote themselves to political causes.

CONSTITUTIONAL DEVELOPMENT IN THE COMMONWEALTH. PART I, MEMBER COUNTRIES (40 pp. 2s.); PART II, UNITED KINGDOM DEPENDENCIES (80 pp. 3s.); EDUCATION IN THE UNITED KINGDOM DEPENDENCIES (92 pp. 3s.); ECONOMIC DEVELOPMENT IN THE U.K. DEPENDENCIES (35 pp. 2s.).

H.M. STATIONERY OFFICE is now publishing an interesting and informative series of pamphlets which deserve to be better known in this country.

The pamphlet on the Commonwealth countries is divided into two parts. The first provides a short survey of recent development from the Durham Report to the independence of India, Pakistan, Ceylon and Burma. The second describes the constitutions of the Commonwealth countries, including the United Kingdom and the Federation of Rhodesia and Nyasaland. What the pamphlet contains is useful, but it is too short.

The pamphlet on the U.K. Dependencies begins with a statement of policy and method which declares self-government to be the central purpose of British policy. An attempt is made a little later to skirt the problem of the plural society found in Kenya, Tanganyika and elsewhere by methods which are neither frank nor convincing. The next section traces the way in which colonial constitutions develop; and then comes a section recording the constitutional progress which has taken place in recent decades in each of the dependent territories. The final section deals with local government.

The pamphlet on Education begins with a historical survey before proceeding to discuss not only general policy and objectives, but also the problems encountered in the dependent territories. It is exceptionally well written and, is not afraid to mention criticism.

How People Vote

A Study of Electoral Behaviour in Greenwich

MARK BENNEY, A. P. GREY and R. H. PEAR

This analyzes the events of a General Election as seen in the Borough of Greenwich. The first part of the book describes the contrasting histories and patterns of organization of the local political parties, and their activities during the election campaign in committee room, meeting hall and street. The second part is based on an opinion survey among a random sample of voters, each interviewed several times. These interviews provided a wealth of information about the habits, interests and attitudes of the ordinary voter; about the inter-connections between vote decision, position in the social structure, and opinions on political issues; and about the people who changed their minds before polling day and why they changed. 25s. net

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P. A. BROMHEAD

This book fills a gap in the literature on the British Parliament by examining the role which Private Members' Bills have to play in the modern political system. The author describes in detail the procedure through which Private Members' Bills have to pass, and indicates the pitfalls which have to be negotiated. He pays particular attention to the role of the Government and of the parties in this field, and suggests that a significant evolution is taking place, so that Parliament is coming to assign a special place of positive value to these measures in a fairly distinct field of legislative activity. 25s. net

The Nationalities Problem and Soviet Administration

Edited by RUDOLF SCHLESINGER

This is the second in the series: Changing Attitudes in Soviet Russia. It is intended to give a background for the understanding of more recent developments, the emphasis of the selection lying on the periods during which the nationalities policy of the USSR and its present social structure were shaped. The frankness with which in the publications of the 'twenties the difficulties facing Soviet nationalities policies were discussed may help the reader when using the more censored publications in which the different problems of the present are treated. 30s. net

ROUTLEDGE AND KEGAN PAUL

THE POLITICAL QUARTERLY

The pamphlet on economic development in the dependent territories is much shorter (why are only 35 pages devoted to this important subject compared to 92 devoted to education?) and of inferior quality. Already on page 2 we get a caption announcing "The achievements of private enterprise", and this tendentious note in advance of a statement of the facts is unfortunate. One of the weaknesses of the pamphlet is, indeed, the lack of a country-by-country survey. Instead, a few favourable instances are cited under such headings as communications, agriculture, animal husbandry, mining, and so forth. The result is that no one can get any idea of the economic condition of any of the dependencies.

THE INTERNATIONAL WHO'S WHO, 1955. (*Europa*. 1,082 pp. £5)

THIS is the nineteenth edition of one of the most useful of all reference books. It gives the important biographical information about the well-known, and often not so well known, inhabitants of every country in the world. It is admirably edited and printed, and the information is presented with great clarity and economy of space. It is perhaps inevitable that British and American candidates for distinction are treated rather more generously than those of other countries and continents, though this applies less to politicians than, e.g., to artists and publishers. We tested the book by looking up in it all the foreigners mentioned in the foreign news of *The Times* on a day taken at random. The book came out of the test extremely well so far as politicians were concerned. Only two names occurred in *The Times* but not in the *Who's Who*, the Prime Minister of Lebanon and M. Poujade—and M. Poujade probably attained renown too recently for inclusion in the nineteenth edition. We look forward to seeing him in the twentieth.

GEOFFREY DAWSON AND OUR TIMES. By JOHN EVELYN WRENCH. (*Hutchinson*. 487 pp. 30s.)

SIR EVELYN WRENCH is not a very skilful biographer and there is a flatness about his sentences which make for lassitude in the reader. Yet his subject makes the book both interesting and important. Geoffrey Dawson, as editor of *The Times* for a quarter of a century, exercised enormous influence both politically and socially. And it was not merely by *The Times* that he exercised it, though he certainly made the paper a greater power in the land than it had been for a long time before he took it over. He himself worked sedulously as a powerful mole in "society" underground or behind the scenes. He became an Eminence Grise to Conservative Prime Ministers, Archbishops, the Crown, and the ruling clique which centres in All Souls College. This biography will not show the reader who did not know him how and why he exercised this influence. It was sedulously Tory. This is a book which the future historian of our times will have to pore and puzzle over. He will note, with amusement, that Northcliffe, before he quarrelled with Dawson, said to him: "Robin, I appointed you Editor of *The Times* because of your Christian faith." The photograph facing page 272 showing Dawson, Lord Bingley, Neville Chamberlain, Lord Halifax, and the Earl of Scarborough, equipped to shoot in Yorkshire, is not without its social significance.

NOTES AND COMMENTS

Employers and Labour Problems

THE January-March 1956 issue of THE POLITICAL QUARTERLY was a special number devoted to trade union problems, looked at from the standpoint of the unions and their members. The present issue considers industrial relations and trade unions from the point of view of employers and management. It is complementary to the previous special number.

Labour questions are of profound importance to the nation, touching both public life and private life at every turn. The level of productivity, the standard of life, the balance of payments, our economic strength at home and abroad, our international prestige and power, our position in the Commonwealth, the degree of internal harmony or conflict—these and many other matters will be significantly affected by the extent to which the human needs of men and women in their industrial capacities are understood and satisfied, and their energies, abilities, and co-operation effectively directed to the productive tasks which technological change is shaping. It is for these reasons that industrial relations are of high political importance, although they are normally dealt with by employers and trade unions rather than by the government. It is worth noting in this connection that in the recent discussions about automation the Government did not attempt to disclaim their interest and responsibility.

Mr. Austen Albu deplures "the almost neurotic anxiety in face of technical innovation" displayed by recent speeches, resolutions and articles on automation; and he dismisses the idea that we are on the verge of a push-button age. He considers that social and economic factors are likely to play as important a part in economic change as technological advances. In any event the relatively small amount of capital investment available for new equipment and the shortage of scientific and technical staff will severely limit the rate at which automation can be introduced. Moreover, he thinks the consequences of automation may be favourable to the workpeople, by raising the standard of skill and training which is required to install, supervise and maintain automatic machinery, by making more democratic methods of supervision necessary, and by eliminating much of the monotonous, soul-deadening work which is today performed by factory workers. But he insists

that careful thought should be given in advance to the social and individual aspects of the question.

Other contributors take an equally reassuring view. Mr. T. G. B. Rogers writes that with good personnel management automation provides an opportunity to make industrial work more satisfying and rewarding than ever before. Mr. George Pollock asks trade union leaders to realize that conditions in this country could hardly be more favourable than they are today for the introduction of automation—nor the results of failing to do so more dangerous to our economy.

The articles on personnel management and work study show that immense changes of attitude are taking place on the part of management towards the working force, though how widespread these changes are is not clear. Mr. Rogers asserts that the management of a company gets the relations with its employees and their trade unions which it deserves. Patronage and nepotism are no longer favoured or practised by the best firms. Intelligent industrialists are zealously seeking for brains and ability among university graduates in the same manner as the civil service has done for about a century. The techniques of selection used during the war by the War Office Selection Boards and subsequently by the Civil Service Selection Board for the administrative class are now being applied to industrial recruits. Training for management is essential; and so also is a good system of communication between managers and men within the factory. But this communication must be a two-way affair; and employers are beginning to use "attitude surveys" in order to discover their employees' opinions as a help to understanding their reactions. The desire for status and security is a major force in industry today, Mr. Rogers remarks; and there is evidence in his and other articles that employers are prepared to accord a substantial measure of both to the manual and unskilled workers who hitherto have been unfavourably treated in this respect compared with the white-collar employees.

Communication is not necessarily the same thing as consultation; and some of the statements made about joint consultation will surprise many readers. Several of our contributors declare that most of the workpeople are not much, if at all, interested in participating in joint consultation with the management at the factory or company level. Mr. John Mack, in his analysis of the experiments in industrial relations carried out by the Glacier Metal Company, says that the experience of this firm bears out

the general conclusion that the bulk of the workers are not interested in questions beyond their immediate sphere. "Glacier Metal experience", he writes, "confirms the experience of industry in general that consultation by itself makes little impact on the basic attitudes of the ordinary worker." Furthermore, it was found that the practice of joint consultation had been extended in such a way as to interfere with the effective management of the factory. What now appears to have been evolved is a representative works council which decides policy, leaving the application of it to the executives at the various levels. The tendency in this firm is towards the restoration of authority and the acceptance of discipline. How far this particular factory can be regarded as typical is an important question.

The importance of morale as a factor in industrial relations is stressed by several contributors. Professor R. W. Revans shows that the larger units in coalmining and manufacture receive a lower degree of loyalty from their employees than the smaller units in the same industries. The unfavourable effect of size can, however, apparently be offset by a greater amount of supervision. What "supervision" means in this connection is not clear. It may mean more pressure or coercion from the management; or it may mean help and the opportunity of doing uninterrupted work.

Status, security, and morale are all valued highly in the factory, the mine, and the office. What about wages? Money, Sir Geoffrey Vickers observes, whether it be regarded as a means, as an end, or as a symbol "is only one of many constituents in the net of our hopes and fears". But it is a very important one, particularly in a period of inflation. He contends that financial reward has only a small direct influence on how well men and women work, though it plays a decisive part in determining whether they work at all, and to an important though lesser degree, what work they do. He rightly stresses many of the other forms of "involvement" which make up the total motivation of a human being; but remuneration no doubt remains of predominant importance in industry.

Mr. E. M. Amphlett sets out a wage policy which he considers to be a reasonable one for employers. He is apprehensive about the progressive elimination or reduction of differentials in wage rates as a result of war-time and post-war practices, whereby extra remuneration for skill and responsibility has been nearly wiped out. He questions the ability of industry to pay increased wages for the same work whenever the price of consumer goods rises. He urges that in order to achieve a condition of

stable prices and thus maintain the real value of wages, wage increases should correspond with increased productivity. This sounds a tenable proposition if it is related to particular firms or even particular industries, but Mr. Amphlett contends that increased productivity should be measured over the whole field of employment, regardless of the performance of an individual firm or industry—apparently because increases of productivity seldom depend on increased effort by the workpeople. It is impossible to believe that the workpeople in a thriving industry or firm can be reasonably denied any share in the prosperity of the industry or firm until such time as the productivity of the entire national economy is increased. We doubt whether such a proposal would be acceptable to the better managed firms; we are confident it would be quite unacceptable to the workpeople concerned and their unions; and certainly to the salaried managers. Mr. Pollock believes that no further wage increases can be granted at the present level of productivity without raising prices, which may seriously damage our economy. Where productivity is increased by greater capital expenditure, which may involve less effort on the worker's part, he considers a wage increase is not justified. In his view it is only greater individual achievement which merits additional reward.

In the concluding article industrial relations in Britain are compared with those in the United States. Mr. Roberts thinks there is a tendency towards complacency and insularity on the part of both labour and management in this country. He blames employers associations for their negative attitude towards collective bargaining, and criticizes trade unions for their lack of imagination and their preoccupation with national agreements on wage rates which are often unrelated to earnings and the needs of particular factories. He wants to see much more innovation on both sides, a greater readiness to abandon outworn practices, and a more dynamic approach to the needs of industry and the aspirations of the employees.

Much has changed and is changing in the relations between employers and employees. The prevailing spirit is one of goodwill and a willingness to compromise—assets of no mean order. The dominant need is to slough off the excessive conservatism, the love of tradition for its own sake, and the lack of imagination which employers and trade union officials so often prefer to “the intolerable toil of thought” and a rapid adjustment to the economic, social, psychological and technical forces which are changing conditions in the factory, the mine, and the office.

EMPLOYERS AND TRADE UNIONS

By GEORGE POLLOCK, Q.C.*

I

THE traditional role of the trade unions has been to fight for a “living wage”. Only about eighty-five years ago when the Warwickshire farm labourers asked Joseph Arch to be their leader and help to form a union, he told them they “would have to fight hard for it and suffer a great deal—both they and their families”, and they replied that “the labourers were prepared both to fight and to suffer” with desperation against oppression, hunger, and misery. For many years before Joseph Arch, the unions marched to battle under the banner of “we want bread”. Memories die hard but we have travelled a long road from those days to the present time. Now trade unions have been described as “the new estate of the realm” and this country is enjoying the highest standard of living it has known in the industrial era. Conditions have changed so much that it is inevitable that the question should be asked: Have trade unions a function to perform in our changed society and, if so, what it is?

Both the function and the form of trade unions have changed greatly in fairly recent times. It is not much more than a century since trade unions in this country were freed from legal restrictions which had barred them from exercising collective powers on behalf of their members. When those restrictions were removed, there was an enormous growth both in the number of unions and in their total membership. But this growth, as has happened with so many British institutions, was unco-ordinated and haphazard. It sometimes seems as if there are as many variations in outlook and methods of working as there are trade unions.

It is only natural that most trade unions should have started as local associations of workpeople having some common interest. In many cases this common interest was the craft or occupation pursued by its members, but in some cases it was membership of the same industry irrespective of craft or occupation. The local

* Director of British Employers' Confederation since 1954; Member of National Joint Advisory Council; Joint Consultative Committee; National Production Advisory Council on Industry; and British Productivity Council.

THE POLITICAL QUARTERLY

associations banded themselves together, very often, into national bodies, and amalgamations also took place between national bodies. Sixty years ago there were some 1,350 trade unions; now there are about 700. The 1,350 unions had a total membership of 1,600,000; the 700 unions of today have a total membership of 9½ millions.

Despite the amalgamations which have taken place, the general picture shows little consistent form. On the employer's side there is usually in each industry one organization which expresses the co-ordinated view of its members on labour matters and which negotiates on wages and working conditions with that trade unions. But that one employer's organization usually has to deal with a number of different trade unions. Very often it has to deal not only with separate craft unions whose membership is largely confined to the particular industry, but also with craft unions which, while their main interests are outside that industry, also have members employed in the industry in ancillary trades. In addition, there is often an industrial union, which caters for persons employed in the industry irrespective of occupation; and spreading their branches far and wide are the two great general unions—the Transport and General Workers' Union and the General and Municipal Workers' Union—whose membership extends into many industries and includes a wide variety of occupations, both skilled and unskilled. Politically, most unions support the idea of central planning. In the organization of their own movement they exercise a healthy individualism.

In some industries practical difficulties of negotiating with a number of trade unions have been reduced by the unions forming themselves for that purpose into a federation without losing their individual entities. In other industries the divergent interests of the individual unions, with the resulting strains and stresses between them, create perpetual difficulties. If the unions are unable to agree amongst themselves, for instance, as to differentials between different occupations, the employers are left in the position that any settlement with one union or group of unions will provoke further claims from another union or group. There has been more than one recent instance of this, leading to a serious and costly stoppage which the employers were powerless to prevent, entirely due to the failure of all the unions concerned to agree amongst themselves.

Similar difficulties have arisen, sometimes in acute form, in the demarcation of jobs as between members of different unions.

EMPLOYERS AND TRADE UNIONS

These problems arise directly from the rivalry of different crafts organized into separate unions and therefore result from the form of union organization. They are absent in a country like Sweden where craft unions are virtually non-existent. Unfortunately there are two reasons why in our country problems of this nature unless dealt with may tend to increase rather than decrease in the future. The first is that in any progressive society some industries must expand while others decline. During the past hundred years the total working population has increased threefold, and industries, which have been declining rapidly relatively to the whole, have often been able to limit their rate of decline in absolute terms to match the natural wastage of the labour force and no unemployment has been caused. Now we are entering on a period in which, so far as the demographers can estimate, the total working population will remain fairly stable. Declining industries may therefore have to discharge labour to a greater degree than in the past. The second reason is that modern science is making available to industry more and more materials which do not require to be worked in the traditional way and entirely new processes have been developed. If progress is to be made and the general standard of living is to be raised, industry must grasp the opportunities offered. It is natural that a trade union should be concerned at the employment prospects of its members, but in the national interest this concern must not be allowed to operate, as is now frequently being threatened, so as to impede progress.

The Luddites in modern dress are still in our midst and tend to become vocal at meetings when automation is mentioned. At a time when overtime still exceeds short-time working, and when the number of vacancies far exceeds the number of employable persons seeking jobs, the dismissal of even a few men who could quite readily be absorbed in different employment frequently raises an outcry against "redundancy". Labour is short, for example in the Warwickshire coalfields. For years the young men have gone from the mines lured by the high pay of the motor car factories. Surely a drift the other way would not be a terribly bad thing for the men concerned. It might involve some reduction of pay, but good money is to be earned in the mines and no one can say that it would be a bad thing for a nation suffering acutely from labour shortage in the mines and compelled to buy Belgian coal mined by the very Italians who were turned away at our doorsteps because the unions would not permit them to come to get our coal.

If one poses the question: "Have trade unions a function to perform today?", the answer obviously is "Yes". Collective bargaining is so integral a part of our industrial system that for this reason alone their continued existence is necessary for the system to continue. But just as the form of trade unionism has changed greatly so has the function. The power of the unions as a new "estate of the realm" carries with it a heavy burden of responsibility. This burden must not be borne only by the few who now attend branch meetings. All who count themselves trade unionists should play their part. The glib orator of the factory yard, the socialist "intellectual", the communist agitator and the fellow traveller do not represent the steady hard core of industrial workers, and it is the latter whose support is needed by the wiser and more experienced men in the trade union movement. Strange things are sometimes done in the cause of "trade union solidarity". Real trade union solidarity entails better attendances at branch meetings, and more time devoted by more people who pay their union dues to the difficult problems that have to be faced. Industrial democracy cannot exist without sharing the burdens that democracy entails.

With the burden of increased responsibility the democratic trade unionist must also shoulder the burden of keeping abreast of the times. The position of Britain has changed from being the world's greatest creditor nation before the first world war to being the world's greatest debtor nation today. Where a nation's circumstances have changed so profoundly it is not enough for a trade union leader or branch official to be merely a mouth-piece of men who push him on to asking for more without contributing more. The leader's task is still to improve the lot of his members—not in times of labour shortage to get more money for the same work, so that the article made or the service rendered becomes dearer, so that exports suffer and pay increases buy fewer goods. His task (and some trade union leaders do their best to discharge it) is to foster in every way he can the more efficient use of the labour he represents, to aim at greater individual output for the same labour cost so that the article made or the service rendered becomes cheaper, so that our exports are more competitive, and so that the pay of his members buys more goods.

II

From the very nature of things there must always be some

point, generally a financial one, when the interests of a particular employer and his workers, or of an employers' organization and the trade unions representing the workers in a particular industry, no longer coincide. The situation when the workers demand a level of payment which the employer is not prepared to concede is no more unnatural than the situation when one manufacturer is unable to compete in price with another. The right of the trade union is to represent its members collectively, but the function of management is to manage.

Great changes have taken place in the position of management—changes almost, though perhaps not quite so great, as those that have taken place in the position of the unions. The boss that lived a mile or two up the hill from his mill or factory, who knew all his workmen by their Christian names and they knew him and called him by his, is now fairly rare. Modern industry, as we know, is run by a management team who are servants of the company, just as much as are the manual workers.

"A share in management" remains one of the articles of the T.U.C.'s statement of faith. In their Interim Report on Post-War Reconstruction of 1944, the T.U.C. set out three main objectives. The first was to improve wages, hours, and conditions of labour, the second to secure full employment for workers, and thirdly, "the Trade Union Movement exists to extend the influence of workpeople over the policy and purposes of industry and to arrange for their participation in its management", but I doubt very much whether the majority of trade union leaders in Britain are now very enthusiastic about participation in management. Participation in management remains, however, a plank in continental trade unionism. At the recent Rome Conference on Human Relations organized by the European Productivity Agency, MM. W. Schevenels and K. Casserini (Secretary General and Deputy Secretary General of the Joint Trade Union Advisory Committee) wrote in a "Memo on the Role of the Trade Unions":

"Management cannot introduce new methods without the workers' co-operation, and the workers' co-operation cannot be obtained without a genuine agreement with the trade unions generally. . . .

"The workers' aspirations for greater industrial democracy are growing very strong. Labour wants to be recognized as a valuable and equal partner in the present economic structure. For years they have felt unconsciously that their human dignity has been steadily threatened by technical progress, and particularly by mechanization. . . ."

The "Crippsian" idea that trade unions should be equal part-

ners in all aspects of industry has never been fully accepted in Britain either by employers or their workpeople. The view more prevalent among trade union leaders is that they are entitled to be "consulted" on a steadily widening industrial field. One of the signs of the times is surely the increasing readiness of employers and trade unions to discuss their rights (perhaps less frequently their obligations) on the wireless, in the press, at joint meetings, and, most important of all, in the factories.

The decision as to when or how a new technique is to be introduced rests with management. It is wisely taken if it is preceded by explanation and discussion with the labour force involved, but the decision must remain a management decision. The phrase "joint consultation" is accepted by some and rejected by others (and consultation does not necessarily mean agreement), but the practice of explanation and discussion is soundly established on a working basis. The murmur of distant storms evoked by the word "automation" shows how important it is that this practice should be closely followed. The growth of "automation" in one form or another is as inevitable as was the growth of "mechanization" which has been its precursor. The coiner of the word "automation" is probably no more anathematized today than was the coiner of the word "mechanization" in his day. Perhaps mechanization caused then the same disquiet as automation seems to cause today with the same absence of reason. Though increasing automation may mean more men changing jobs, it will in no wise entail the "mass unemployment" of which some speakers who are uninformed, unimaginative, and sometimes mischievous. High capital expenditure and the recruitment of technicians of themselves provide great problems which have to be overcome before its introduction can be widespread, and unless labour leaders are fully co-operative, as many are, in its introduction, they will be doing a great disservice to their country and to the people whom they claim to represent. More efficient production has always resulted in higher wages, shorter hours, and better living conditions. If Britain lags behind in the field of automation she can easily fall back a few places in the ladder of industrial progress and her standards of living will have to fall back accordingly. In a recent unofficial dispute about redundancy one of the men's leaders announced that they were fighting the "employers' right to hire and fire labour as they did in the 20s and 30s". In the 20s and 30s conditions were different in many ways from those of today. Then it was said that a man

could "work himself out of a job". Unless the job is done efficiently and economically today it very probably will not be there for anyone to do tomorrow.

Is not Britain once again being presented with a great opportunity which can be seized by employers and trade unions working together in their proper spheres? With a general acute shortage of labour (as our manpower is deployed today: I do not think we should have a real shortage if our manpower were deployed efficiently) jobs can be changed without severe hardship. Workers are ready enough now to change from one job to another where prospects are better. At present there is roughly one change of job a year for every three workers employed. Even allowing in this figure for the fact that a few change jobs repeatedly it does suggest considerable voluntary movement by labour. As men change jobs some pay packets for a time may be lighter, some working in light airy factories may have to turn, for example, to haulage work or other jobs which they may not consider so comfortable. But union leaders with foresight must realize that our conditions could hardly be more favourable than they are for the introduction of automation. We need it to maintain our place in the world. We can introduce it smoothly and easily (if we choose) by men moving from redundant jobs to fill vacancies where their labour is badly needed. A combination of statesmanship in the handling of social problems, enterprise in the handling of commercial problems, and response on the part of workers is all that is needed for raising our standards of living, already high, higher still.

III

In the period of inflation through which the country has been passing during the past fifteen years, there has been an almost continuous increase in wage rates, and longer paid holidays have been granted throughout industry. But it is difficult to say how much of this has really been due to the activities of trade unions. The inflationary pressure and the competition between employers for scarce labour has certainly done as much as the skill and forcefulness of the trade union leaders in wage negotiation.

Demands for higher wages have become so frequent that workers have come to regard an ever-swelling pay packet for no more work as the ordinary course of events. The unions say that wages must go up again because prices have risen. The almost inevitable reference to the chicken and the egg helps nobody. Nor

does the dispute as to what date should be selected as a starting date to determine whether wage rates or prices went up first. In matters which affect prices at home and abroad it is earnings and not wage rates that count—the amount of money the employer has to pay for the goods he makes whether for home or export consumption and the amount that the worker takes home to spend on the maintenance and amusement of himself and his family. It is earnings not rates that govern the costs of production. And, over the years, earnings have soared away above rates. Between 1948 and 1950 wage rates rose 5 per cent and average industrial earnings 9 per cent. Between 1953 and 1955 wage rates rose 11 per cent and average industrial earnings 16 per cent. The invariable contention of the unions is that rates and not earnings must be looked at and with a lawyer-like love of precedent they quote the findings of the Engineering Court of Inquiry, presided over by Lord Justice Morris in February 1954. In their report the Court said: “for the purpose of comparing wages with the cost of living and other factors it is desirable that wages shall be stated on as stable a basis as possible. If in this industry overtime is not regular and if the individuals who earn it vary much from period to period, we think that rates rather than earnings are the best measuring rod”. The strict limitations imposed by those words on the use of that “measuring rod” are too often deliberately ignored.

It is folly to say that wages must go up because prices have risen when wages are the biggest single factor in prices. The direct effect which increased wages have on prices was made immediately apparent during the early months of 1956 when increases were granted to agricultural and transport workers and coal-miners. In February the Agricultural Wages Board granted increases of 8s. a week for men and 6s. a week for women. The unions, disgruntled about the award, at once gave notice of a further claim, which was rejected. A sequel to the February increase was a Government announcement that they had agreed to a special review of farm prices in relation to the latest increase in wages. New price guarantees for farm products announced on March 16th increased the total value of such guarantees in the year by £25 million. The British Transport Commission granted big wage increases in January and February. Shortly afterwards the Minister of Transport told the House of Commons that the British Transport Commission's deficit at the end of the year might well be about £100 millions which he described as “very

large and alarming”, and another £20 millions per annum was imposed on freights. Road haulage rates have recently gone up by a minimum of 5 per cent to meet “increases in operational costs” and particularly the new wages award.

The Coal Board in a similar position was forced to increase coal prices. In February engineering works obtained a big increase in pay. Morris and Austin car prices went up 7½ per cent and Sir Leonard Lord said the wages award had made it impossible to continue production at the old prices. If one looks at the situation over a wide period of time and compares Britain's position with that of some of her competitors, the outlook is no more encouraging. Between 1950 and the first half of 1955, before the recent big wage increases took effect, average labour costs in the United Kingdom per article rose by one-quarter; in the United States they rose by about one-tenth; in western Germany they remained almost unchanged. During that same period of five years, our share of world trade fell steadily. Our share was roughly a quarter less in value in 1955 than it was in 1950; the American share only one-tenth less, and Germany more than doubled her share.

In 1955 world trade in manufactures expanded at twice the rate at which U.K. exports expanded during the year. Partly by reason of higher labour costs reflected in rising prices and partly by reason of long-delivery dates our competitors did better than we did in most markets and in most commodities. Area by area the U.K. increase was smaller than for most of her competitors, the poorer performance being most marked in respect of western Europe and the overseas sterling area. In these areas and in North America, German exports continued to expand rapidly, and in all areas there was a striking rise in Japanese sales. The slower expansion of U.K. exports to O.E.E.C. countries than to all markets was due mainly to the failure of U.K. exports to stand up to price competition from western Germany, the U.S.A. and other western European countries in a highly competitive market. Let it not be forgotten that we live on our exports.

On one and the same day (25th April 1956) the national newspapers announced that “a feature of shipbuilding activity in countries overseas is the rapid rise of Japan which in the first quarter of 1956 both commenced and launched more tonnage than any other country in the world”, that Germany had taken Britain's place as the world's leading exporter of cars for the months of October, November, and December 1955 (Germany

having exported 87,899 cars and Britain 83,490), and that, against the advice of their executive, delegates to the A.E.U. Annual Conference in Eastbourne pledged support to shop stewards and members who resisted redundancy "at the point of production".

Many trade union leaders hold firmly to the view that it is not possible for trade union policy to be based on wage restraint. Shop stewards and the workers themselves, they say, will take action if the trade union leaders do not. Workers who pay union contributions are not always content with statesmanship in return. They want more concrete benefits. This must be so in times of "overfull employment". Sir Stafford Cripps succeeded in getting from the unions and employers alike, a great measure of support for his wage and price restraint policy, but the unions, despite their loyalty to a socialist government, were always restive and were glad to break away by making use of the phrase in the Statement on Personal Incomes Costs and Prices published as a White Paper in 1948 that "if at some future time there should be a marked rise in the cost of living the level of those personal incomes which as a result became inadequate would need reconsideration".

No political party could survive unless it were committed to the maintenance of full employment and no right thinking employer could view with other than the gravest apprehension anything approximating to the unemployment which we had before the last war. Whatever is meant by full employment (Mr. Gaitskell referred in the House of Commons to "the full employment standard of the United Kingdom as a level of unemployment of 3 per cent at the seasonal peak") it does not mean a position in which vacancies in vital industries are chasing men. Union leaders are troubled by their own capacity to maintain discipline in these conditions.

Our shortages of manpower could be overcome if we employed our labour force more efficiently, but efficient employment of labour entails the abolition of a great number of practices, many assented to by employers which they believed to be in the interests of good relations at a time when the demand for labour was not in excess of the supply. Their abolition must be a matter of negotiation between employers and unions on an industry by industry basis. Some uninformed resistance is to be expected since it is so easy to confuse maintenance of full employment with maintenance of an excessive demand over supply for manpower.

Wages and the supply and demand for labour must always go hand in hand. Just as no reasonable employer wants to see mass unemployment so no reasonable employer wants to debase wages. But he does want value for his money. Wages have now passed beyond the level at which further advances can be absorbed by industry without increasing prices. Further increases may prove seriously damaging to the national economy. But more pay must always be available for greater individual achievement. "Increased productivity" sometimes means in practice more capital expenditure and more equipment which has to be serviced and less effort on the part of the individual working the machine. It is difficult to see in our present circumstances how increased productivity of that order can properly be made a demand for more pay other than merely by saying that the worker wants a "fair share of the cake" and many think that recently his slice has been too big. Moreover, though it is natural enough to say that those who are responsible for increased production should get some extra benefit, there may be no extra benefit. A manufacturer may reach the position—some have already done so—when the only way of retaining his market or entering a new one is to increase production solely to reduce prices. Where employees secure an increase in wages because of their own increased output, increases tend to follow in other industries where there has been no corresponding increase in output because employers feel that they have no option if they are to retain their already exiguous labour forces. National and local government service, office staff and the distributive trades are examples of occupations where from the nature of the work an increase in output is hardly possible, or, if possible, hardly reasonable. A ready welcome for more efficient methods from both employers and labour, enthusiasm in putting them into operation and increased effort by the individual where this is possible could, however, bring not only fatter wage packets but, what is more important, bigger real wages. The speed at which many men work is, of course, governed by the speed of the machine or the speed of the process. In certain processes in particular increased individual effort could be obtained by employers and unions looking closely at existing manning scales. No one expects the British working man to work "with passion" as the Germans do, but the high pay which he earns today is only earned by giving really full and honest effect to both aspects of the trade union slogan, "A fair day's work for a fair day's pay".

IV

If the worker is to play his proper part in an industrial democracy obviously he must be informed. How does one inform a man or woman in the factory or on the building site about national industrial and economic events in which neither he nor she professes any real interest and for the study of which neither has much aptitude?

The T.U.C. has been consistent in its attitude that the unions are the proper and most effective bodies to inform their members as to the economic position of the country. That they could be the most effective body cannot be gainsaid. What the employers say tends to be dismissed as "bosses' talk". What the Government says tends so often to be coloured by political anxiety to make the most of their stewardship. When the 1954 Courts of Inquiry into the Shipbuilding and Engineering Disputes advocated the appointment of an authoritative and impartial body to enquire into economic questions, the B.E.C. favoured the setting up of such a body but the T.U.C.'s attitude was that they already had the necessary economic information available to them, the experts who could advise them, and that they were best fitted to talk about these matters to their rank and file. The Government, who were not prepared to establish such a body without the support of both the B.E.C. and the trade unions, then produced a paper on the economic position (which also they were ready to publish only if it had the support both of the B.E.C. and the T.U.C.). The B.E.C. were in favour of publishing the document but the unions' attitude still was that they preferred to produce their own documents. Their attitude led the B.E.C. to produce its own paper on "Britain's Industrial Future", which was followed by an economic paper written at Transport House and which pointed out that "the world does not owe us a living". There was no substantial disagreement on the facts from which both documents drew their conclusions, but whether the T.U.C.'s documents have been able to bring these facts home to their rank and file must remain a matter of grave doubt.

Strong criticism has been directed at some of the larger trade unions for not having better systems of communication. The critics sometimes underestimate the difficulty of telling a man what he has no particular wish to hear. Trade unions play a much more active part than employers' organizations or even individual employers in debating in public their point of view on radio or

television or in the press. They disseminate a good deal of information as part of their work in connection with training, but their claim that they are the right people to instruct their members must be judged by the degree of success or failure which they achieve.

V

Unions vary enormously in their resort to the strike weapon; some have not used it for a generation or more while others have used it with such frequency and in such circumstances as to amount to a gross abuse of power, and the so-called "right to strike" has become a fetish. A trade union is in a uniquely privileged position under British law in that it is not liable in tort. No reasonable person would wish to challenge the right of any individual to terminate his contract of service after proper notice, or the right of individuals to combine to give notice of termination of their contracts with a view to bringing collective pressure on their employer to improve their terms of service. But for a trade union to call a strike, or condone unofficial action taken locally without the authority of the union, without proper notice of termination of contract is quite another matter.

Too often ordinary members of the public, with no say on the issues involved, are the ones who really suffer. Yet union funds are inviolable. The strikers, when they go back, make up their lost pay, in part at least, by working some of the lost hours at overtime rates. Sometimes they even gain a financial benefit by working at premium rates.¹ They can easily do this once too often. Markets once lost in a competitive world are difficult to regain. During a fairly recent ship-repairing strike the German unions were asked to declare ships black in the interest of international trade union solidarity. They preferred the interests of Germany and of their own pockets and handled all the ship-repairing work they could get.

An intolerable abuse of the strike weapon is the calling of a strike, not for the furtherance of a trade dispute, nor for the purpose of bringing pressure on the employer to right some supposed wrong, but as a protest against something over which the employer has no control whatever. The so-called "right to strike" is a misnomer. An individual, or a collection of individuals (now protected by trade union legislation), has the right to withdraw labour. The corresponding right on the part of the employer is to dispense with the labour he employs and (if he can) seek other labour elsewhere.

AUTOMATION

By AUSTEN ALBU, M.P.*

THE speeches, the resolutions and the articles on this subject which were let loose because some workers in Coventry struck, when a large number of their mates were sacked without warning during a machinery change-over, betrayed an almost neurotic anxiety in face of technical innovation. It was as if our super-scientific age had caught a glimpse of itself in the mirror and had been horrified at what it saw. The solemn warnings that there is nothing to fear seemed only to add to the anxiety of workers who have been reading for months of the coming of the Robot Age or, to give it its more modern title the Push-Button Age, in which the works manager starts and stops his worker-less factory by a switch in his office. There are no factories of this type working yet and very few industries, indeed, in which any approach to such a system is possible in the near future. In the motor car industry in which the most industrial disturbance appears so far to have been blamed on automation, both in this country and in the U.S.A., the main developments have been an increase of mechanization in which the task of taking components on and off a conveyor and placing them on separate machines for each operation has been eliminated. There has also been some development of the automatic selection of components from conveyors for delivery to motor car assembly lines by the use of punched cards operating electronic devices. These are straightforward developments from previous mass production manufacturing methods, and they are unlikely to make much difference to the rapid acceleration in productivity in mass production industries which has been a feature of the last fifty years.

There is, however, a radical change in the quality of work taking place, both in industrial and administrative occupations, due to the rapid development of machines based on the principles of the automatic computer and of feed-back controlling mechanisms made practicable by the development, originally for defence purposes, of extremely sensitive and fast-operating electronic devices. In addition to improving the degree of automatic control

already possible in the process industries such as chemical manufacturing and oil refining, these machines can be utilized for automatic machining without the use of templates or patterns, for automatic inspection of material or components, for indicating both immediate and trend deviations from the accuracy of manufacturing operations and in some cases correcting them, of selecting—after suitable “instruction” by means of punched cards or tape or magnetic tape—materials from store, railway trucks from trains for re-marshalling or the most suitable power stations to switch into an electricity distribution system to maintain the supply as the load increases.

Perhaps the most dramatic developments, apart from the guided missiles which seek out and find targets 60,000 feet up in the air and flying at several hundred miles an hour, are in the field of automatic computation with its manifold applications in research, engineering design, accounting and administration. When design calculations which previously took months or could not be done at all, or the statistical calculations involved in making decisions between alternative courses of action, can now be completed in hours or days the speed of design and of planning is obviously greatly increased. All activity is speeded up and fewer management actions have to be taken on inadequate information.

What is new in all this is not the accelerating pace of a continuing process of substituting machine for human energy in the physical tasks of work, but the growth of machines for the supposedly mental tasks of perception, calculation and decision. It must be emphasized that these machines can only perceive what they are designed to see, hear, feel, smell, taste or observe in some other way; they can only make the calculations which they have been “instructed” to do and they can only make decisions involving changes which can be broken down into a series of yes/no choices, although some of them can learn from experience, but they can do all these things with a far greater degree of precision than human beings and infinitely faster, and they make fewer mistakes. This may be considered as part of the general growth in the application of the scientific method to industrial and commercial tasks and to the tasks of administration in all large undertakings including Government itself, and in this sense it both requires and makes possible more exact decisions not only in the fields of engineering design and business management, but also in the larger field of economic planning. To some extent, therefore, there is a “feed-back mechanism” which may

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be considered as automatically built into the technical development of our age; in the sense that the very changes which seem most likely to cause economic dislocation are those which make it possible to take in time the decisions needed to avoid it. More than that, it should be possible to arrive for the first time at reasonable estimations of the optimum level of activity in different sectors of the economy as well as in particular factories and to ensure the best utilization of scarce resources including manpower as well as the making of more intelligent investment decisions.

Although the pace and direction of technological advance is an important factor in economic change, it is only one factor, especially for a country such as Britain which must maintain a balance of foreign payments amounting to a substantial fraction of its national product. Equally important factors are the changes in markets abroad and in supplies of raw material and of the terms of trade and these themselves derive from social and political as well as technological causes. It is necessary to emphasize these facts in order to make clear why the problems of economic planning for full employment in this country are likely to be far less affected by changes in manufacturing methods at home than by changes in markets abroad. Much of the information, therefore, that must be fed into the planning machine, both human and mechanical, can only come from adequate "intelligence" obtained abroad and this information and intelligent guesses derived from it must be converted into statistical terms which can then be used to estimate the changes required at home, provided that the relationships between input and output of different factors in the economy have been previously established. It is in this last process that the electronic computers may perhaps make one of their greatest contributions.

The first consideration when trying to estimate the global and particular effects of these technological changes on our economy is the employment structure of the civil working population. Under 40 per cent are employed in manufacturing industry and are, therefore, most likely to be affected by the more dramatic advances in mechanization. Of these a large number are working in the heavy, capital goods industries, or on specialized manufacture, on which our exports will increasingly depend and in these industries, by their very nature, progress in mechanization and automatic control is likely to be relatively slow. In the process industries automatic control has already gone very far

and investment and output per worker employed are already very high; moreover, most of these industries, such as oil refining, are due for considerable expansion. Backward industries, such as coal-mining, railways and textiles could obtain substantial advantages from the greater application of scientific methods and the results would be either to compensate for a falling and ageing labour force or to prevent a further loss of markets. It is in the manufacture of consumer goods, such as motor cars, radio, electrical and gas apparatus and furniture that the fastest changes in manufacturing methods are likely to take place; but these represent a far smaller proportion of the output of our manufacturing industry than in the United States and are not so seriously concentrated in areas with little alternative employment. If the motor car industry is today suffering unemployment and short-time working, the causes are economic and not technological, for the big companies in the industry have expanded capacity without regard for the overall size of the market.

Of the remainder of the working population in civil employment about 13 per cent are in the distributive trades which, although they are likely to grow in numbers as living standards rise, are not likely to be much affected as long as the bulk of shops and restaurants are small, and in the near future it is only on the wholesale side and in the offices of the multiples that automatic devices can be expected to play a part. It is in some sections of the 20 per cent employed in professional, financial and miscellaneous services, as well as in the offices of large commercial undertakings that, in the next decade, the main revolution in jobs is likely to occur; for instance in such occupations as storekeeping, making up large pay-rolls, production planning and control, various forms of census taking, banking, insurance (including National Insurance) and train scheduling and traffic control. This revolution will not only affect employees, but will also involve a radical recasting of management methods, for it is not possible to superimpose the methods of the electronic computer on to the traditional organization of an office, factory or railway.

Although it is clear that these changes are going to take place at greatly varying speeds in different industries and occupations, there are certain overall factors which will limit the speed at which they can take place anywhere. The first is the general rate of investment and the many calls on the resources available for it and on this the D.S.I.R. report is far too complacent. In the next few years in this country much of these resources will be absorbed

in the basic industries of coal, electricity generation, oil refining, chemicals, transport and steel, in some of which the degree of mechanization and automatic control is already far advanced. In manufacturing industries the greatest gains will be made in the largest plants and, although in many cases the new equipment may actually cost less than the old, the scale of investment needed to replace existing equipment is very large. There seems little chance of a sudden vast expansion of savings and so of investment occurring spontaneously in the next few years, but even if this were possible the introduction of radically new equipment would be held back by the shortage of scientific and technical staff to develop, design, install, programme and maintain it, and it will first be necessary to invest in a great expansion of technical education at all levels. It is to those particular industries and occupations within which the more dramatic changes are likely to take place that attention needs now to be directed.

The first thing that emerges from a management point of view is the growth of a much higher degree of integration of processes in both factory and office and the need, therefore, for the means of taking decisions very quickly. This will involve a high level of collaboration both between managers themselves and between managers, supervisors and workers. The general standard of skill and training will have to be raised when men are required to supervise automatic machinery and must be prepared and able rapidly to diagnose and correct faults, and when women are largely employed in the analytical tasks of preparing the programmes of computers. In both cases the degree of responsibility will be high, because of the value of equipment under control and the cumulative effects of errors and breakdowns. In these situations much more democratic methods of supervision become a necessity; the methods thought suitable for the control of hordes of machine minders or figure copyists are obviously inappropriate, so that joint consultation may become a reality almost as a by-product of adjustment to technological change. The advance in responsibility involved in the job is a reversal of previous trends towards the breaking up of jobs into the smallest possible fragments, with the result that they become meaningless repetitions of simple movements. When these movements were dictated by the pace of the machine the worker became, in truth, a mere adjunct of the machine and the fact that he had continuously to act as the perceiving and decision-taking part of the mechanism meant that the enslavement of his spirit was as great as that of his

body; but if this is borne in mind when automatic equipment is designed and when jobs involving its use are laid out, there should be a substantial gain in job satisfaction. Jobs should be so arranged that they involve not the continuous repetition of the smallest possible elements of human thought and effort, but a wide enough span to maintain genuine interest and responsibility.

In the past too little attention has been given to the characteristics, both mental and physical, of the human beings who are expected to operate newly designed apparatus. Even the designers of such popularly used machines as motor cars frequently arrange the lay-out of their controls without any apparent knowledge of ordinary human physiology and certainly without knowledge of its possible variations. Some advance has recently been made, under the influence of the applied psychologists, for instance in the design of certain types of machine tool, in the driving cabs and controls of cranes, in railway signal boxes and in the dials and controls of aircraft, but the development of automatic processes, generally involving a long train of separate, inter-related operations connected together in a single machine or plant, brings with it human problems of a new kind.*

There is first of all the problem involved in waiting for a single unusual event occurring among a continuous succession of normal happenings which is seen most frequently in inspection operations or in chemical processes whose operation can only be observed on dials recording temperature pressure, flow and so forth, and which require manual adjustment from time to time. Although these tasks often require a fairly high degree of skill and responsibility, this is only brought into use at infrequent intervals and the long periods of close attention requiring no action are fatiguing and lead to deterioration of speed and accuracy of work. The failure in a chemical plant to observe immediately a warning signal which may not occur more than once or twice a week, can easily lead to a breakdown or a most expensive loss of product and similarly the failure to observe a tool breakdown on a transfer machine can lead to a serious hold-up in the output of a motor car factory, or the failure of a fatigued air pilot to observe an abnormal reading on one of his dials can lead to an accident. It has even been suggested that abnormal events should be artificially introduced into work situations such as these in

* For detailed discussion of some of these problems see "Work Design and Training for Future Industrial Skills" by N. H. Mackworth, M.B., CH.M., PH.D., *The Institution of Production Engineers' Journal*, April 1956.

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order to maintain interest and alertness. Wherever possible this sort of job should be mechanized, but where it cannot, attention must be paid not only to the physical conditions such as lighting, seating and the layout of instruments and controls, but also to the physical aspects such as length of continuous work spells, methods of maintaining interest in the task, social relationships and so forth. The importance of social relationships in the industrial situation must be considered in connection with the fact that many of these jobs in process industries are in isolated areas of the plant, a disadvantage which recently gave rise to the rumour that a trade union had demanded "loneliness pay" for some of its members.

Although it is an undoubted social gain that the present advances in manufacturing methods look as if they will remove the soul-deadening aspects of much modern industrial work and increase the degree of responsibility involved for the worker, there is a converse aspect which presents a new danger. This is that the increasing complexity of machines and processes may outstrip the normal distribution of human capacities in the working population. It would obviously be useless to design large numbers of machines which could only be operated by those capable of taking an honours degree in science or mathematics; or even those capable of playing in a Division I football team. Account must be taken of the personal qualities of the human beings who will be available to operate them, if we are not to have a world in which a minority of highly trained scientists, engineers and technicians work the clock round to keep the bulk of the population in enforced idleness. One of the problems that arises when machines carry out a whole sequence of operations automatically and the job of the worker in charge is to take action only when something abnormal occurs is that of the method of presenting the information to the worker in such a way as to help him make the correct decision on the action required of him. If the process is very long and complicated the number of emergencies arising at one time can be high and the task of deciding on the actions to be taken and the correct order of taking them may be a very difficult one. These problems can only be dealt with, in the design of the machine and its controls, if the psychological problems involved are understood and if the designer takes account of the existing and potential resources of skill in the populations, bearing in mind that there still remains considerable scope for improving skills by training.

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That there will have to be a great deal of retraining for work of a higher degree of skill seems to be generally accepted, although little has so far been done on either side of industry to work out how this is to be achieved. What is first needed is an analysis of the new tasks presented by those technological changes that are expected in the near future, but enough is already known to make it clear that their effect on industrial work will be to make it consist more and more of devising, monitoring and maintaining machines rather than in operating them in the old sense. Consideration must, therefore, be given to the form of training needed to change adult machine minders into fault-finders in complicated mechanisms, frequently involving electronic controls, and on this some experiments have been conducted in the United States and might usefully be continued here. For the future attention must be directed to the schools where the curiosity, without which learning is impossible, can be aroused; but an educational system in which there is no link between what is taught at school and what must be learnt at work is not best suited to assist in arousing that curiosity in the scientific background of rapidly changing industrial processes.

Management has the responsibility to design its machines, lay out its processes and train its workers so as to achieve not only high output, but also human satisfaction among those under its charge. The latter involves not only the conditions for individuals at the work-place, but also the general social and economic climate and, in particular, the demand for some degree of industrial democracy which can only be satisfied by the fullest co-operation with the trade unions and their representatives in the shop. Whether or not automation represents such a revolutionary change in methods of production as to cause large-scale unemployment or serious local dislocation, management must recognize that the less is known the more is feared. Apart from the changes in numbers employed on particular jobs, the change in the nature of jobs, from unskilled to skilled, from mechanical to electrical work, perhaps from clerical to technical, involve conflicts with traditional trade union attitudes on such questions as upgrading, dilution, demarcation and membership transfers that will require tact, patience and the fullest degree of negotiation to resolve. The demands that are being formulated by the trade unions are essentially reasonable, even if sometimes wrapped up in the militant language considered suitable for annual conferences and confused by Communist demagoguery. The first is that

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there shall be prior consultation well in advance of changes being made and, associated with this, is the demand for some national body, representative of both sides of industry and of Government to forecast new technological developments and estimate their social effects. It is probably the case that, for the economy as a whole, no new machinery is required for this latter purpose, which could be fulfilled by the existing National Joint Advisory Council for Industry with advice and help from the Department of Scientific and Industrial Research. What would be more useful, in view of the greatly varying rates of application of the new techniques in different industries, would be some joint body in each of the industries affected and here the Industrial Research Associations, where they exist, might well play a useful part, provided that they had on their governing councils trade union representatives, which is not always the case. It would also be valuable for the unions themselves to employ technical experts, capable of watching for new inventions and forecasting likely developments in manufacturing methods, so that they could formulate well in advance their proposals for discussion with managements.

In any case, management would be well advised to be forthcoming in discussing in advance possible trends which may affect their employees' lives and in working out with the trade unions means of dealing with them. If they do not do so they must not be surprised if trade unionists feel that they have been caught unawares and resist the changes when they come. A recent example of such collaboration in the United States was the establishment of a joint mechanization committee between Philco and the International Union of Electrical, Radio and Machine Workers which handled an alteration of manufacturing methods including such radical changes as the substitution of printed circuits for hand soldering and the automatic instead of hand assembly of components. An example of lack of collaboration led to the Standard strike. One of the matters which must obviously play a big part in such discussions is that of the re-training and up-grading of workers and in this the full participation of the union representatives concerned should be sought, both on the form of training and on the conditions under which the re-trained workers are to work. There is no doubt that the present structure of the Trade Union movement and, in particular, the multiplicity of unions having representatives in a single factory, are a hindrance to this participation, but it would be the height of folly for management to try to take advantage of this situation.

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Whatever the difficulties of transfer from job to job within a particular factory or office, however, these are nothing compared with the difficulties that arise when actual redundancy is created by the new methods and it is here that there is the greatest need for a well thought out and fully understood policy to be negotiated at an early stage. In spite of demands for "no redundancy" the trade unions are unlikely, as long as an overall level of full employment is maintained, to demand that no worker should ever be asked to change his place of work. The resistance is obviously greatest where the change involves serious loss of earnings and the ability of the mass production industries to provide these in comparison with other industries often requiring a higher degree of skill emphasizes both the necessity of preventing their over-expansion and the need for some more rational wages policy. Union demands are likely to follow the patterns of the American unions' demand for a guaranteed annual wage, which, in its practical application, turns out to be an extended form of what in the United States is called "severance pay". This involves the payment of full wages or a high percentage of full wages for a period considered long enough for a displaced worker to find, and if necessary to learn, a new job. Obviously, unemployment pay at its present level is quite inadequate for this purpose, involving as it does a drastic fall in the income of workers who have established patterns of consumption, with considerable fixed expenses, based on their previous earnings. It would seem reasonable that this demand should be accepted and that firms should bear the cost of their displaced employees' enforced change as part of the capital cost of the change-over to the new methods. It would be cheap at the price, if it led to a smooth acceptance of change by the trade unions concerned.

These problems are only part of the general problem that arises out of the overdue need for change in the British economy: change in products, change in methods, change in raw materials, change in markets and change in industrial relations. What is often forgotten is that change always involves human beings and that human beings, especially when organized in long established formal groups whose social and economic security appears threatened, are inherently conservative. The resistance to change which this conservatism breeds can only be overcome without serious conflict if government, management and unions plan the human aspects of change as carefully as industry will no doubt plan those of its processes and plant.

RECENT ADVANCES IN PERSONNEL MANAGEMENT

By T. G. P. ROGERS*

PERSONNEL management is the skill of directing and controlling the activities of people towards a desired end, whether that end is winning a football match, fighting a war, or manufacturing a product. With the growth of industry and the greatly increased value and importance of the industrial worker, employers have grown more conscious of the need to learn and apply this skill of man management—hence the presence in almost every industrial organization of any size of a Personnel Manager who advises management at all levels how best to manage people.

The technique of handling employees has thus grown in industry from the paternalist or oppressive proprietor of the Victorian era through the growth of joint stock companies and the years of cheap labour between the wars to the present age in which the worker, now more valuable, independent, and dignified than ever before, is controlled by professional managers who are acutely conscious of the importance of the human relations aspect of management. The years since 1945 have seen enormous strides in the development and application of better ways of managing employees, and this article seeks to set before the reader some of the most recent steps which have been or are being taken by the more progressive industrial companies.

Since the war one lesson which management has learned more fully than any other is that its success in building and maintaining good employee relations rests squarely on the capabilities of the men employed in management positions. Industry can do nothing other than through its executive staff—it cannot manage well unless it has good managers. Expressing this conversely, management in any company will tend to have the relations with its employees and with their trade unions which it deserves. Companies have therefore made great efforts to find men of ability and to train them for management jobs. These subjects of selection and training for management have been tackled earnestly by many

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companies—because they are the factors which determine the standards of management for the future; they are in consequence worthy of detailed comment here.

The first problem has been to determine the best sources of supply and in addition to apply new methods to seeking suitable men from within the organization. Companies are turning more and more to the universities for managerial talent in the belief that the educational system is sending the cream of the nation's youth to the universities. The three major changes in recruitment from the universities have been the recruitment of men for managerial posts irrespective of the subject they read, the application of scientific methods to their selection, and the greatly increased demand that there is for the right type of graduate.

It is highly significant that in 1955 the Oxford University Appointments Board reports the placing of 273 non-technical graduates in industry and commerce as compared with 112 technical graduates. These figures are out of 721 men going down. Competition for the services of the graduate of managerial qualities has resulted in dons being conducted over industrial establishments to convince them of that company's suitability for young graduates, the holding of information meetings by recruitment men touring from university to university, the production of elaborate brochures to woo the right man, the expenditure of thousands of pounds on full-page advertisements in *The Manchester Guardian*, and the interviewing of young hopefuls long before finals.

The phrase "ivory hunting" is used by recruitment men to describe the annual grand tour of the universities—the season broadly opening with the new year and ending when the undergraduate has to knuckle down to make sure he does get a degree now that his job is assured. This is not to suggest that industry is not being selective in its choice of graduates; on the contrary—the larger companies seldom take more than a small percentage—certainly under 20 per cent—of the men who apply. The selection methods themselves have been the subject of much experiment and research, with the National Institute of Industrial Psychology having played a major role in helping in the evolution of interview methods, in the development of tests of basic and applied intelligence, and in the study of candidates' social skills in group activity situations—the latter being an adaptation of the techniques produced during the war for the use of War Office Selection Boards.

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To find a suitable man—be he graduate, ex-serviceman, or factory operative—a progressive company will today follow a procedure which involves first preliminary interviews of applicants to select a short list of not more than nine. These men will then be invited to spend a day—in some cases two or even three days—in the company of senior executives of the organization. In the course of this time they will be given the fullest opportunity to learn all they wish about the company, the nature and scope of the job, prospects for the future, etc. They will be given topics to discuss as a group, set a group task to accomplish, and put through a series of intelligence tests and a number of personal interviews. They will see the factory or office in which the successful men will work and will get to know the company and its policies at the same time as the company gets to know them.

The company executives, who include the man in whose division the vacancies occur, then reach their conclusions, each one having applied a trained approach to interviewing and the observation of behaviour in group situations. By this expensive but effective method of choosing able men with the right personal qualities, industrial companies are today trying to secure men who will provide the organization's needs for executives in the future. But this is only the beginning and carefully planned training must follow if the end is to be achieved.

Practice differs on initial training. Some concerns believe that the management trainee should spend anything from two to four years in learning the business fully and then be ready to undertake a fairly senior job. Others—and this seems to be the method for the future—recognize that the man, wherever he has come from, wants to get on with a job and assume some responsibility and so he is trained at the highest tempo he can accept so as to be ready to take over a management position after about six months. This technique is particularly applied where companies have done away with the "foreman" rank, the foreman being not of management status nor is he of worker level, and he can thus not adequately represent management to his people. Instead the first line of supervision is the department manager, clearly a member of management who deals with his men and women on face-to-face terms and on his own authority and responsibility, and who thereby brings back into industry many of the advantages of the one-man business without its disadvantages. It is positions of this type which graduates of all kinds are assuming in some companies six months after they leave their universities. This job is of

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course a first assignment in which the man finds his feet and is judged for future development.

Many companies have pondered deeply on the method to be adopted to draw out what is best in their managers, how to eradicate weaknesses, keep managers abreast of developments in their jobs, and, most difficult of all, to plan for the preparedness of individuals to take on senior management jobs as vacancies occur. This has led to the formulation of management development programmes in recent years involving the regular reporting of performance and potentialities of each manager, the stimulation of the man by advice on how well he is considered to be doing and how he can best assist his own progress, the development of him through a series of management jobs and training in different forms so as to provide him with knowledge and experience in the most efficient way. "Replacement tables" are used to ensure that men are being brought to a state of readiness to assume the management level for which they are destined on the basis of their abilities. This may seem a far cry from personnel management of the operative, but to the managing director who has an eye to the future with the complexities of automation and computers, this is the only way to see that a high standard of man management will be there to enable the organization to meet the problems and changing conditions of the future.

In providing this training for management much has been done within organizations, but industry could not have achieved all that it has without the assistance of the British Institute of Management, which works on the principle that higher standards of management are fundamental to better employee relations, and which has done much to assist in the training of executives amongst many other activities. The Institute of Personnel Management has done a great deal in the training of personnel managers and in the study of management development programmes. The Administrative Staff College is giving a particular service in helping executives who are being developed for senior positions to be able to take a broader view of the functions of industry and commerce; the summer school courses of Oxford and Cambridge are on a smaller scale widening horizons and helping to develop well-balanced executives.

It seems worth while to mention here a few of the more recent advances in the methods of teaching managers to understand and handle difficult employee situations. The old lecture method of teaching has been largely superseded by learning in discussion

groups of from five to fifteen so that a free exchange of views and opinions is possible and everyone can take an active part in the session. Much of this discussion group training on human relations has been made more alive by the case study approach; instead of dealing in abstractions a situation is presented to the group in practical terms and the group is asked to solve the problem posed as a group exercise. The value of this method has been greatly enhanced by the presentation of case studies for this type of training in film strip form, the film strips being produced by the Industrial Welfare Society.

Another interesting method of presenting case study problems is that of role playing. A trainee is presented with a brief statement of the situation in which he is a department manager, whereupon an aggrieved worker—feelingly portrayed by an experienced manager—arrives to thrash out his problem with the trainee. The remainder of the group observe the way in which the interview situation is handled and afterwards discuss the way it was dealt with and how the method could have been improved upon. Apart from providing valuable discussion material this method enables inexperienced men to get some first-hand ideas of how to conduct difficult interviews and also trainers can offer guidance on the trainee's manner of approach and interview method in subsequent coaching sessions. Tape recorders too are often used in these situations so that the trainee can hear afterwards what he said, how he said it, and where he went wrong. The techniques of case study and role playing go a long way to giving an inexperienced man the feel of how to get close to the worker.

The building-up of high calibre management teams does itself create personnel management problems within the management group and attention has had to be given to these human problems. The bright youngster has to win the confidence of the older men he is overtaking; the man who has reached the limit of his abilities has to understand why younger men will overtake him—and management appraisal schemes are being used to help men to see for themselves that further promotion could spell unhappiness for them. Adequate rewards for executives have to be developed, and there have been many exchanges of information between leading companies to establish salary levels and to try to solve the serious problem of executive reward created by present taxation. The achievement of a balance between the number of men capable of promotion and the promotional opportunities which will occur is no easy matter.

Having attempted to show that the boards of many companies guided by their personnel advisers have made positive steps towards establishing teams of managers well trained *inter alia* in the leadership of those subordinate to them, it is appropriate to go on to consider some of the solutions which have been produced recently to meet specific problems facing a modern management team. The larger and more highly developed a company becomes, the greater are the problems of communicating decisions, information, thoughts and ideas up and down the organization structure. Large sums of money have been spent in such methods of communication as company journals—there are now over 1,200 such publications in the U.K., specially made films to introduce the company and its products to new or prospective employees, the use of film strips for similar purposes, and even the use of closed circuit T.V. One thing which does stand out in this aspect of communications work is the absence of any real attempts to assess what effect on employee relations this mass media approach is having; one organization is at present starting such an investigation, and many companies will be most interested in the result.

There is certainly some value in using an employee periodical as a means of building company and group loyalties, but this and all other written methods of communication should be regarded as very much subordinate to proper face-to-face exchange of thoughts, ideas, and feelings between each person and his boss. Some valuable research has been done on this by Mrs. J. D. Blakeman, Director of Research, South East Essex Technical College, who demonstrates that good mutual understandings more often exist between operatives and their managers where the organization structure is known and understood, where there are informal communication links so that news gets around unofficially whenever the official channel gets blocked, and where the job itself involves man/manager communication. This latter point is heartening because with mechanization and continuous processing methods being more widely applied, companies making such changes of process can look forward to communications being thereby improved.

So much of management thinking about employer/employee communications is directed solely at ways of getting over to the employee what management thinks—too often the need to hear what the employee thinks is ignored. Employers listen to the representatives of employees, often arguing that what they have

to say is not representative opinion, and usually listening because they have to. Seeking employee opinion through the use of "attitude surveys" is a management tool being increasingly used. The National Institute of Industrial Psychology has done some valuable work in this field and is frequently being commissioned to undertake such surveys with the result that reliable information of employee opinions is reaching board-rooms in a way it has never done previously. With the combined influences of full employment, increased capital investment per employee, the consequences of the social revolution of the past two decades, and the example of American industry, employers are performing regarding their workers as having individual dignity and legitimate desires to an extent which is steadily increasing.

Wages changes have been prominent in the national limelight, but there are important wages trends in progress besides the upwards surge of rates. Moving from the pre-war "time rates", we experienced an era of increased output and better control by the use of incentive payments. Today there is in many industries a move away from incentives and back to time rates of a different sort. This is one of the results of the replacement of human muscle power by machinery; as plants become more mechanized the rate of output is less under the control of the operative, and it thus becomes wrong to relate operators' earnings to output. Instead, however, of returning to the insecurity of hourly payment, the workers' desire for regular employment is being met by guarantees of security on the one hand, and on the other—and this is significant for the future—by employment on weekly salary terms often with termination of employment on a month's notice. In plants where the earlier stages of automation are already accomplished these conditions of a secure weekly salary already prevail, and will continue to spread as more products are made on a continuous process basis. Car assembly, oil refining, and chemical processing are major examples of processes which already have taken the rate of output out of operator control and which therefore no longer justify the use of incentives.

This desire for status and security is a major force today; the provisions made for the rank and file industrial worker in this direction by progressive companies are inadequately known in the country generally. Employment is guaranteed by the employer in a variety of ways to all but short service people—the best way psychologically being the formal awarding of "staff status". Earnings are a constant weekly amount unrelated to out-

put. Continuous operation and shift working go a long way towards eliminating the need for overtime working. The worker has friendly and personal relations with his boss because the size of the working group is reduced and he is treated as an individual whose personal traits are known and respected. Pension provisions are coming near to the limit set by the Inland Revenue—that a pension must not exceed two-thirds of final earnings. Sickness schemes provide financial security during absence through sickness or accident; in notable cases cover being—with national benefits—very near to normal earnings and for extended periods—for life in some instances. Group life assurance schemes make generous provision for dependants of employees who die. In all, the provisions of far-sighted companies for the job, social and financial security of their workers are today at least equal to the conditions of security enjoyed traditionally by most "white collar" workers. In this way social distinctions between factory and office workers are disappearing.

It is generally the case in progressive organizations that the grading of jobs within a factory is being done by the application of "job evaluation" methods and this, with the diversity of jobs which continuous processing brings, is presenting a ladder of promotion within operative ranks which provides stimulation and satisfaction to many. Notable too as a consequence of these factors is the fact that the barrier between skilled tradesmen and operatives is disappearing. Indeed in oil refining, job evaluation has placed some key operating jobs above the maintenance tradesmen's job—thus opening up opportunities for men to attain the status and earnings of skilled work even though they missed the chance at age 16 of entering an apprenticeship.

It is evident that the approach of automatic production need not increase frustration and boredom in industrial work, but instead with good personnel management automation presents an opportunity to make industrial work more satisfying than ever before. Personnel managers have no more important responsibility as far as employee well-being is concerned than to make sure that the mechanized worker is given the chance to share in the satisfactions which high productivity can bring. America has found its solution to this problem; our solution will be a somewhat different one and it will lie in the achievement of status, recognition, and personal identification with the company and its products.

It is debatable whether the industrial worker wants to partici-

pate in the broad affairs of the company as a whole or whether his interests really lie within the smaller groups in which he is personally involved. Different companies have shown their attitude to this problem in different ways; on the one hand by introduction of profit sharing for workers, share purchase schemes, employee participation in policy decisions, and elaborate communication of company financial information. On the other hand it has been shown that workers do not produce more or experience greater contentment if they are closely informed on company activities generally, and there is evidence that the importance of harmony and understanding at the working group level completely overshadows the influence of any attempts to interest the employee in the business activities of a large organization. Some companies go further and maintain that it is fundamentally a wrong application of incentives to give a share of profits to people whose individual actions have little or no influence on profit levels. A trade union writer would no doubt express this the other way round and state that a worker's fair reward for his work should not be affected by top management decisions and errors. Suffice it therefore to say that much interesting research is being done by industry, universities, and the appropriate institutes to seek more knowledge of what will provide the worker with greater satisfaction and thus promote better output, and that many brave experiments in employee participation and co-partnership are being tried.

The training of operatives is a function of growing importance and it has been the duty of personnel management to help supervision to learn how to teach and what to teach. The basic principles of "Training Within Industry" as developed during the war to teach newcomers their jobs, are today used throughout industry to teach the art of training, and with them techniques of carefully planned on-the-job training, and the assessment of competence by "qualification" sessions have been put to use with great effect. Now that the subject of supervisory training has been tackled so thoroughly, it is to be expected that methods of operative training will receive increased attention.

Industry is assuming greater responsibility for the physical well-being of its people with much thought and expenditure in the two directions of medical services and safety programmes. The legal requirements of first-aid facilities have been far exceeded by the provision of well-equipped and well-staffed medical departments with full-time trained nurses and either full- or part-

time doctors making use of equipment which in some cases includes X-ray machines, electro-cardiograph equipment, and physiotherapy apparatus. Dentists, chiropodists, and opticians are often to be found on a part-time basis in factory medical centres. All this is being done to supplement the National Health Service because employers are convinced that such facilities reduce absence and increase the productivity of the worker. Nor are such facilities restricted to large companies; a notable and successful experiment which is being adopted elsewhere has taken place in Slough where the Slough Industrial Health Service offers to employers small and large, facilities which include well-equipped clinics, one of which is mobile, the services of medical and nursing staff, a recuperative centre for rehabilitation, and extensive physiotherapy services.

A great deal of attention has been given to safety measures in recent years. The increased damages awarded since 1948 in employees' common law actions with the consequent inflated cost of employer liability insurance has been a factor in drawing more management attention to safety at work. Another factor has been the improving quality of management with the consequent acceptance by managers that most accidents represents a failure to train, design, or control adequately. Progress in reducing accidents has been achieved by a combination of a more thorough approach to the removal of hazards, particularly in making machinery guards fool-proof, and also by the introduction of safety training to educate the worker into a state of safety consciousness. In consequence the number of accidents has in many companies been reduced to a fifth of the number experienced five years ago. In tackling accident prevention even more than in other personnel subjects the interest and enthusiasm of top management is the real determining factor, and where this has been present spectacular results have been achieved. Any comment on the work being done to make factories safer would, however, be incomplete without mention of the work of the Industrial Division of the Royal Society for the Prevention of Accidents, and of the Factory Department of the Ministry of Labour, the majority of whose factory inspectors have an enlightened and constructive approach which is all too rare in government employees.

WORK STUDY IN INDUSTRY

By S. J. DALZIEL*

I

"WE were struck by the success of the 'work study' movement. A great many firms are now convinced that there is a great scope for raising production even within the limitations of resources and tradition which exist today. . . . In almost every industrial centre we have found heads of small and large businesses giving lectures or opening courses in work study." This quotation from a recent *Manchester Guardian* survey† illustrates the interest now being aroused in work study. There are indeed a large number of training and appreciation courses now being held, varying from a few days to ten or more weeks. Of the 110 training courses advertised for April, May, and June of this year in the March issue of *The Manager*,‡ almost twenty dealt directly with work study, and a further forty would have included work study in the syllabus. Upwards of seventy full-time courses exist, many of them held several times a year.

The total cost of all these courses is considerable, involving as it does the release of personnel from industry to attend and often to lecture, as well as the course expenses themselves. But industry seems sufficiently interested in work study to bear this cost, and there are long waiting lists for some of the main courses.

II

Work study has been described as "a short-term approach to productivity",|| and this is one of its particular and important characteristics. This does not mean that it can be quickly introduced, nor that a work study department need not have a long-term and carefully thought out policy. It means that work study is not primarily concerned with major changes in design or method. Although the experience and knowledge of a work study officer can be of great assistance if major changes are envisaged and he can often suggest the need for such changes, his main job

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† *Manchester Guardian Survey of Industry, Trade and Finance*, 1956, p. 32.

‡ *The Manager*, Vol. 24, No. 3, British Institute of Management.

|| R. M. Currie, *Work Study*, British Institute of Management, 1951.

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is to work within the limits of the existing basic processes and products, and to see that the optimum use is made of the resources available. Indeed, many of the improvements that a work study department will recommend can be carried out with relatively little capital expenditure and may save such expenditure by increasing the capacity available from existing buildings and equipment.

Work study falls broadly into four categories. There is first the study of the factory or office situation as a whole, concerned especially with the flow of work and with the relationships between the various parts of a process. The aim is to reduce delays and the movement of materials by examining the layout of equipment and the procedures being used. It is often possible to eliminate parts or even the whole of certain processes. In a large office, for instance, paper work tends to proliferate: "You had better make three copies of that, just in case"—and there is much scope for simplification.*

There is next the closer study of particular jobs, aimed at improving the methods being used, by providing and positioning the equipment and materials so as to achieve the greatest economy of time and effort. Associated with this is the study of the detailed movements of the persons doing the job, in order to establish and introduce the simplest and least fatiguing methods. The techniques used in these first three categories derive from the Gilbreths' pioneer work on motion study, modified and simplified to meet various requirements. In particular, a simple series of symbols and charts have been grouped with a systematic questioning technique to form what is known as work simplification, which can be widely used. Taken together, these techniques, form the methods study aspect of work study.

There is finally the work measurement aspect of work study, which is concerned with the time taken to perform a job. The basic technique is that of time study, which was first developed by F. W. Taylor. A job is split up into a number of clearly defined elements, and a stop-watch used to measure the average time taken to perform each element over several cycles of the job. During the study, assessments are made of the effective perform-

* A humorous but pointed reference to this is made by H. E. Roff in an article "Subvision" in *Personnel Management*, June 1955, p. 102. "For instance, an immediate demand for full-scale enquiry, figures, etc., is very often due to little more than a minor explosion at a meeting, and it is important that the company's resources should not be squandered on this sort of enquiry." The chances are that these figures will then be prepared regularly, although no one really needs them.

ance of the person doing the job, the fatigue caused by the work and the time which should be allowed for personal needs and other contingencies. Sometimes time study in this way is difficult, or it is undesirable to make a separate study every time a new job is started, and in these cases a time may be built up from estimates and from data obtained from similar work.

Recently a further development, known as pre-determined motion times, has linked motion and time study. It is a procedure which analyses manual operations or methods into closely defined basic motions, and assigns to each motion a pre-determined time. These times have been established from numerous of observations, and depend on the nature of the motion and the condition under which it is made.* There are several systems in use. They were developed first as an aid to time study, but the analysis which they require can provide very useful information for method improvements.

III

Logically a work study application should take place in the order described, beginning with the overall picture, then studying methods and movements, and—only after this has been done—setting time standards. A recent writer, himself a work study practitioner, has suggested that the subject should be known as “WORKS” study, and should start with the control structure of the works or office, proceeding downwards from there to the workshop or office itself.† Historically, however, this has not been the case. Apart from the work of Miss Anne Shaw at Metropolitan-Vickers, and of some American-owned firms in this country, notably Thomas Hedley’s, there was little independent development of methods or motion study in British industry before the war. The main emphasis was undoubtedly on time study applied to the shop floor, used to set time standards for financial incentive schemes and for planning and control purposes. It is important to recognize this, as “the application of this tool of management may be limited by the understanding, knowledge and confidence of the workers in a given situation”.‡ Rightly or wrongly, workers deduced that management’s main purpose was

* Maynard, Stegemerton and Schwab, *Methods Time Measurement*, McGraw Hill, 1948, p. 12.

† Winston Clewes, *The Human Implications of Work Study*, Industrial Welfare Society, 1956.

‡ R. S. Uhrbrock, *A Psychologist Looks at Wage Incentive Methods*, American Management Association, 1935.

to get *them* to work harder without doing much about other sections of the firm—an opinion reinforced by observed inefficiencies which led to production hold-ups. The kind of comment one hears is: “If the employers won’t put right the things we know are holding up production and which stand out a mile, we’re — if we’ll let them go round with a stop-watch”—a remark which has more justification than firms may care to admit. Method improvements were frequently made in these cases, but they were not often major ones, and were often intended as a preliminary to introducing time study, e.g. by standardizing the method of doing a job.

Even to-day, with our greater interest in methods themselves, and with many imaginative improvements in methods taking place, the majority of schemes being introduced are closely associated with incentive schemes, and concentrate on the shop floor. The result is that to many people “time and motion study” (as it is still widely called) is synonymous with piece-work and rate-fixing. The use of the phrase ‘work study’ connotes a wider view of the subject and reveals an attempt to break away from the narrower conception, but where firms merely change the term and continue to have the same approach, the new term itself will take on the old meaning. It is perhaps significant that in the engineering industry, where time study was first and most widely applied, there is now a marked tendency to set up separate methods departments, whose staff will stress that they are quite independent of the time study people and that they have nothing to do with wage-rates and piece-work.

Time study has been applied almost entirely by management consultants, or by people whom they have trained. The main firms of consultants themselves have stemmed largely from the Bedaux Company, who in the mid-1920s first began the large-scale application of time study in this country. The first widespread interest in methods or motion study came about during the war, partly through the Production Efficiency Board set up by the Minister of Aircraft Production, whose training courses in motion study were organized by Miss Anne Shaw and attracted considerable attention; and partly through the Training Within Industry movement, one of whose programmes concentrated on job methods.

After the war there were many developments. American techniques, especially those of work simplification and pre-determined motion times, became more widely known and were

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publicized in Anglo-American productivity team reports. The export drive, working party reports on various industries, the shortage of labour, the development of management training, the work of Acton Technical College and Birmingham University, an extension of management consultancy work and the setting up of the British Productivity Council have all contributed to a gradual appreciation by industry of the value of work study in its widest sense. In addition, applications themselves have had a snowball effect, leading to added interest and demand. Perhaps the biggest influence in this direction has been that of the Imperial Chemical Industries, which now employs over 1,200 work study officers. The I.C.I. Central Work Study Department organized, in 1954, a work study conference on behalf of the British Institute of Management, and has done much to publicize the subject and to introduce a standard terminology.

IV

An observer of the present situation will be struck first by the scope of work study and secondly by the emphasis being placed on the human problems surrounding its introduction. The principles of work study can be applied wherever organized work is carried out, and it is now becoming clear that in the past many firms have had a far too narrow conception of its possible value. Its systematic and questioning analysis is not only applicable to the shop floor, but to the office, and to all departments of a firm. Service departments, such as maintenance and design can benefit just as much as can production departments. Outside industry it has been applied to such varied fields as agriculture, hospitals, retailing, university canteens, and even the home.*

The savings which methods study and work simplification can achieve are not appreciated as widely as they could be. A ratio of 2½ : 1 is commonly quoted as representing the difference between the most and the least efficient firms in an industry, and it is the efficient firms which often see the greatest scope for still further improvement. One firm estimates that £100,000 can be saved in six months, and has set itself that target with specific projects in mind. A single improvement, worked out by a small group of staff drawn from different departments, can save a firm up to £10,000 a year. Most savings may be on a smaller scale, but they all add up.

* See, for instance, *Better Ways, and Case Studies—Work Study in Various Industries*, British Productivity Council, 1955.

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The improvements possible are in total large when compared with the actual increase in productivity per year for the country as a whole. They can also be large in comparison with the cost of current wage increases, though this depends on the nature of the firm's product and the proportion of labour cost in the total cost of production. They do suggest, however, that work study can do more than is often realized to offset increased costs.

The scope of work measurement lies in a rather different direction. Perhaps its main contribution to productivity lies not so much through incentive schemes as through the many uses to which time standards can be put. They can form the basis for estimating the savings to be achieved from suggested improvements; for planning the "work-loading" of machinery and equipment and the corresponding labour requirements; for pin-pointing the reasons for excess costs when the time standard for a job has been exceeded; and for cost accounting and budgetary control. Management can have up-to-date performance figures, and can thus make decisions with more relevant information to hand. The part played by Bedaux and by management consultants in developing these uses of work measurement should not be overlooked.

V

The human problems of work study can be properly assessed only against the background of management as a whole. The new *Outline of Work Study*, published by the British Institute of Management,* very strongly emphasizes that the conviction of the value of work study and the drive to apply it must come from the top, and that management must make clear to all concerned what it is trying to do and why. This implies that management must *know* what it is doing and why. An insufficient recognition of the role of management in introducing work study has in many cases been one of the reasons why "human problems" now claim so much attention. When one considers the heavy load of work with which so many managers have to cope, and the little time they have for the kind of reflective thought needed to change traditional attitudes and methods, one can appreciate the temptation just to "put work study in" and meet problems as they arise. For whatever reason, however, many of the problems that do arise could be avoided by having a planned and consistent policy worked out with a little forethought and imagination.

* *Outline of Work Study*, British Institute of Management (Production Management Series 2A, 1956.)

Where training courses have a follow-up programme, it is not uncommonly found that although a lot of money has been spent in sending someone for training, the person concerned returns to his former job, or is given an ill-defined position which affords him no proper status or authority. As one student put it: "I don't quite know what I'm supposed to do when I get back. My works manager saw me just before I came, and told me that they didn't know what to expect from me, but that they would expect a — of a lot." The experience of consultants and work study officers shows that it can be more than difficult to persuade management to accept change and to use work study properly as it is to persuade workpeople. To meet this, a growing number of work study appreciation courses are being held for managers, and it is becoming common practice to invite senior management to visit courses where their staff are being trained.

Work study, by its very nature, affects people in an immediate and personal way. It impinges directly on their day-to-day work, their earnings and their relations with people at work. If we look more closely at these effects, we may see why human problems are so much to the fore and why management as a whole is involved. Work study has to do with the conditions under which people work (such as seating, positioning of equipment, and the flow of work), the way in which they work, the rate at which they work, and, where incentives are used, the payment they receive for a measured quantity of work. It is associated in all these areas with change and with control. No wonder it can arouse reactions!

Work study, however, is not the only factor at work in these areas. The rate of working, for instance, is linked not just with incentive schemes or improved methods, equipment or workflow. It is closely linked with what R. G. Stansfield calls the "level of expectation",* i.e. what people feel is expected from them by their immediate neighbours. This is determined by the whole "personality" of the firm; its efficiency, traditions, conditions, human relations, and many other things. Indirectly work study can affect the rate of working by removing some of the disincentives resulting from wasted time and effort.† On the other hand, if the level of expectation is low, and if this is in any way due to

* R. G. Stansfield, "Levels of Expectation in Productivity", *Occupational Psychology*, Vol. XXV, No. 1, Jan. 1951, pp. 25-34.

† R. F. Wyatt, in *Fatigue and Boredom in Repetitive Work* (M.R.C. Report, No. 77, H.M.S.O., 1937) lists "waiting for work" as one of the main causes of discontent.

a lack of confidence in management policy and practice, the introduction of work study will not of itself improve things. Indeed, if this is not realized, the result may be a tussle between operatives and management, the one trying to maintain its own "expected" level, and the other trying to raise it.* In such a tussle the chances are that the operatives will win.

This is one illustration of the very close relationship which exists between work study and the climate of opinion set by the general standard of management. Resistance to change is another, and it has been covered very well by a recent article in the *Harvard Business Review*.† The author says that resistance is not "to change itself as much as it is resentment or anxiety over the way the change is introduced". He describes what he believes to be two inconsistent attitudes of management; the first an all-embracing belief in action, leaving people no time to think, and the second the belief that people underneath them have no ideas. It has been summed up another way by a British psychologist: "Either you give the operatives a measure of control over the desired effect, or you absolve them from responsibility for producing the effect."‡ To expect acceptance of change without giving those concerned the opportunity of participating can stretch loyalty to the firm a bit far. How much and what kind of participation is a matter for each firm to decide itself. Basically it is not a matter of complex consultative machinery, but of an attitude of mind stemming from top management itself. A work study department can be one of the main channels through which people can participate in change, but, again, its success or failure in doing this is largely dependent on management.

Closely associated with change is the fear of redundancy. Many of the issues raised by redundancy are outside the scope of this article, as it has other possible causes besides work study, and involves the general economic situation, as well as the policies of employers, trade unions and the government. In fact, the indications are that in the post-war years work study itself has led to very little redundancy. Managements have tended to reduce their work force where necessary by simply not replacing those who

* See Donald Roy, "Efficiency and the Fix", *American Journal of Sociology*, Vol. LX, No. 3, Nov. 1954, for a study from the operatives' point of view; and *Merit Rating—A Practical Guide*, British Institute of Management, Personnel Management Series No. 51, for comments from management about some practical difficulties in time study.

† Leo B. Moore, "Too Much Management, Too Little Change", *Harvard Business Review*, Vol. 34, No. 1, Jan.-Feb., 1956.

‡ C. A. Mace, "Advances in the Theory and Practice of Incentives", *Occupational Psychology*, Vol. XXIV, No. 4, Oct., 1950.

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leave, and have timed the introduction of new methods accordingly. Full employment and the need to expand production have often counteracted possible redundancy. Whether this would change if the economic position worsened is another matter; but in agreements with trade unions over work study, employers generally undertake to keep redundancy to a minimum. In its statement on the implications of work study, Imperial Chemical Industries says that it "is able to give an assurance that the extent of redundancy connected with the introduction of incentive schemes based on work study is likely to be small. The Company will take all reasonable steps to avoid discharging workers, and, in cases of hardship arising from the loss of employment, will give consideration to the payment of a gratuity".*

To say this is not to dismiss the problem, for there is still the *fear* of redundancy. A deep-rooted fear is not easily removed, and the need for a high level of productivity may be intellectually accepted without the underlying attitude being affected. The British Productivity Council has published a booklet entirely devoted to the subject; it sees the problem basically as "a threat to the individual's *natural* desire for security",† and suggests various ways of overcoming it. The problem of security, so evident in discussions on redundancy, also underlies one of the major problems to be solved if work study is really to be effective; namely, the building up of a climate within which change and all it involves, including the possibility of redundancy and ways of dealing with it, is accepted throughout industry.

In discussing the human problems of work study, the reactions of supervision and middle management should not be overlooked, as they have a vital part to play. The work study officer can appear to them as yet another specialist from outside, and the improvements he suggests may seem to them to be a direct criticism of the way they run their departments. Prestige and status may be offended as well. If an office manager has a staff of twenty, and work simplification shows that the work can be carried out by only ten people, it may well be a blow to his prestige in the eyes of his fellow managers. Again, work study can mean greater management control of his performance. As one manager put it; "I like the daily figures time study gives me. The foremen used to be able to blame all sorts of things, but now it is down in black

* *The Implications of Work Study—Some Questions Answered*, I.C.I. Central Labour Department, 1952.

† *Productivity and Redundancy*, British Productivity Council Action Pamphlet 6, 1956.

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and white just where losses occur and why." (The figures can show, too, of course, where the foreman is *not* to blame.) While being of great assistance to supervisors, work study makes certain demands on them, in their way and quickness of thought, and in the ability to deal with the controls and paperwork it can produce. There may well be some who have felt quite secure in their jobs, but who in fact cannot measure up to the qualities required when work study is introduced, and who will therefore view it as a direct threat.

Thus senior management has an important responsibility in keeping its supervisory staff closely in touch with developments, consulting them at every stage, and helping them to see the many ways in which work study can help them. Sending them to work study appreciation courses may not be enough. When a firm says: "We've sent them to courses but it doesn't seem to make much difference", it may be that an examination of its supervisory policy is called for, to give lower levels of management greater scope for initiating and carrying out change.

In all this the selection of the right people to carry out work study is obviously a key matter. The work study officer or his equivalent must win the confidence and support of both management and workpeople. He is often not in a position to "lay down the law", and, anyway should not do so; but he needs to persuade people, and be content sometimes to see his own suggestions rejected, and turn up later as someone else's. He needs to know his techniques, but not to be too rigidly tied to them; flexibility and the ability to ask the "64-dollar question" are required. In one case, months of painstaking work was thrown overboard by a single question as to whether the process itself was necessary anyway. He can be in a unique position in the firm. On the one hand he may know management's long-term plans, some of which it may not want divulged at the moment. On the other hand his detailed observation of jobs and his wide personal contacts may mean that he knows more of what is actually taking place and being thought about in the office or workshop than anyone else—including some things that are usually kept from management's attention. The more he wins confidence the more difficult this aspect of his work may become; one test of how much he is accepted by people is whether or not he is included in the unofficial "grape-vine" present in most firms.

This sounds a formidable list, and it could be added to. It is most unlikely that all the qualities will be found in one work

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study officer or even in one work study department, and every department will therefore have its own characteristic approach, and will stress different aspects of work study as being important. There is abundant room in the work study field for such variety.

The personal qualities required of work study officers can be overstressed. Of equal importance is a clear conception of the functions and status of work study in the organization. The best person will be severely limited if he does not know where he stands. Unless a policy is clearly laid down (which can include a policy of letting the work study department find its own feet), the department can easily find itself too much involved in day-to-day routine, or have marginal jobs thrust upon it. The department's acceptance can be seriously impaired, for instance, if management states that it is advisory, and then asks it to give direct instructions to supervisors or to carry out some wage negotiations.

VI

There are, finally, some specific problems associated with work study which should be mentioned. The first is whether there is a limit to the simplification and standardizing of work. It is true that work simplification is badly needed in many sections of industry, and that in these cases the limits may be a long way off. It is also true that some of the most fatiguing jobs are those which do not demand much in the way of interest and responsibility, and yet which do demand detailed attention.* Such jobs could well be altered by simplification, so that people could do them automatically and think and talk about other things.

Nevertheless, in introducing new methods these limits might well be considered. The walking to and fro which takes place in an apparently badly organized office may in fact help to reduce the tedium of a fairly routine clerical job, and the personal contacts thus made may be of importance in achieving friendly co-operation.† Some firms are experimenting in giving small groups of people direct responsibility for organizing their work and for checking its quality, with encouraging results. An apparently second-rate scheme which people have helped to work out themselves can be far more effective than a first-rate one which they feel has been imposed on them; and it is by no means always

* R. F. Wyatt, op. cit.

† "A Plea from the Office Worker", *Time and Motion Study*, Vol. 4, No. 110, Oct., 1955.

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the case that the scheme they help with is in fact of lesser quality.

There is secondly a question which has aroused a great deal of attention; whether time study is scientific and accurate. An analysis of the uses and interpretations of the word "scientific" in the history of time study would be very interesting, and might in fact prove important in resolving the debate which has gone on. How much, for instance, has it been the description of a method, and how much a prestige slogan?

The debate has largely centred around the procedures of "rating" the performance of operatives and of estimating what fatigue allowances are necessary. Rating is the assessment by the time study engineer of the effective performance of this person studied, compared with an average, skilled person. In practice there are two main methods of assessing performance, known respectively as "rating" and "levelling", but as rating is the method mostly practised in this country we will limit ourselves to it. It is defined in a variety of ways, incorporating one or more of the concepts of pace, skill, effort, speed, and ability.* One definition widely used is "the level which an average worker suited and accustomed to his task can maintain throughout his normal working period, without at the end of that period being more than normally, healthily tired".† Whatever definitions or concepts are used, training in rating usually begins by learning to assess the speed of walking and the speed of dealing a pack of cards. Three miles per hour for the former, and .5 minutes per pack of cards for the latter are regarded as average performance.

The trade union position has been summarized as follows: "Time studies provide nothing more than rough guides to collective bargaining. They can bring a sense of reality into negotiations, but they do not provide the undeniable facts of the situation."‡ "The rating of operatives' performances comes in for more criticism from trade unionists than any other feature of work measurement, but by and large we like to see the result rather than reject rating on principle."|| These views seem to be reinforced by the few investigations which have been carried

* See Abraham Cohen, *Time Study and Common Sense*, Macdonald and Evans (London), 1947.

† R. M. Currie, *Outstanding Problems in Work Study*, British Institute of Management Conference on Work Study, 1954, p. 116.

‡ *Trade Unions and Productivity*, T.U.C., 1950.

|| James Crawford, "The Trade Union Attitude to Research and Productive Efficiency", *Journal of the British Boot and Shoe Institute*, Vol. 6, No. 8, April, 1955.

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out,* and by the experience of time study engineers that when they transfer from one firm to another they have first to be re-trained to work to the new firm's particular conception of average performance.

Time study practitioners themselves would say that while rating may not be "scientific" (a change in their position from the early days of time study), it is the result of systematic, objective observation by trained and experienced people, and that their judgments, though subjective, are far more accurate than any other method yet devised, and that a consistency of ± 5 per cent can regularly be obtained both within and between firms. They admit freely to the variations which exist in practice, but say that this has resulted from using improperly trained observers and from managements which issue instructions such as: "Take your stop-watch to X department and give me an incentive scheme by Monday morning. We have to give the men £2 a week more."† There has been much substance in both these reasons.

The difference between "consistency" and "accuracy" has not always been made clear. Can we know accurately the ultimate capacity of the average operator, which depends upon so many factors? "A man's ultimate capacity is just as obscurely hidden from him as it is from any independent observer . . . no one who knows an old work study application can have any doubts as to the truth of the statement."‡ In practice it is consistency rather than accuracy which is so important. A person will compare his bonus rate with others in the same factory and not with any absolute standard. What a firm requires is an equitable wage structure and performance level, which apply to its own conditions, and this may not be the same as a scientifically accurate one. "At our present state of knowledge an equitable decision regarding the work of people in a group must be distinguished from a scientific decision, and work study is particularly vulnerable to the consequences of failure to make that distinction."||

Rating is one aspect of the wider problem of the scientific

* E.g. Rodgers and Hammersley, "The Consistency of Stop Watch Time Study Practitioners", *Occupational Psychology*, April 1954, in an enquiry into the consistency of twenty-four practitioners from eleven manufacturing firms in London found a standard deviation of 21 per cent in the observers' figures.

Kinniburgh and Vallance, *The Accuracy of the Rating Method as Applied to Selected Operations in Building Research, Engineering*, 1951, 171 (4443), 353-4.

W. Gomberg, *A Trade Union Analysis of Time Study*. Chicago: Science Research Association, 1948.

† R. M. Currie, op. cit.

‡ Winston Clewes, op. cit.

|| A. B. Cummins, *Work Study—Suggestions from American Experience* (an unpublished paper.)

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accuracy of subjective judgments, which is claiming attention in other fields of industry as well. Meanwhile, it may be that to the definition of average performance should be added the phrase "in a particular situation and at a particular time".

The point has been made that work study and the problems surrounding its introduction are being widely discussed. This has its dangers, as there may be a tendency to speak of everything in terms of problems, and we can easily become too self-conscious about the whole subject. In one firm recently visited the question of problems hardly arose. Various aspects of work study had been introduced as a quite natural development of systematic management and seemed to be accepted as such. Difficulties will always arise, but if forthrightly tackled with integrity, common sense and understanding they need not be consciously thought of as fundamental problems. Far-reaching changes in attitudes at all levels may indeed be achieved without realizing it. It can be just as difficult for a successful firm to pin-point the reasons for its success as for an unsuccessful one to pin-point the reasons for its failure.

The stress on "selling" work study can give the impression that it is rather an unpleasant pill which needs to be attractively packaged and advertised in order to be "bought". The ability of work study to sell itself when properly used and when allied with good management should not be overlooked by placing an unnecessary emphasis on techniques of putting it across.

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published in January–March, 1956, a special number on Trade Union problems which is complementary to the present number. The contents were as follows:

NOTES AND COMMENTS: TRADE UNIONS IN A CHANGING WORLD	
TRADE UNIONS IN THE WELFARE STATE	B. C. Roberts
TRADE UNIONS AND WAGE POLICY	Donald J. Robertson
STRIKES	H. A. Clegg
THE STRUCTURE OF COLLECTIVE BARGAINING	Guy Routh
TRADE UNION ORGANIZATION	H. A. Turner
TRADE UNION LEADERSHIP	John A. Mack
JOINT CONSULTATION AND WORKERS' CONTROL	N. S. Ross
THE ROLE OF TRADE UNIONS IN INCREASING PRODUCTIVITY	R. Harle

This special number in Trade Union Problems attracted widespread attention and the demand was so great that it was necessary to reprint it. Copies are now available and can be obtained from The Publisher, THE POLITICAL QUARTERLY, 10 Great Turnstile, London, W.C.1. Price 7s. 6d. (\$1.25 post paid). Annual subscription £1 10s. (\$5) post free.

INCENTIVES OF LABOUR

By SIR GEOFFREY VICKERS, V.C.*

I

THE twenty-three million men and women who are earning their livings in Britain today are infinitely diverse individuals; the work they do and the situations in which they do it are varied past telling; and the motives which move them are unguessably complex. Is it useful to bundle together these millions of diversities under such abstract labels as "labour" and "incentives"? Can anything useful be said at such a level of generality? I think it can; but only if we keep in mind how varied are the human realities which underlie them. I begin, then, by suggesting three dimensions along which we may classify the infinite variety of jobs which together provide us with the goods and services we use and with our main individual titles to share in them.

The customary distinction between manual work on the one hand and clerical and administrative work on the other has, I believe, none but historical significance. The division into "industrial" and "non-industrial" work is even more artificial. The sooner we grow out of both, the better. The first dimension which I would offer is based simply on the amount of physical energy which the work demands. At one end of the scale are the jobs which are done seated, whether at a typewriter, a comptometer, a chocolate-wrapping machine, a drawing-board, or a managing director's desk. At the other extreme are those jobs, still numerous, in which human muscles are employed as prime movers. These include much of mining and quarrying, of iron and steel industry, of building and agriculture, as well as general labouring and some unexpected trades like the surviving non-mechanized bakeries. They might be described not as manual but as "dorsal" jobs. Between these two extremes stretch in continuous gradation jobs of varying physical activity, among which the travelling salesman may be found to rank higher than many manual workers. The housewife, being unpaid, does not challenge us to classify her. I suspect that on this scale she usually ranks higher than her husband.

I do not suggest for a moment that work is unacceptable in

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proportion to the amount of physical labour involved. On the contrary, young people usually take more willingly to active work than to an office stool. The difference is none the less important, I believe, from the point of view of motivation. Experiment has shown that the natural pace for physical work is irregular, fluctuating frequently and widely. No similar work has been done, so far as I know, on mental work but it may well be that its rhythms, if it has them, are at a much slower tempo. Moreover, though the physiological nature of fatigue and its effect on performance are still imperfectly understood, it seems to me to be a fact of observation that mental work, however exacting, can be maintained—and pleasantly maintained—at maximum speed for much longer than heavy physical labour.

The dimension which I have been discussing I will call "the degree of physical involvement". I turn now to my second, which might be called "the degree of mental involvement". Jobs range along this dimension from those which require only the most automatic movement of the hand to those involving extremes of concentration, initiative, judgment, originality, or responsibility. The bearing of these differences on motivation are even more obscure; for mental fatigue is not measurable, whilst mental stress is a most imprecise concept. There is no doubt, however, that these differences affect motivation and further that their effect varies greatly with the individual. Monotony is as great a stress to one man as responsibility is to another. Moreover in this, as in other respects, the individual is not a constant. What he will like and what he will stand vary with his training and experience, his personal circumstances and his personal development, as well as with his relations in the social situation of the workplace.

One other dimension must be included. For nearly everyone the first day's work is a start on a road which offers some hope of advancement to different work, higher status and more money. Again, for virtually everyone there comes a day when this prospect is closed, when the future holds only the expectation of repeating the present. But the point at which the prospect of progress thus ceases to operate may come very early or very late. Thus, for careers for which apprenticeship is a necessary entry, the door may close at sixteen. The late Mr. Ernest Bevin once observed, "It's a funny country. A fitter's mate can become Prime Minister but he can't become a fitter." I do not know how far this limitation still obtains. The extension of part-time educa-

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tion, especially in engineering in conjunction with the various forms of national certificate, combined with the increasing practice of release with pay has multiplied the opportunities of access to careers which need an educational qualification. From nearly every position today some ladder leads upwards; but there is an age limit and usually an early one, above which it becomes first difficult and soon impossible to get a foot on these ladders. Most people in industry reach their ceiling by thirty. Those who get their foot on the ladder of management usually reach their ceiling between thirty and the fifties. Few, save judges, "progress" in their career beyond that age.

I am not drawing attention to something which seems to me to be either remediable or regrettable. I am merely pointing out that at any given moment only a minority of the people engaged in earning their livings are or can be validly motivated by the desire to "progress" in their careers. I will call this dimension "the degree of career involvement".

II

So far I have avoided using the word "incentives". It savours of the "kick and carrot" mentality of the nineteenth century and has fallen into disrepute. It suggests that, at least in their economic behaviour, men are chiefly concerned to pursue individual goals and to avoid individual threats and it carries the further connotation that these goals and threats are economic.

This fallacious psychology has indeed been changed out of all recognition in the last fifty years. The motivations of men remain obscure; but laymen as well as scientists are now aware of the main defects of the old view. First, the behaviour of men is not to be explained wholly as the seeking of goals and the avoidance of threats. Activity is satisfying or dissatisfying in its own right, as experience, apart from the ends it serves. Further, these satisfactions, whether direct or indirect, are socially conditioned; the individual is a social animal, at work no less than at home. Indeed, industry is a highly structured society, in which the roles we play are more inter-related and more closely defined than in most other social situations. Finally, in so far as we seek goals and avoid threats, they are more fundamental than money will explain. We seek success and security in devious ways. Money, as a means, as an end, and as a symbol is only one of many constituents in the net of our hopes and fears.

This revaluation of industrial society has worked a profound change. On the one hand it has made visible a number of situations which are relevant to the way men work. On the other hand, it has shown that the variables which management can influence or control for good and ill are far more numerous than it imagined. Both merit analysis.

Thus, among work situations, we can distinguish solitary jobs from jobs which are done in teams. Observation has shown that men working alone behave in some respects differently from men working in teams. It has not shown that for all men in all situations the one always yields better results than the other; but it has shown that the degree of team involvement is relevant to the way men work.

We can also distinguish work situations according to the degree to which the worker identifies himself with the success of the operation in which he is engaged. We may call this job involvement; and we must distinguish it from team involvement for work teams may and often do achieve their highest significance for their members in pursuing goals which are remote from the job—their own security, for example, or their advance in prestige. Within the category of job involvement we must note further that the job with which the worker becomes involved may be seen by him as his own immediate product or as the product of his department or of the whole undertaking; and the level with which he thus identifies himself may be highly important in the total pattern of motivation.

The same question of levels complicates the analysis of team involvement. How remote an interest or a loyalty can a man compass? What combination of loyalties or interests can he entertain without undue conflict? We know too little of the factors which govern the answers to such questions but we see around us plenty of examples to show how important they are. The Royal Navy, for example, focuses loyalty on the ship and on the Service and seems to be highly successful in combining the two. It would, however, be easy to give examples in which concentric or interlocking loyalties yield endless tension and confusion.

We may also include among the main classifications of work situations the quality of those transmitted attitudes which establish the climate of every society. Working groups are linked with their past and their transmitted culture powerfully determines the motivations which shall operate within them. The problems involved in changing an evil heritage of this kind are among the

most important and intractable of management and, despite valuable research, are also among the most obscure.

I have spent some time on a bare and partial summary of the varieties of job and of work situation. There remains another critical variable. Men themselves vary and their variations are at least as obscure as those I have examined hitherto. A great deal of work has been done in devising tests for human skills and in classifying more general traits of character and temperament. The results do not yet give management tools adequate to the task of fitting men to jobs and jobs to men; but at least they have made us conscious that individual differences are real and that they matter. The motivations of one man are not necessarily those of another.

Such, I suggest, are the main variables in the industrial scene. On their interaction depends the effectiveness with which men combine to earn their collective and individual livings in the highly complex and artificial world we live in.

III

We can now state more clearly the question which underlies the title to this paper. What are the factors which encourage men to respond or which discourage men from responding to the demands which work makes on them? And what can management do to foster the one and dispel the other? The answers will vary with the job, the man, and the situation; and in each case individual and social, positive and negative motivations will be found differently combined. In the space which remains to me I will comment on what seem to me to be the most important issues in the main fields which management can influence.

Reward remains a profoundly important factor in motivation. It largely determines whether we work at all—as distinct from all the attractive alternatives which we might otherwise pursue—and, to an important, though lesser degree, the work we choose to do. In some work it plays a part in determining how much we do. On the other hand, it has, I think, little direct influence on how well we work, still less on how co-operatively we work. Its main effect in Britain today is, I am convinced, negative. Discontent with reward is probably the most important factor in discouraging us from responding to the demands of work today.

Since I am confining myself to matters on which the individual management has some initiative and therefore some responsi-

bility, I have nothing to say about the strange and most unsatisfactory process by which the absolute level of reward is fixed. Nothing could be more disruptive of our responses to the demands of work than the constant pursuit of prices by wages; but wage and price policy are not within the scope of this paper.

On the other hand, the fixing of one level in relation to another—the vexed problem of differentials—is clearly within its field. The situation here is highly unsatisfactory for employer and employee alike. We lack any agreed and objective measure of the relative value of different jobs and at least three rival and disparate measures compete for predominance. Tradition and vested interest entrench the *status quo*. Work study slowly erodes these defences with its more rational though still subjective measurements. And now and then both are abruptly displaced by the impact of supply and demand. First one and then another role becomes unexpectedly critical, because of an absolute lack of those willing to accept it, be they science teachers or loco-drivers, nurses or coal-miners. The need is met by a revaluation of the unfilled role; and the repercussions set going a cycle precisely calculated to defeat the adjustment which has been made. The object of the exercise, be it the objective one of filling the posts or the subjective one of ensuring contentment regresses infinitely.

The importance of such difficulties varies greatly from one occupation to another; I believe it to be related almost entirely to the ratio which wages and salaries bear to total costs. In those happy occupations where this ratio is low, reward is usually a major positive factor in building up satisfaction with work and confidence in the employer. Where the ratio is high, problems of wage fixing tend to be most acute and the disincentives associated with them are maximal. In this respect public, non-profit-making bodies are often worse placed than private undertakings, since they are less certain what they can and cannot afford. Moreover they are further handicapped by never feeling rich.

The way wage and salary rates are settled, no less than their absolute and relative level, powerfully affects the attitude of the employee to the undertaking and thus bears indirectly on his motivation; for the settlement of a rate between employer and employee is an occasion on which confidence is either won or lost. One way or the other, it makes the employer real. It is significant, then, that the level at which wage rates are fixed is changing. There are still places where the rate for each new job

is fixed direct between manager and workman. In some of these places it is a main source of trouble; in others a mainspring of confidence. In contrast to both, British industry moves increasingly towards a rigid structure of few grades, nationally fixed. It is of no small moment for work motivation that this cuts out, both for good and for ill, a critical contact between management and worker.

Of real, though in my view of less importance is the way in which wages are calculated. This may vary vastly. Some men are paid simply on a piece rate; others on a time rate with a bonus variously related to results; others on a simple time rate. Where payment is related to result, it may be geared to the achievement of the individual or of a team, large or small, of which he is part or of the whole undertaking. Where it is related to time, it may be based on the hour, the day, the week, the month or the year; and it may or may not be additional to overtime, variously calculated. Examples could be found to illustrate each of these variations working well—and working ill.

Nothing that we know of human nature, nothing that we observe in human behaviour gives us any firm ground for thinking that any of these patterns is the best for all situations or for any situation. There is evidence to stress the obvious fact that, where payment is based on the results of a team, the body chosen should be one which actually feels and behaves as a team, not merely one which is supposed to do so. Further, there is some evidence that piece work has more justification, both psychological and physiological, for 'dorsal' work than for others kinds. Thus, it can be used—though it very seldom is used—to enable the worker to set his own pace. Generally speaking, however, I see no reason to hope that research and experiment will reveal a "best" way. The adaptations of life are singularly various. And, where in any situation there proves to be a "best", its pre-eminence will, I think, be found to derive, not from some unchanging characteristics of the human psyche but from the particular situation, with all its load of history.

Thus, the various methods of payment have become linked with different levels of prestige and status and these links persist, even though the differences which created them are passing. For example, the ancient distinction between "hands" and "staff" excluded the hourly paid and daily paid workers both from the privileges and from the responsibilities of "belonging". The privileges are being added piecemeal by guaranteed weeks, pen-

sion schemes, and so on, so that the actual situation of the two classes in regard to security grows ever more similar; but the old schism remains and still deeply affects the motivations of the two.

I turn next to promotion. The procedure by which people are prepared and selected for higher posts is of lively concern, not only to the minority who aspire to promotion but also to the majority who do not. Thus it may powerfully affect the responses of both groups. The aim of any promotion policy must be to ensure that for every vacancy, as it occurs, there shall be enough, but not too many candidates, eager for the job and qualified to do it by character, temperament, experience, and training. If such a policy is to pull its full weight on the right side in the complex of influences which bear on motivation, it must be understood and its working approved and trusted. In industries where management inherits the suspicion of nepotism or victimization, great and prolonged efforts may be needed to restore the position and these may be of high importance from the point of view of work motivation.

IV

I have discussed pay and promotion first, because they most closely resemble individual incentives. Yet even this brief analysis has shown that they are at least as important in their impact on the attitude of employees to the undertaking and thus on the response of those employees to its demands on them. I will now consider this aspect of motivation further.

A man's response to the demands of work depends very much on his attitude to the employer, to the undertaking, and to the job. These three are significantly different and I think I have stated them in inverse order of importance. What matters most is attitude to the job and to that part of the undertaking and its management which are within the direct experience of the worker. The more remote parts of the undertaking, the higher ranks of management, make progressively less impact on him for good or ill. Indirectly the policy and control of top management may be decisive in maintaining a favourable climate in his immediate environment but its hand is and should be largely unseen. Top management should in this regard be self-effacing. Pyramids should be built from the bottom.

In modern management many techniques are directly concerned with building the employee's sense of belonging. Among these are industrial consultation, the giving of financial and other

information about the firm, suggestion schemes, "cross-sectional" schools and conferences. I believe these techniques to be of great value; but in large undertakings they raise acutely the question of the level at which the sense of belonging should be focused. I regard this as one of the major unsettled questions in the field of motivation. The evidence goes to show that "belonging" must start in the workplace. It may with advantage extend upwards as far as may be, so as to give some feeling of identification with any level from which a disturbing—or even an encouraging—impact may be felt; but the lowest levels are the most important, both because they affect the individual's behaviour most directly and because it is on them that the higher levels depend.

At the working level all these involvements tend to be resolved into "team-involvement"; that is, into the sense of belonging to a working group. Most of the demands of the work express themselves as the demands—or, more commonly, the unspoken expectations—of workmates, including the representatives of management in charge of the group. I have already pointed out that team involvement and job involvement are not necessarily the same. It is obviously important that they should be the same; for it is largely through the mutual responses of men to men in the working situation that the needs of the job can be translated into practice. Over these inter-personal relations management has less direct influence but it impinges on them in at least two important ways—first, through its designing of the teams themselves and, secondly, through its training and appointment of the team's leaders.

A well-known study in the coal industry analyses the social effect of introducing a new technical process of coal-getting. Briefly, a series of operations, once performed by one man and his mate, was divided between three teams, working on successive shifts. The work of each team depended on the previous team completing its work thoroughly and to time.

Thus, the design of the work required the three teams to feel and act as one, although they never met. There were, indeed, factors which made it hard even for any one of the teams to act as such. These difficulties were not present to the minds of those who introduced the new technique. Regarding the problem as a technical one, it did not occur to them that success would depend also on social responses, which had not been needed before and which would not be naturally or easily evoked. Similar problems exist elsewhere, though today they are less likely to be over-

looked. The design of team work needs to take account of psychological limitations which are as yet very imperfectly known.

Probably the greatest opportunity which management possesses to evoke and maintain from all its employees the responses which the work requires is through its power to select, train and support its own representatives and especially its foremen and managers, who form part of the actual work team at the workplace. They also form part of another team, more dispersed but not less important—the management team. In any large organization the working of the management team must be the *primum* concern of top management. The "incentives of management"—or, as we have translated our title, the factors which make management at all levels respond as they need to do to the demands of their particular work—are crucial to the "incentives of labour".

EMPLOYERS' WAGE POLICY

By E. M. AMPHLETT, C.B.E., M.C.*

I

BEFORE attempting to discuss what the Employers' Policy is or should be, it may be well to refer briefly to the established methods of wage negotiation in this country within which any policy must operate and the principal elements which are comprised in the term "wages". In industries covering about three million workpeople, minimum wages and conditions are fixed by statutory wages regulation orders made on the recommendation of Wages Councils, Agricultural Wages Boards, or Boards set up under the Catering Wages Act. In the great majority of industries, however, wages have no statutory basis, but negotiations take place usually at national level between the employers' organizations in the industries concerned and the trade unions whose members are employed in these industries. This method of collective bargaining applies also to the nationalized industries, the Boards of which for this purpose may be considered to be equivalent to an employers' organization for an industry though, as mentioned below, the factors determining the wages policy of a nationalized Board may be somewhat different from those for employers in private enterprise industries.

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Collective bargaining usually relates to time rates of wages. In a few industries, the collective agreements actually fix the piece rates to be paid throughout the industry but, in most industries, piece rates where payable are left to be determined in individual establishments, though national agreements may lay down a basis for fixing them, such as that the average worker employed on piecework shall be enabled to earn not less than x per cent above the corresponding time rate. Thus variation in the basic time rates affects the whole structure.

It is also important to bear in mind that wages include many other things besides the nominal rate of wage in respect of each normal hour of work or for each task. Agreements commonly fix the premium payment to be made to those operating on a two-shift or three-shift system, for night work, overtime, and Sunday work. They also cover holidays with pay, guaranteed wages or guarantees of work, call-out payments, "dirty" money, "danger" money, and similar payments which all add to the wages cost. In addition to these elements which are commonly dealt with by national agreement, the individual firm may incur expenditure on such things as canteens, sports grounds, pension schemes, and sick-pay schemes, which all involve expenditure resulting from the employment of labour and which must therefore rank as wages, though in "costing" the work part of them may be charged to overheads.

II

The economic background against which any wages policy must operate is also of fundamental importance. In this country, it is necessary to import about half the food which we require and the great bulk of the raw materials necessary for our industries. It follows, if we are to continue to be able to buy these imports, that a high proportion of our products must be exported. Some industries sell a large part of their products abroad; others are entirely concerned with the home market. In all industries, the amount of the wages that can be paid or of an increase which can be granted depends on its costs and its selling prices. The former group of industries operating largely abroad will be influenced more by conditions in foreign markets and their ability to pass on to the consumer any additional costs resulting from a wage increase may be very different from those supplying our domestic needs.

There is also great variation in the proportion of total costs of

production which is constituted by wages in the different industries. In some highly mechanized industries with a high ratio of capital employed per worker, the labour cost per unit of output forms a relatively small proportion of the total cost. It is not unnatural that such industries are not prepared to see their costly plant idle for want of a few workers. Nor are they prepared for the same reason to withstand the pressure from the trade unions for a wage concession to the same extent as an employer with high labour costs. Consequently, industries with a high ratio of capital employed may be tempted to make a wage concession which employers with high labour costs would hesitate to agree to. It may well be that the numbers of persons employed are relatively small and that the wage conceded may not initially have a serious effect on the local labour market, but the repercussions may nevertheless be widespread as the wages negotiated in these high capital industries are quoted indiscriminately by the trade unions in their negotiations with other industries or in arbitration proceedings.

There are also differences between various industries in the classes of labour which they require. In some there is a high proportion of skilled occupations involving years of training; in others, the great majority of process workers can be trained in a few weeks. There are thus great differences in the demand for skill and the attitude towards the payment of differentials for skill. It is always difficult to determine what is the appropriate differential between the wages of skilled and unskilled occupations. What should be aimed at is to fix such an amount as would encourage a sufficient flow of entrants into the more skilled occupation to meet the long-term needs of the industry. This may, however, be very difficult to determine where the length of the training period is necessarily considerable, the recruitment rate is not rapidly responsive to minor changes in wages and conditions, and where very high earnings are available to semi-skilled workers on mass production. A factor to be borne in mind in this connection in some industries is that the trade unions have imposed an artificial limitation on the intake of apprentices.

A further factor of supreme importance in relation to wage policy is the fact that, for the past fifteen years, inflation has been almost continuous, and even since 1947 there has been a 50 per cent increase in prices. Opinions may differ as to the extent to which wage increases have been a cause of inflation or merely a symptom of the disease. There can, however, be no doubt that

they have constituted an important element in the process of inflation and employers must bear their share of responsibility for what has happened. In this country wages form as high a proportion of all personal incomes as in any country in the world, and probably higher. It is inevitable that what is done in the field of wages must have an important effect on the economy as a whole.

At the same time, unemployment has been at a consistently low level, and for years the number of unfilled vacancies has exceeded the number of persons available to fill them. In these circumstances, an increase in wages in one industry soon reacts on all others, which are forced themselves to make increases in order to retain an adequate labour force. Except where the higher wages are directly related to higher output, an employer's power to attract labour by increasing wages is conditioned largely by his ability to pass on the extra cost to his customers. In present conditions, the employer whose markets are at home is in a more favourable position in this respect than the employer who has to face competition in world markets. Nevertheless, the employer producing goods for export must maintain his labour force. If he fails to do so, disaster must ultimately overcome all industries.

III

In view of the wide differences in the circumstances and requirements of the various industries which have been referred to above, it is perhaps only natural that there should be considerable differences of view between employers in these industries in relation to wages. One of the outstanding examples of the variations in practice is that of the regard which is paid to the Ministry of Labour's Index of Retail Prices. There is no doubt this is the best measure we have of variations in the cost of maintaining unchanged the general "standard of living" enjoyed by the majority of employees in the country. It has many obvious limitations as a yardstick for determining changes in wages, but the attractions of an automatic method of effecting changes in wage rates have resulted in this method being adopted in industries employing some two million workpeople.

Even in the industries which have adopted the so-called "cost-of-living" sliding scale method, however, there are considerable variations in the method of application. In most cases no attempt is made to recompense the worker completely for an increase in prices. The method most commonly adopted seems to be to pro-

vide that a 5 per cent increase in the price index results in a flat rate increase in wages which corresponds to some $3\frac{1}{2}$ per cent to 4 per cent of wages in the case of the higher paid. While a scale of this sort avoids some of the disadvantages of linking wages to retail prices, it means that the proportionate differential enjoyed by skilled workers over the unskilled is reduced as prices increase and the method does not remain satisfactory over a period in which there are wide variations in prices. Indeed, in virtually all the industries which have adopted the sliding scale method, there have been supplementary wage negotiations which have altered the basic rates over and above alterations due under the sliding scale. Nevertheless, the protagonists of this method can still claim that it has reduced the total amount of time spent in wage negotiation and the number of occasions on which employers and workers in the industries concerned have been at issue as to rates of wages.

The existence of this method of wage regulation, accepted in some industries but rejected in the majority, is an interesting example of the difference of view between employers. The sliding scale method was adopted to an even greater extent during the war but was allowed to lapse in a number of industries after the war and would possibly have been discarded by still others but for the natural hesitation to enter on the difficult period which often accompanies a change in method of wage regulation. It would appear that at the present time the method is not adopted in industries in which wages form a high proportion of the cost of production unless the product of the industry is sold almost entirely in the home market.

One of the points of policy still to be decided is how far this country can continue to ensure a particular and still rising standard of living by the simple process of handing out more wages for the same work whenever that standard is threatened by an increase in the price of consumer goods.

Quite apart from the economics of such a procedure its application resulted in the acceptance for many years after the war, of the argument that the position of the lowest paid worker should receive special consideration. This resulted in differentials in wage rates on account of skill and responsibility being nearly wiped out. An attempt to correct that mistake has added still further to the pressure exerted on employers. A large part of that problem remains with us.

Another aspect of wages policy in which there is considerable

divergence of practice is that of incentive schemes. There is great variation in the conditions of different industries and the possibility of measurement of the output of the individual or group, and in all industries there are some occupations or processes which do not lend themselves to the formulation of a suitable scheme of payment by results. Since the war, however, there has been a great increase in the total number of employees who are paid under some such system, and the trend in this country still seems to be upward. In U.S.A. the trend is in the opposite direction, and many employers in this country still prefer to rely on good management—that is work study and supervision—applied to a time rate of payment, to the speed of the machine or assembly line. The time rate of wage in these cases must nevertheless yield a total weekly pay packet roughly comparable with that which can be earned by the worker who is paid according to the amount of work done. Yet schemes of payments by results are designed to yield an appreciable amount above the time rates.

This is perhaps one of the outstanding dilemmas with which employers are faced when endeavouring to work out a wages policy. In the individual factory it is often solved by paying a "lieu" rate to those workers who cannot be brought under the incentive scheme, so as to bring their earnings roughly into line; but that solution is not available to the employer whose factory is wholly on time work. It is to be regretted that some so-called incentive schemes appear to provide earnings much in excess of the basic time rates and entirely out of proportion to any increased effort put in by the workers. Such schemes, by their repercussions within the factory and outside, are undoubtedly harmful. Even where the schemes provide earnings more commensurate with effort, it is doubtful whether the balance of advantage to the nation has yet been struck, and it may well be that in this country in the coming years we shall again tend to follow American practice.

Another factor which has materially affected wage negotiations since 1940 is that of compulsory arbitration. Under the Industrial Disputes Order—which replaced the Conditions of Employment and National Arbitration Order, 1940—the Minister of Labour, at the request of only one of the parties, can refer an industrial dispute to the Industrial Disputes Tribunal for settlement. An award of the Tribunal constitutes an implied term of the contract between the employers and workers concerned and, while non-compliance with an award of the Tribunal by an em-

ployer does not constitute a criminal offence, the employees can, if necessary, secure its enforcement by suing under their contract of service in the civil courts. The employer has no such safeguard. If a trade union is dissatisfied with an award of the Tribunal, it can still proceed with the dispute even to the extent of calling the workers out on strike, and the employer has no legal redress. This one-sided arrangement, which clearly differs materially from the arrangements for voluntary arbitration which have existed in a number of industries for many years, has naturally had a material effect on the attitude of employers to wage negotiations. On the one hand, it has in some cases induced employers to go to almost any lengths to achieve a voluntary settlement in negotiation without being taken before the Tribunal. On the other hand, it has in some industries tended to the adoption of an attitude of irresponsibility amongst the negotiating parties who have made no real effort to come to agreement but have been only too willing to leave it to an independent tribunal to decide the issue for them.

The Tribunal itself operates without any guidance as to what its policy should be. From time to time economic arguments have been put before the Tribunal by the parties to a dispute, but it is doubtful if they have materially affected its decisions which seem to be purely empirical. It would appear, however, that the Tribunal is more influenced by changes in the Index of Retail Prices or by the pattern set by current wage settlements, which ever is the higher.

IV

What should the long-term object of wage policy be?

Surely the object should be to achieve stability in the general level of prices and the maintenance of the real value of wages with an increase in real value so far as this may be permitted by increased productivity.

The general policy then should be to ensure that wage increases are matched to increased productivity, but it is essential that this increased productivity should be measured over the whole field of employment and that regard should not be had solely to an individual industry, still less to the individual firm. Increases in productivity are rarely, if ever, in these days brought about by increased effort on the part of the workpeople. They are brought about by the provision of more machinery and equipment or by more skilful layout of the existing plant and machinery and the avoidance of unnecessary movement. There is therefore

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no reason in equity why the workpeople whose productivity is increased should derive any special benefit from that increase; the benefit should rather be shared by the community as a whole. Indeed, if a group of workers whose productivity is increased receive the whole or a large part of the value of the increased productivity, this will inevitably have repercussions on the wage levels in other industries in which productivity has not increased, and will tend to the perpetuation of inflation. It must, indeed, be borne in mind that increases in productivity cannot be expected to march at a steady rate and to the same degree in all industries and that experience of individual firms must vary even more widely. If the long-term objective is to be achieved, therefore, it appears necessary that there should be a much greater understanding of what is required by those who are responsible for wage negotiations in their industries.

V

It is not surprising that many employers in this country have considered the possibility of finding some method of central control of wages, either on the lines of the statutory method adopted in Holland or the voluntary method operating in Sweden. This is not the place to examine these methods of operation in detail but it would appear that, while both have enjoyed a considerable measure of success, this must be considered in relation to the period in which it has operated and to the general economic conditions of the countries concerned. Moreover, success has been by no means complete and, when it is borne in mind that both countries have a much smaller population than we have and a smaller range of industry than in this country, there is little prospect that it could be successfully operated in the United Kingdom even if the general body of employers' organizations and trade unions were prepared to try it. In fact it seems unlikely that the employers' organization in any substantial industry would be willing to forego the ultimate control of its own wage levels. Nor would the trade unions be prepared to leave it to the Trades Union Congress or any other central body to determine what wage claims they should put forward.

Though there is much to be said in favour of a "tidy" wage system applied from the centre with an organized distribution of the surplus wealth available for higher wages, its successful operation would involve a prolonged study of the differentials between different industries and between different grades of

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labour within each industry. It would also require the development of some acceptable system of merit rating or job evaluation which could be used to determine these differentials. The system could scarcely be confined to wages but would involve salaries as well. It would involve the taking of economic decisions centrally as to which industries it was desirable to build up and which should be allowed to run down. Even if such a system were intrinsically desirable, it is clear that it would be wholly unacceptable in present circumstances both to employers and employees.

VI

How then should the long-term object of stability in the general price level be achieved? The first essential without which any wage policy must break down is that inflation must be brought to an end. This requires strong Government action, not only in the field of credit control but also by a strict control of Government spending including that of local government. The Government has shown signs of making a determined effort to bring the inflationary spiral to an end. It must be the duty of employers by their policy to do all in their power to reinforce the measures taken by the Government. This involves a recognition by employers engaged in the home market that their long-term interests coincide with those in exporting industries.

There are many people in this country, economists as well as employers, who regard the control of inflation as solely the responsibility of Government. This thesis, however, overlooks the fact that the wages policy carried out by employers and trade unions—and arbitration bodies—can materially modify the success of Government measures and can possibly stultify them. For example, if wages continue to rise to a greater extent than overall productivity, unemployment will result, and, if the Government then feels bound to relax credit restrictions so as to absorb the unemployment, the inflationary spiral starts again.

The large increases in wages during the first half of 1956 have already offset to a large extent the steps taken by the Government to curb expenditure on consumer goods.

Despite the fact that there is a large field of industry which has been nationalized, the mainspring of prosperity in this country is still private enterprise. The total volume of goods and services available to the nation is increased because the individual employer sees economic advantage in enterprise. That must con-

tinue, but, if we are successfully to surmount our difficulties, the individual employer must consider not only immediate short-term advantage but must also take into account the longer term repercussions of his actions. He must realize that, if industries competing abroad are unable to retain their labour, the whole economy will collapse.

The first positive step that employers can take is to ensure that the wages policy followed by individual firms is regarded as of first-class importance and is the direct responsibility of management. Secondly, employers in many industries can organize more effectively, co-ordinate their policies with others in the same industry, and give their loyal support to those who negotiate on their behalf at industry level. Thirdly, there is scope for a wider exchange of views and information between industries through the medium of their central organization in the labour field, the British Employers' Confederation.

There is great need for a much wider realization than at present of the consequences which flow from action in relation to wages. The Court of Inquiry which reported in 1954 on the dispute in the engineering industry recommended the setting up of an authoritative and impartial body to give advice and guidance as to broad policy and possible action in this difficult field. Such a body might well provide an immense service to the nation as a whole.

The nationalized industries too have an important part to play. They employ some two million workpeople and their activities extend to all parts of the country. They are in a somewhat anomalous position. They are required "taking one year with another" to achieve a financial balance, but they do not have to face the risk of the private employer of being forced out of business if they cannot consistently make a profit. It is essential that they should ensure in their wages policy that they do not set standards which industry generally cannot follow.

It is clear that the process of inflation which has been going on for fifteen years cannot be halted without adversely affecting some industries and individuals in the short run. It must be accepted, if the spiral is ever to be stopped, that someone must go unrecompensed, at any rate for the time being, for the last price increase, and it is urged that the policy which should be followed in present circumstances by employers in private enterprise industries and nationalized industries alike is to resist with the utmost firmness any wage increase which would involve an increase in the selling price of the product or of the service provided.

INDUSTRIAL MORALE AND SIZE OF UNIT

By PROFESSOR R. W. REVANS*

IT has been known from the earliest times that the management of enterprises employing large numbers of men may demand the solution of problems quite unknown in the management of smaller groups. If the magnitude of managerial problems could be measured, as temperature or distance are measured, on a linear scale, the management problems of the industrial unit employing a thousand men would turn out to be greater than ten times those of a unit employing a hundred, and much greater than a hundred times those of a unit employing only ten. But in the absence of any scale for measuring these subtleties, it is not possible to state precisely how they grow with size of operating unit; as in most other fields of management there is virtually no research and precious little thinking being done to trace the disabling effects of size. For all that has been written in recent years upon delegation and control as the essential managerial instruments demanded by the large unit, nothing can be said to improve upon the advice given by Jethro to Moses in the Book of Exodus on how to manage the affairs of an unorganized multitude. Nor, for all our telephones and loud-speaker systems, have we gone much further than Aristotle, who said that the largest unit of men capable of effective common action was the crowd that could be addressed by the voice of one man.

If our basic understanding of the factors involved in the management of large numbers of men has expanded little since the days of Moses, this is because the students of social psychology have so far largely been unable to turn their concepts into the symbolic and numerical forms used by the mathematician and the physicist. This may be in turn because the social sciences stem from psychology and economics; they are only just beginning to take over from the physicists those ideas of measure which have transformed our outlook upon the natural order. There have been, it is true, some interesting observations upon the reactions of men towards the communities of different sizes in which they work, or to which they belong. For example, the percentage of

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persons in any particular borough who take the trouble to vote at municipal elections can be shown to go down fairly rapidly as the boroughs increase in size; the incidence of crime (indictable offences per thousand persons) has been shown by American sociologists to rise steadily in passing from the village to the town and from the town to the city; it was even discovered by Simpson in 1869 that the percentage of persons dying after amputations of any of the four limbs rose rapidly with the size of the hospital in which the operations took place. In more recent times we may observe that it is among the crews of the large liners that the strikes take place, and that it is in those largest organizations of all, the nationalized coal and railway industries, that there seems an unassuageable irritation and discontent. It is the purpose of this essay to discuss these size effects in their industrial setting.

It is helpful at the outset to introduce the concept of morale. One can postulate many different kinds of morale, whether good or bad; even the definition of goodness or badness is highly relative. The Coal Board, counting the number of stoppages over the past ten years at a pit which it is threatening to close, would no doubt describe the morale of the men working there as very bad. The men themselves, rallying their colleagues to their defence, would describe their morale as very good. Morale may be defined as the willingness of men and managements to work together; withdrawal, for any reason, from the working situation may be considered as evidence that morale is not as good as it might be. Leaving the subjective judgments aside, there is evidence that a high strike rate—that is, frequent collective action against authority—may or may not, according to the coal-field, be associated with high absenteeism—that is, individual withdrawal from the collective task. If absenteeism alone is considered, there is plenty of evidence to suggest that mines or factories with a high sickness absence rate also have a high rate of absence from causes other than sickness. Accidents involving absence for more than three days are also an indication of the willingness of men to remain at their place of work—and hence to help forward the collective task. Sometimes the accident rate is correlated with the voluntary absenteeism rate, at other times with the strike rate.

If disputes, accidents and absenteeism in its various forms may all be taken as symptoms of the failure of morale of a factory or mine, it becomes important to study the factors on which these

three observables depend, and in particular to understand those of them that are controllable. The pursuit of these relations will, in the next decade, probably become one of the major preoccupations of the social psychologist. No doubt the reasons for, say, absenteeism at any one colliery are immensely complicated and involve such intangibles as the personality of the manager and the past history of labour relations in the locality. The average age of the men, the distance they have to come to work, the regularity of their tasks from week to week and so forth are no doubt also relevant. There are even those research workers who say that the industrial situation will never be understood until every factor in it is known; this seems to the writer about as helpful as to say that one cannot study the Thames without knowing the origin of every raindrop that eventually enters it. However this may be, one factor that seems to be important in all comparable communities is that of size of unit; large coal-mines, large factories, large chemical works, large railway stations and even large hospitals seem to present those in charge of them with a greater challenge to their authority than the medium and small. It is not a coincidence that the East and Steer pits of the South Wales coal-field have the largest miners' lodge in the anthracite district; in the Rhondda Valley next door the comparable pair of pits, Park and Dare, have the largest total in the whole of the South Wales coal-field and, in the eyes of the Coal Board, the level of morale among the men there can hardly be distinguished from that at East and Steer. The largest single colliery in the Rhondda is Cambrian, and this has probably brought down upon its management the greatest avalanche of industrial strife in recorded history. One does not draw conclusions from isolated examples, and there are a few large collieries and large factories that are singularly free of these forms of trouble. Nevertheless, when statistics measuring the response of the men at a number of comparable units can be found, the chances are that the larger units will display a loyalty among their employees less firmly held than the smaller. In the language of the statistician there will generally be, in otherwise comparable groups, a significant and positive correlation between the size of the unit and, say, sickness absenteeism. For example, in a group of factories owned by the same company and making the same basic chemical products there was in 1955 a correlation of +0.8 between size and total absenteeism. In another group, independent of the first and making electrolytic products, the correlation of size and absence from

certificated sickness was +0.7. Both of these were for groups of eight factories, so that the joint results are highly significant. Only an exhaustive analysis of the behaviour of individual men in a number of such comparable units of different size can suggest why it is that they respond badly in the bigger units, by having more colds, more rheumatism, and more digestive troubles per hundred employees on books.

But to show that the size effect is a true one, it may be helpful to quote the following very abbreviated results from the coal industry. In 1942, before nationalization, there were 450 coal-mines in Britain employing between 10 and 100 persons; the average total absenteeism among all the men employed in these mines was 7.15 per cent. In the same year there were 218 mines employing over 1,000 men; in these the corresponding figure was 11.66 per cent. The difference of 4.51 per cent was very highly significant; an analysis of these national figures by the major regional coal-fields showed in every case similar significant differences between the small and the large pits. Hence, to talk of absenteeism among "the miners" is meaningless. When we remember that in 1942, the middle of the war, the average national absenteeism was about 6 per cent, we see that the extra absenteeism due to being a miner in a small pit was just over 1 per cent, whereas in a large pit it was about 5½ per cent. In other words, it is not being a miner alone that makes one's absenteeism the subject of comment; one needs also to be a miner in a large pit. There is something about the size of the unit that the men do not like. We have already noticed the same effect among the two sets of factories. (It can incidentally also be seen among girls who work in a chain of stores of wide size range.) To censure miners for bad attendance, therefore, without understanding the association of absenteeism with size of mine, is to ignore one of the fundamental principles of social psychology.

The influence of size upon the accident rate in British collieries is even more interesting. If the industry is divided up into fourteen different size groups of mines—from those employing less than four men to those employing over 3,000—it is found that the average accident rate in any size group is directly proportional to the logarithm of the average size within that size group. This result is very highly significant; in any one year it is based upon the returns of about one quarter of a million accidents sent to the Chief Inspector of Mines. These are accidents disabling for more than three days, and if it should be thought that the very low rate

of accidents in the smallest mines is due to the fact that the men working in the small mines, having no first-aid facilities, tend to report only very serious injuries, a further analysis shows that the average severity—measured by time of disability—is the same in all size classes throughout the industry. This size law also holds for quarries of different sizes; hence it cannot be argued that the size effect in pits is geological rather than social. It is not the big deep mines as such that provoke accidents because of their depth. Moreover, the results for the coal-mines suggest that if there existed such a thing as a mine employing only one man (which there does not), that man would tend never to have an accident; that colliery accidents, in other words, although occurring to individual miners, are largely social events. They have many other interesting aspects which cannot be gone into in this short essay; it is, however, interesting to observe that pits with high accident rates underground tend to have high accident rates on the surface, that the surface accident rate is also higher in large mines than in small, that the accident rate in mechanized pits tends to be *less* than that in non-mechanized, that pits which do no shot-firing tend to have accident rates *higher* than those which do, that in some mines accidents tend to come in waves, so that there are certain days in the year on which *the whole community* of miners becomes more liable to have accidents than on others, and there is even a suggestion that in particularly unhappy pits the accident rate rises before the pit is due to go on strike. These are a few of the many highly interesting factors about which we need to know much more than we know at present.

There can be no doubt about strikes being social events, however sceptical one may persist in being about the social origins of compensable accidents. The size effect in disputes is particularly strong. If the mines of South Wales or Yorkshire are classified according to their size (in ranges of 500 men employed), it is found that there is a regular progression of coal lost per man in stoppages throughout the size range. In Yorkshire the miner in the pit employing less than 500 men loses about one ton per year; in the mines employing over 2,500, he loses about five times as much. In the bituminous coal-field of South Wales the miner in the pit employing less than 500 men loses rather less than two tons per year; in the pits employing between 1,500 and 2,000 he loses about six tons per year. These trends with size cannot in any way be accounted for by differences in the productivity of the two different sizes of pits; the effect is purely a social one. It

again suggests, as in absenteeism and accidents, tending to vanish in little pits, that the very smallest unit would never go on strike at all.

But the difficulty begins when one asks the *cause* of the more serious strikes in the larger pits. For one needs to define the word "cause"; nobody can now believe that the assassination of an Archduke in 1914 "caused" the first world war. This event was merely the tap of the conductor's baton that raised the instruments ready for the music. So also are the arguments in the pits about wages and price lists and failures of machinery no more than the occasions of the disputes; they are not the fundamental causes of them, and persons who believe that they are and act as if they were—as do most industrial negotiators on both sides of the table—are singularly unfitted to trace the true causes. Nor is it of the slightest value to try coercion as a cure; if the history of the coal industry were to prove anything to anybody—which unfortunately it does not seem to do—it would be to demonstrate the utter futility of this curious way of attempting to exercise authority. To have told the miners at East and Steer pits, for example, that they would not be allowed to wash themselves in the new pithead baths until they had improved their behaviour seems an act of impotent and adolescent fury, like school prefects putting the tuck shop out of bounds to saucy third formers. It would be more profitable to seek the general and underlying causes; the men, for example, all say they wanted nationalization, but not the form of it they have now got. What does this mean? What did they expect? In what quarters do their disappointments lie? How far are they shared by the men at other pits? Is it morally right that the administration with which they claim to be dissatisfied should have the power to deprive them of their livelihoods? What convincing forms (that is, convincing to the men themselves) of voicing their dissatisfaction other than by striking have they got? How far is their dissatisfaction magnified by the undoubtedly difficult technical problems of the anthracite coal-field? Are there any special problems in one large miners' lodge negotiating with two independent managers, as at East and Steer? These and a score of others are the relevant questions, not to ask what evils in the souls of a dozen men made them "go-slow" because one of them had lost his shovel.

It is interesting to ask how far the size effect may be traced within the pits themselves. Every industrial community is built up of cells of workpeople, and it can be shown that within mines

of any particular total size group, those mines which have the smaller cells tend to have higher morale. If the industry is divided up into, say, five size groups (size measured by total annual tonnage raised), and if the mines in each of these five size groups are divided into two sub-groups of what might be called high and low supervision ratio, it is found that in every case the sub-group with the higher supervision ratio shows indications of better morale. The attendance of face workers is better, the underground accident rate is better, and the liability of the pits in the better supervised sub-groups to go on strike is lower. It can even be shown that the average earnings per man shift are higher in the better-organized groups. Hence the size effect seems to be of general application. When discussing these results with the chief engineer of a very large factory near Manchester, the writer was told that in the past five years the Maintenance Department had been reorganized by reducing the total number of men employed in it, and yet increasing the number of supervisors. Previously 1,000 men had been regarded as necessary; they were supervised by 50 charge hands. This gives a supervision ratio of 1 to 20. The chief engineer discovered that by raising the number of supervisors to 76 he could reduce the number of tradesmen and other maintenance workers to 800, giving a supervisory ratio of approximately 1 to 10. Under the new organization a higher standard of maintenance has been achieved. There is evidence that, with a declining total manpower, it is precisely this kind of reorganization which is needed in the coal industry—although this does not imply that no other changes are necessary. The Coal Board are aware of this need to improve the capacity of supervision and have launched educational schemes to achieve it.

It is, of course, important to remember that size alone is only one factor in determining the level of morale. Relations in any one working group are influenced strongly by relations throughout the whole pit or factory, and these in turn, by relations throughout the company or administration as a whole. There is a surprising unanimity, in some coal-fields, with which the morale rises or falls, extending down to the ultimate working groups, with the exactitude of a flight of starlings wheeling and dipping before they settle for the night. How this effect is transmitted we do not understand, but it suggests a connection with the quality of the higher management, and a tendency for subordinate managers to pass on to those below them the kind of treatment that they themselves are subjected to from above. Attitudes towards

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the officials of the trade union are also important; there are strong size effects in these fields as well as within those of management, and virtually all the disputes in the coal industry are now "unofficial".

To the student of political theory, however, the reasons for the size effect must still be sought. The engineer referred to in a previous paragraph was convinced that an increase in the density of supervision enabled the men in the primary working groups to get on and do their tasks more promptly and thoroughly because they were supplied with the necessary gear and engineering services more readily as the supervision improved. A study of their daily tasks shows that the foreman or chargehand with a large command is normally under such strain that his relations with his men tend to become purely authoritarian; where, as is generally the case, he has been nursed in an authoritarian tradition, he will attempt to get results by coercion. There is a widespread recognition that coercion cannot be what once it was, but it may be changing its form. For example, industry today is being more widely subjected to mechanical systems of control that may radically change the duties, responsibilities, and hence the status of foremen. This depersonalizing in turn may lead to bad relations between the foreman and the workmen under him. Nothing, it appears, can be more frustrating than to work under a system, either of engineering or administration, that is supposed to be highly efficient but which is in fact liable to go wrong in practice, because of the strain which it throws upon the foremen. Such systems tend to be more critical in the larger units, where the operational emergencies of workman and supervisor are obscured by the length of the chain of command. Where the total task of the foreman is reduced and his supervisory span is shortened, the chances are that he will better be able to provide the men under him with what they need to do their work; this, in turn, will be reflected in improved morale, and, since absenteeism will go down, organization will further improve. The total effect will be self-stimulating.

There is in this a deep philosophical point. There is the interpretation (which would no doubt be that of the miners in already unhappy pits) of increased supervision standing for more managerial pressure or coercion; there is, on the contrary, the interpretation of the chief engineer mentioned above, of supervision being that organ of management which gives the men the opportunity to get on with their tasks. This may be partly an economic

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reason for his successful reorganization, especially if the men are on piece rates, but it is not this alone. Where men work for enterprises that appear to them arbitrary in policy and uncertain in action, they are likely to co-operate less readily in achieving their manifest purposes, and not seldom be disposed to oppose them altogether. It is in the larger unit that any apparent arbitrariness of management policy and any overt failure of the operational plan will tend to be magnified, and hence to diminish the will to co-operate. For the main contribution that a man has to make to a collective task is his own time, and to most men the way they spend their time is important. If they feel that the management which determines both what their tasks are to be and the ways in which they shall do them is remote and perhaps neither very competent nor particularly sympathetic, they are bound to regard their employment as an insult to their self-respect. Confidence in the boss is the most valuable asset of any industry; in the large unit it is the most difficult to engender.

THE GLACIER METAL EXPERIMENTS

By JOHN A. MACK*

THE Glacier Metal Company† is a light engineering firm manufacturing bearings for motor engines and similar installations. It has established itself as a main supplier of these specialized articles, and of other products added in recent years, in a keenly competitive market—keenly competitive for all there are only two firms in it—and in spite of special technical difficulties created by continual pressure to develop new forms of bearings. Unceasing metallurgical experiment and innovation are required to keep up with the needs of customers and the competition of rival and

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† The Company employs just now between three and four thousand people: 1,700 in the parent London factory; 1,250 in the Kilmarnock branch factory and the remainder in various small factories and service stations. This article is partly based on first-hand observation of the Kilmarnock factory.

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powerful research organizations in U.S.A. This side of the firm's development is of course basic to its survival and progress, but as with all other British firms it is not possible, or at any rate not customary, to describe it except in general terms. It is important, however, in any study of the company's experiments in organization and management, the course of which has been so well discussed and documented, to grasp from the beginning that these social developments have been made possible by a series of commercial and technical circumstances and decisions which have hitherto been taken for granted, or overlooked, or regarded as essentially not for publication, or undiscussed for some other reason.

A firm grasp of the commercial-technical realities is moreover needed to answer the basic questions about the experiments: "What is it all about?" "What evidence can be cited to show that whatever was or is being attempted has been realized and to what degree?" The first question has been discussed and elucidated at great length, but seldom in a manner easily intelligible to the outside observer. But now the answer is taking shape. Sympathetic if critical observers like the writer have been confident since the nineteen-forties that something objectively important was going on, and not merely a brilliant essay in industrial idiosyncrasy. That confidence is now being justified by the gradual but progressive concentration of the intellectual and organizational effort on a viable series of operational propositions. The clouds are rolling away. The original tendency to advance in all directions at once, to tackle not the reorganization of the relevant executive relationships but the working of a complete social transformation, the attempt to change the nature of the men and women in Glacier Metal by changing their social settings, has been discarded in favour of a concentration of attention on the work in hand. Only such changes are worth studying (says Mr. W. B. D. Brown in a recent paper) as are likely to help the company "to do its job of developing, making, and selling bearings".* Any other emphasis in the research now going on would diminish its value in the eyes of the people in Glacier Metal; the research "would inevitably come to be regarded as something not concerned with work itself but rather with people in isolation from work" What this means in practice is that instead of taking on the whole field of factory relationships the firm is exam-

* W. B. D. Brown: "An Approach to Problems of Motivation and Morale", *Personnel Practice Bulletin* (Australia), Vol. XI, No. 3, Sept. 1955.

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ining and changing its management structure. "Studies concerned with the role of the manager, the relationship of specialists to their managers and to their managers' other subordinates . . ." have led to "studies of the total role structure of the Company, the size of the command which a manager can effectively control, and the manner in which different kinds of work in the Company are grouped in departments and offices". It is to be noted that this study of management structure in terms of roles, etc., is still one or two removes away from the central activity of "developing, making, and selling bearings". The Glacier Metal research, like most American and British research on these matters, is still primarily directed to the social structure and not to the point of interaction of the social and technical and commercial organization. But, shelving this point for the moment, it is undeniable that these current studies of executive organization are likely to make sense to the world of industry outside Glacier Metal in a way in which the earlier proceedings did not. To the question, "What is it all about?" the answer can now be given: "It is a co-operative attempt by managers and social scientists, authorized by the all-factory Works Council, to adapt the practice of management to the needs of the continuously changing Glacier Metal situation." And as we shall see, it is being carried out with the quite exceptional thoroughness and consistency characteristic of this enterprise.

The marketing-technical realities are also relevant to any attempt at estimating what has been achieved. The objective of the Glacier Metal experiments has been variously described, but it may be summed up in a familiar phrase as the improvement of morale. The concept of morale is itself undefined—good morale is easier to recognize than to describe—but it includes the idea of confidence: confidence in the enterprise, whatever it may be, confidence in the integrity and sincerity of the directing groups, and above all confidence in their capacity to direct the enterprise to a successful issue. Again to quote the managing director: "Nothing is so stimulating as success in achieving the objects for which the factory exists and nothing so depressing as relative failure."*

Judged very roughly by this standard, Glacier Metal—or rather that part of it with which the writer is directly acquainted, the Kilmarnock factory—has made considerable progress in recent years. Its morale has improved. Some years ago, and particularly between 1949 and 1953, the emotional climate of this

* W. B. D. Brown, op. cit., p. 22.

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factory was one of uneasiness, apprehension, and pessimism about the future. Any indication of general economic recession, however slight, caused considerable alarm and anxiety among the knowledgeable ranks of mid-management and "front-line executives", and this was quickly communicated to the factory as a whole. But the very recent indications, in April-May 1956, of colder economic weather in the motor car industry have been observed with comparative equanimity. The old jumpiness has gone, or at least is very much diminished.

The reason for the improvement of morale is clearly perceptible. It is not due to the establishment of stronger links of communication between all grades or to a better understanding of the factory situation and policy among all groups—the things which the factory management formerly stressed. It is due to changes for the better in the discharge by the management of their own specific responsibilities, changes made visible and tangible in the material expansion and greater stability of the factory. In the former period the factory had a feeling of impermanence about it: it works largely on short-term orders, which fluctuate in bulk, and the total demand could conceivably shrink quite suddenly: and up till quite recently some very thorny metallurgical and other processing problems were being tackled without success. Now the "temporary" feeling has gone: the accommodation and the labour force have doubled: the range of products, and of customers, has been widened; steps have been taken to cushion the production line against the effects of fluctuation of demand, and the major technical difficulties of the 1949-54 period have been overcome (no doubt making way for newer troubles).

All of these developments are the outcome of major policy decisions involving among other things a series of changes in the top management of the factory. It is difficult to avoid tracing a connection between the redirection of research attention on to the practice of management and the present consolidation of the firm: it is possible, for example, that the clarification of the role of the managing director* has had something to do with it. But to establish any such connection one would have to pay more attention to the interaction of the research study with the actual course of policy decisions than has as yet proved possible even in Glacier Metal. Meantime it remains to reiterate the truism that in industrial relations, as in other fields, nothing succeeds like suc-

* Described in Elliot Jaques: *Changing Culture of a Factory*, Chap. Eight (1951).

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cess. The best way to improve the morale of a factory, interpreted as confidence in its management, is to have the management do its job in such a way as to inspire confidence.

This account of the Glacier Metal position has so far barely mentioned the feature for which the company is best known. To the outside world Glacier Metal is one of the few dynamic centres of advanced joint consultation. But in the company itself the term has been discarded. The institutions and practices it was used to describe have been retained and incorporated in the working constitution* of the factories, and are operating today quite as vigorously as in the nineteen-forties and probably with more effect. But there is now a much more realistic appreciation of their relative importance in the factory economy. It is recognized that even given the most favourable conditions the practice of consultation, or rather of all-group representation on the bodies charged with the making and changing of factory policies, is only the beginning of industrial wisdom. But the main reason why Glacier Metal no longer uses the language of Joint Consultation is not that the institutions in question were over-valued. It is because the practice of consultation was extended in such a way as to interfere with the effective management of the factory. The later developments in experimental management stem from this discovery by trial and error of the dangers of consultative or democratic management.

The distinctive features of the Glacier Metal institutions—now described in the Company Policy Document as "the representative system" and the "legislative system"—are fairly well known. There is in the two big factories a three-tiered representative system: section committees at the bottom with one representative for every twenty-odd employees: shop department, and grade committees in the second tier: and a works committee, directly elected and representing hourly-paid workers and lower-level staff employees. The principal "legislative" body is the all-factory works council, consisting of representatives of all grades meeting with the general managers to work out general lines of policy. More precisely speaking, the works council shares responsibility with

* This "working constitution" is contained in the Company Policy Document, agreed in 1953. It sets out "the general framework of objectives, principles and regulations within which the Board of Directors, in consonance with the Company's Work Councils, directs that the operational units of the Company shall be governed". It is among other things a kind of charter of the rights and responsibilities of the members of the organization.

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the board of directors for making and changing factory policy within limits set by the board and defined in the Company Policy Document.*

The principle of operation of the works councils is also highly original. On the assumption "that shareholders and members† individually and collectively want to go to the very limit in trying to work out policies which are acceptable to everyone, and that they are willing to tolerate some shortcomings in policy in order to achieve this end, "it is laid down" that councils shall pursue their deliberations until they reach unanimous agreement".‡

These mechanisms for discussion and decision are supported by a system of industrial justice (the "appeals system" in the Company Policy Document) giving to all employees having grievances the right of appeal to successively higher stages of management; and (in principle) to an Arbitration Tribunal.

The important thing about these institutions is that they work. The degree to which the decisions of the works councils actually shape policy is of course a debatable point. It depends not on the good faith of the board and the top management, which is not in question, but on the value which is set on the deliberative and policy making procedures by the factory as a whole and particularly by the hourly paid workers. Broadly speaking the Glacier Metal experiment in consultation (to use the pre-1954 language), an experiment which has gone further than any other towards involving all grades and groups in a self-governing system, has had much the same experience as other undertakings which attempted the more usual advisory kind of joint consultation—the bulk of the workers are not interested in questions beyond their immediate sphere.

In early 1949 the Kilmarnock factory was debating the transition from an advisory works council, as it was then, to a policy-

* "G.1.1. *Company Definitive Policy*, being largely confidential to the Board of Directors, is constituted and recorded in the Minutes of the Board. It shall be communicated by the Managing Director through normal executive and/or representative channels where permissible. . . .

"G.1.2. *Company Conditional Policy* shall be decided by agreement between the Board normally represented by the Managing Director, and by the appropriate Factory Councils (Works Councils). . . ."

It is the latter category *Company Conditional Policy* which is the business of the *Works Council*.

† "Member" is officially defined as follows:

"Legally, Members of the Company refers to Shareholders. For the purposes of this Company Policy Document, however, the term Member will be used to refer to employees, and the term Shareholders will be used whenever Shareholders are referred to."

‡ Company Policy Document: Preamble.

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making works council. It was argued by the top management group that (a) consultation was spurious unless it was more than consultation, i.e. unless it involved a full sharing of managerial responsibility between management and workers; (b) that the factory would not be expected to take seriously such consultative measures as had already been adopted until there had been added the crowning measure of a policy making works council, working on the principle of unanimity. It was noted by the writer at the time "how comparatively uninterested the works committee representatives were in these discussions. No concrete issue was at stake, and they are quite rightly uninterested in merely formal questions. But more important, they could see that the whole issue was meaningless to the people on the floor". In more recent years, following the adoption of a works council which is in principle legislative, the people on the floor are still uncommitted.

The newer realism accepts this. "I think the original philosophy was that you could get everybody in the factory interested in policies at all levels. This certainly has not happened. Looking back, it seems an absurd aim in any case. People were certainly interested in the level of abstraction of policy which immediately concerned them, i.e. policy at section manager level affects people on the floor, and they are certainly interested in unit policy. The bolder spirits take an interest in factory policy and the few in company policy. In so far as these policies are legislated in the proper system, some representatives do get involved in them but it would be untrue to say that their interest is a reflection of a general interest throughout the factory."*

It is of course the case that the whole works council policy-making claim is intentional rather than actual. It is to be judged not by the obvious involvement of a growing number in question of high policy but by its success in causing the people who will in fact be affected by proposed changes to think and argue them out, and not be taken by surprise. This is the point of the remarkable unanimity principle. It is not a matter of "unanimity or deadlock". If differences of opinion prove irreconcilable, "action may be forced by the section which has the most power".† Nor is it, as cynics have suggested, simply the vesting in the managing director, or general manager, of a permanent power of veto. It is primarily a demonstration of belief in the power of discussion to elucidate the "law of the situation", and to give to the eventual

* W. B. D. Brown, 1956, private communication.

† Company Policy Document: Preamble.

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The proof of the pudding is in the eating, and to the ordinary industrial observer the Glacier Metal system, however far it may fall short of its own initial objectives, has a good record of achievement. "Ten years' experience of such a constitutional mechanism", wrote the managing director in 1950, "has shown that it has a profound effect on behaviour and instead of slowing up change, as some might fear, has allowed of a much greater rate (of change) in technical and social spheres than is usual."* One example is the discussion initiated some years ago about methods of payment. Broadly speaking the issue was one of substituting flat-payments for individual and small group piece-work. Such a change makes for greater ease and flexibility in changing from job to job. In a factory like that of Glacier Metal, working frequently on short-run orders, the production engineers might be in every other day, when the machines were being set for a new job, to agree new piece-rates. But on a flat-rate system—the wage being set on the average earnings of each worker for an agreed period,† there is saved not only the expense of the production engineers but also a great deal of worry and dispute over individual rates. The abolition of piece-work also allows changes in manufacturing technique to be introduced quickly and easily. In short, it is obvious common sense. But it comes up against old habits of mind: it raises a great deal of bad feeling and suspicion to tamper with customary methods of paying wages. In this case the matter having been argued out in works council it went down both the executive and the consultative channels to department and section level, where it was again discussed and put to the vote in each section. After much debate in the different parts of the company the change has been carried through in all but one or two departments of one factory. Meantime some larger light engineering undertakings outside Glacier Metals who have been critical of the change, and cynical as to its effects on production, have very recently come to adopt it themselves.

The main emphasis in Glacier Metal thinking today is, however, laid elsewhere than on consultation. One reason for this has already been indicated. Glacier Metal experience confirms the experience of industry in general that consultation by itself makes little impact on the basic attitudes of the ordinary worker. The company has provided most of the conditions demanded by the

* W. B. D. Brown, "The Human Aspects", *British Management Review*, Vol. II, No. 3.
† and adjusted periodically therefore with a merit rate for individual difference in skill.

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most captious of worker critics; and the greater part of the people in the factory remain unmoved. The old gap between labour and management, the clear differentiation (if not conflict) between the two groups, is still there. Mr. W. B. D. Brown queries this. He labels the "division into bosses and the rest" as a false dichotomy. The "worker-management conflict" exists as a state of mind, but it is a fantasy-picture, a hang-over from the past which industry must shake off.* But there may be more to it than that. The basic rank-and-file trade union attitude is still one of non-co-operation and latent resistance.† It is significant that independent or even militant trade union feeling is increasing to some extent in Glacier Metal itself. This suggests that the labour-management opposition, or awareness of differences of interest, of which active trade unionism is a manifestation, is not simply a product of old style power-addicted uncommunicative management. It is apparently inherent in the industrial situation.

The reluctant recognition of this basic inassimilability may be one of the many factors determining the basic shift in Glacier Metal thinking in recent years. Attention is no longer focused on consultation, with the emphasis on discussion, but on the precise definition of the system of executive responsibilities, with the emphasis on decision. This is probably the principal outcome of the remarkable research development which began in 1948 as a government-sponsored project and which has been carried on since 1951 by the company under the auspices of the works council. The research began by reviewing a series of problems arising in a wide range of groups throughout the factory, and mostly connected with the consultative system in one or other of its aspects.‡ The method of discussion and analysis—Dr. Elliot Jaques now describes himself as the "social analyst"—appeared to be predominantly directed to the subjective aspect of the group experiences, to the "uncovering" and "working through" of "conflicts" and "anxieties" and to problems of inter-personal and inter-group adjustments. But the growing-points of the work (in so far as one can follow the detailed description of group discussions) appeared even at that stage to be located in the higher management or mid-management structure: and more attention

* W. B. D. Brown v. *Fabian Quarterly*, March 1956, "Can There Be Industrial Democracy."

† "A (district) trade union officer must . . . have a reputation for being aggressive, and be able to stand up to the employers. The members tend to regard these qualities as more necessary than a high level of intelligence." Article on "Trade Union Leadership", *Political Quarterly*, Jan.-March 1956, p. 78.

‡ *The Changing Culture of a Factory*, pp. 19-23.

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was paid as time went on to the objective needs of the factory for a clearer executive leadership and for a more precisely articulated system of executive responsibility. One of the possible reasons for the failure of the Glacier Metal experiments in this second reflective phase to make a stronger impact on industry in general, is that a process of recalling the factory to the objective necessities of its organizational structure was at first couched in the language of the psychiatric consultant. But even so the accounts given of the discussions with the superintendents (in Chapter Seven) and with the Divisional Managers (in Chapter Eight) illustrate the movement of interest over to the management structure. It was indeed accelerated by the initial pre-occupation with consultation. "The assignment of greater responsibility to the consultative structure, together with the sanctioning of greater authority for it, has in turn made greater demands for efficient and powerful management than have been experienced in the factory before."*

The superintendents, for example, were the first to voice the view now generally adopted, that higher management in the golden days of consultation had set too high a value on "human relations" in isolation from the work of the factory. "Knowledge about making bearings was supposed to be a secondary consideration."† These beliefs created considerable tension between older technical men in Grade II and younger socially skilful men who had been given Grade I staff status. But the main achievement of this discussion is well summarized by Dr. Jaques: it consists in the reaffirmation of the need for a clear executive system in which everyone would know where he stood. The consultative idea had replaced the tough pre-1939 management policy: but as a result "the middle management stratum of superintendents and departmental managers had become displaced persons. . . ."‡ The establishment of a "democratic" superintendents' committee, with one place on the works council, in some ways made matters worse. For the superintendents felt that not only had their authority and status been nibbled away by functional managers and by committees of workers, but that the new arrangement debarred them from ever again being "part of a coherently functioning executive chain in which they could meet and discuss their jobs with their own immediate superiors and

* *The Changing Culture of a Factory*, p. 272.

† *Ibid.*, p. 191.

‡ *Ibid.*, p. 204.

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decisions of the council the sanction of an agreement which has been thoroughly worked out.

receive direction from them".* As a result of searching discussion however the executive chain was re-welded. "The top management is accepting full responsibility for all executive work: in his turn the works manager becomes responsible for directing the work of the superintendents, and they for directing the work of their own shops. That such a point seems obvious overlooks the fact that this is not a return to any previous form of organization within the factory. There has been a creative development. The 'big stick' or 'tough leadership' policy which was maintained until 1940 was replaced by what they refer to as the 'soft' or 'consultative' policy: this latter has now given way, not to the old 'big stick' system, but to a new form of organization for this factory, with real authority derived from consultation, and subject to review by those who are directed."†

The discussions in the top management group, the divisional managers' meeting, produced two major clarifications. First the two roles of the chief executive of the company, who was both managing director of the company and general manager of the London factory, were distinguished. He had been giving his London factory divisional managers general policy directives (in his role of managing director) and neglecting his responsibility as general manager for executive leadership, i.e. for giving specific instructions as to what things should be done in what order. Secondly he had been misled by the illusion that there was such a thing as democratic management in which no orders need be given. "Democratic behaviour, which was given high positive value, was equated with consultation."‡ Consultation in this case meant discussion between an executive and his immediate subordinates in which no authority is exercised—the subordinates being allowed to do whatever they might decide, so long as the matter had been fully thrashed out. Authoritarian behaviour, which was held in low regard, was identified with ordering anyone to do anything. But this misapprehension was quickly abandoned.|| "The acceptance by the general manager of his responsibility for the executive leadership of the top management group was accompanied by the giving up of notions that to give orders was

* *Ibid.*

† *Ibid.*, p. 205.

‡ *Ibid.*, p. 276.

|| v. the article in the *Fabian Quarterly*, March 1956, pp. 14-22, for a critique of the evils of importing political analogies into industry.

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necessarily autocratic and hence bad, both ethically and in the sense that orders automatically produced a reaction of rejection.”*

The warning given at the beginning of this article is relevant here. The Divisional Managers' discussions described in *The Changing Culture of a Factory*, did not reflect any more than a small sector of the matters being dealt with by top management at the time. The anarcho-democratic confusion referred to is not reflected in the general policy of the company. Simultaneously with these discussions, which were primarily concerned with the social organization of the factory, a series of major and technical operations were being conducted with considerable vigour and effect.† This is the crucial point. The Glacier Metal developments cannot be properly understood if one does not bear in mind the keenly competitive conditions within which the company operates. The ardour of the fight imparts at times an almost electric quality to the atmosphere of Glacier Metal. Life there for the technically-minded and committed in-group (a larger and more representative in-group than in most undertakings) is exhausting, but in the last resort the more enjoyable, because of the struggle. And the last charge that can be levelled at the company's chief executive is that in conducting it he is in any way indecisive. Indeed a great part of the *élan vital* of the company, sustaining its larger social enterprise, and securing first tolerance and then approval for its remarkable experiments in self-study, stems from the confidence of the in-group in the ability of top management to keep the flag flying. Yet this underground power-centre of Glacier Metal group dynamics is excluded from consideration, as we have observed, by the conventions of British industrial reticence and (to some extent) by the conceptual approach of the research group.

To the ordinary British industrialist the remarkable deliberation and articulateness of the Glacier Metal research into management is at first sight alarming and even somewhat shocking. “We know all these things,” is a usual comment, “and we act on them, but we don't talk so much about them. These are things you don't talk about. When old Joe has to be moved (promoted out of harm's way, let's say) you do it diplomatically; you don't work it all out with old Joe.”

* Ibid., p. 243.

† During the discussions in the Divisional Managers Meeting “an extremely active technical development was being carried out and examination of the Managing Director's deployment of his own time left no doubt that he was the active leader in the firm's technical work”, *ibid.*, p. 227.

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This is fair comment as far as it goes. Glacier Metal research into its own workings has probably been too articulate in the realm of social-psychological introspection—in the “human relations” side of things divorced from the forces which drive the enterprise on. It has not been articulate enough about the technical and marketing and organizational decisions which are the fundamental pre-occupation of the company. But it is moving all the time nearer the heart of the matter.

The most recent publication of the research group, for example, is a beautifully direct and quite non-psychiatric study.* It aims at establishing a precise relation between the wage and salary and status differentials accorded to the different positions or roles in industrial undertakings, and the time-span of responsibility inhering in each role. The view that the scale of rewards in money or status accorded to individuals in an undertaking varies directly with the length of the period in which the individual is allowed to work on his own, without supervision or review, accords roughly with common practice. The object of the study is, however, to work out the relation in detail and to use it as a precise measuring instrument of status and reward in industry. Whether its main purpose has been achieved is a matter for debate. The point of immediate interest is that it describes some highly original and important methods of analysis of executive roles, designed to estimate the degree of discretionary judgment and capacity for decision required for the effective discharge of responsibilities at all levels of industrial operation. In this it illustrates precisely the increasing realism and effectiveness of the approach being made by Glacier Metal to the major industrial task of our time, the systematic improvement of the practice of industrial management.

* Elliot Jaques: *Measurement of Responsibility* (1956).

EMPLOYERS AND INDUSTRIAL RELATIONS IN BRITAIN AND AMERICA

By B. C. ROBERTS*

I

IT is often contended by visiting American experts that one of the main reasons why British industry is less dynamic than industry in the United States is the fact that British employers have much less tough and ruthless trade unions to deal with. British observers of America are inclined, on the other hand, to hold the opinion that American employers are less tied than their British counterparts by restrictive practices imposed by the trade unions. There is certainly some truth in both of these contentions; in their approach to industrial relations unions and employers in the United States are certainly more aggressive and ready to innovate than employers and trade unions in this country. We tend, in Britain, to imagine that we have a unique flair for handling the rubs of industrial life; it has almost become inevitable that the Minister of Labour, whether Tory or Labour, will round off his answer to any criticism of the state of industrial relations with the remark that "our industrial relations are the best in the world". This view, which is deep rooted among employers and trade unionists, as well as politicians, is complacent and insular; whatever short-comings the pattern of industrial relations in America may show, it is worth while considering the way in which problems that we have conspicuously failed to solve have been tackled in that country.

With few exceptions employers in both Britain and America have in the past tended to regard labour as a commodity to be bought when needed and discarded with little further thought when no longer required. The growth of trade unions, the development of protective legislation and the change in the social climate that followed the advance of democracy gradually altered the attitude of employers in both countries. Wage earners are not yet given the security of tenure enjoyed by salaried employees, but the trend, especially in some large organizations, appears to

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be in that direction.* The evolution of the status of employees has, however, a very long way to go before the conflict between employer and worker disappears. Indeed, it could be argued, and it is argued strongly in the United States, that conflict between employers and workers is an essential feature of a democratic society and the most important stimulant of industrial progress; from this it follows that the complete substitution of the corporate concept of industry, for the present division of power and conflict of interest, would be regarded in the United States as a dangerous step.† There is a much stronger sentiment in Britain, that stems from both right and left in politics, in favour of the organic state and the corporate industry, but vested interest and the British addiction to pragmatism effectively prevent a Gadarene rush in this direction.‡

Very few employers in Britain refuse to recognize trade unions today, but unlike employers in the United States, they cannot be compelled to recognize a union, nor can an employer be prevented by law from making, if he so desires, non-membership of a union a condition of employment.¶ In the United States workers have the right to decide in each plant, at an election conducted by an independent public agency, the National Labour Relations Board, whether they want a union or not; if there is more than one union involved the one winning the election is certified as the bargaining agent of all the workers covered by the election. Employers are forbidden by law to discriminate in their employment practices against union members; they may discourage union membership by general propaganda, but they may not otherwise interfere with an employee's right to join a union.

The difference of approach to the problem of union organization in the United States stems from the far more ruthless opposition of employers to trade unions which made the spread of collective organization from narrow craft associations to industrial organizations catering for every grade of wage earner, a much slower development than in this country. American employers freely used violence and bloodshed in an endeavour to suppress the growth of trade unionism and many industries were only organized under the protection of the National Labour

* Wages have not yet become an overhead cost, as a speaker on the B.B.C. recently argued (4th May 1956), but the large-scale modern corporation endeavours to make employment something more than the mere fulfilment of a contract.

† Cf. F. W. HARBISON and J. R. COLEMAN, *Goals and Strategy in Collective Bargaining*.

‡ Cf. MILNE-BAILEY, *Trade Unions and the State*.

¶ For a discussion of the legal situation see O. KAHN-FREUND, "The Legal Framework", Chapter 11 in *The System of Industrial Relations in Great Britain*, ed. Flanders and Clegg.

Relations Act passed during the Roosevelt New Deal era.* Though the bigger American employers are for the most part now reconciled to the fact of trade unionism and have established a *modus vivendi* with it, there are still many employers, especially the smaller ones, who take every opportunity to try to undermine the existence of the unions.† In particular there is strong opposition to the "closed shop" and its somewhat weaker variant the "union shop", and quite a number of states, under the influence of employers, have passed what are called "right to work laws", which make any form of compulsory union membership illegal, or difficult to achieve.‡ Thus it would be true to say that American employers have resisted, and many continue to resist, the growth of trade unionism more vigorously than British employers, but those that have been compelled by economic and political fact to accept the unions have done so in a thoroughgoing and systematic fashion.

The growth of trade unionism in the United States has in turn been responsible for stimulating the development of personnel management. The fact that in many American corporations a Vice-President is in charge of industrial relations is a measure of the importance that is attributed to this field of managerial responsibilities. Only rarely in Britain is the head of a personnel department an individual of equivalent status. The personnel departments of big American companies generally enjoy a considerable prestige and many firms have sought deliberately to enhance their standing in the community by the pursuit of an advanced personnel policy. American employers are far more ready than the British to take credit for their progressive attitude towards industrial relations; if an employer believes he provides a first-class personnel service then he is anxious to let people know about it, good wine needs no bush is that or, by comparison, usually the attitude of British employers who tend to be reserved about their labour policy; this is typified by the reticence of British employers even to state their case in full detail when an industrial dispute occurs.

* F. R. Dulles, *Labour in America*.

† The National Association of Manufacturers and Chambers of Commerce spend a great deal of time and money in counter-union activities.

‡ Union Security in 1954, *Monthly Labour Review*, June 1955. By March 1955, twenty-two states had passed legislation banning or regulating agreements to make union membership a condition of employment. Most of these states are located in the south and west, and they are more rural than industrial. The large manufacturing states of the mid-west and the east have in the main not outlawed union security agreements and union membership is generally a condition of employment in organized plants.

When employers in Britain realized that they had been deprived of their freedom to determine, almost unilaterally, the terms and conditions on which they would allow a man to work, and since the state refused to curb the growing strength of trade unionism they turned, reluctantly, to follow the example of labour and organized themselves. In the past fifty years employers' organizations have been formed in most trades and industries; so that today more than 2,000 are listed in the Directory of Employers' Organizations.

No similar development occurred in the United States; this was partly because of the size of the country, but mainly because of the individualistic attitude of employers themselves and the national fear of monopoly which resulted in the anti-trust legislation.

Organizations of employers do exist in the United States but they have not the same significance from the point of view of industrial relations as in Britain, or for that matter in Sweden, Germany and other continental countries. Collective bargaining in Britain is now primarily carried on between the unions and employers' organizations and the area covered by agreements is frequently an entire industry, whereas in America the principal type of collective agreement covers only one firm or plant. Some industries in the United States, for example, coal, have industry-wide agreements and some others are tending in this direction, but it is generally true to say that neither the employers nor the unions show any strong desire to exchange local for national agreements.*

Though public attention in Britain is mainly focused on national bargaining, full employment has had the effect of increasing the activities of trade union representatives at the factory level and of promoting an easier-going attitude towards labour policy among individual employers. The exact role which British employers permit unions to play at the factory level differs considerably from place to place. Management is generally extremely conscious of what it likes to call its prerogatives, though some bold experiments in joint consultation have been made and the nationalized industries are slowly evolving a new relationship between unions and management.† The traditional attitude is

* The northern and southern operations in the American coal-fields have in fact separate agreements, but there is little difference between them. There is a tendency in other industries for agreements to follow the pattern that is set by the key plant or firm.

† See for example, E. Jaques, *The Changing Culture of a Factory*, a study of a new approach to industrial relations in a private factory; G. Baldwin's study of the coal industry, *Beyond Nationalisation*, is the only thorough study of industrial relations in a post-war nationalized industry yet made.

firmly expressed in the opening clause of the national agreement covering the engineering industry, which begins, "The Employers have the right to manage their establishments"; many strikes and lock-outs have been fought in this industry over conflicting interpretations of this important, but ambiguously defined right. Although the general approach to industrial relations in the United States, by both labour and employers, is much more dynamic and volatile, it is also much more legalistic than is the case in Britain. Both sides seek to have every question spelled out in collective agreements, so that the rights and duties of the parties are laid down as clearly as possible. Hence lawyers—labour law is a special branch of the legal profession in America—are employed by both unions and management, and they play a much more important role in the determination of industrial relations in the United States than in this country. Since the object is to cover every issue in the agreement there is no reason why a strike should occur during its currency and there are normally provisions for the arbitration of grievances that might arise under the interpretation of its clauses.* The arbitrators are often named in the agreement, and are usually college professors, clergymen or lawyers. Arbitration has become, in fact, almost a profession and its standards are maintained by a professional body, the American Academy of Arbitrators.

The British approach to industrial relations at the factory level is much more informal. This is reflected by the fact that procedure, rights and duties are often determined by a works agreement that consists to a large part of custom and practice.† There is no widespread system of arbitration of unsettled grievances, though in some industries, for example engineering, it is possible to go through a complicated and lengthy procedure that runs from local to national level.‡ The end result, however, might be no more than a decision to register failure to agree. This procedure has for a long time been criticized as frustrating and provoking; it is, however, symbolic of the British approach to industrial relations, which has about it much of the national characteristic of muddling through.

In spite of the fact that in the United States each plant has its

* H. W. Davey, *Contemporary Collective Bargaining*, provides an excellent account of collective bargaining in America.

† For a general account of industrial procedures see the *Industrial Relations Handbook*, H.M.S.O.

‡ The best study of collective bargaining in the engineering industry is to be found in *Labour Management Relations under Industry Wide Bargaining*, by Milton Derber.

own separate agreement there is a greater uniformity of employment practice in many respects than there is under national collective bargaining in this country. For example, though employers often vigorously denounce the unions and their activities, "most of the 125,000 labour-management contracts in the United States contain some type of union security provision".* That is to say they provide, in some degree, for union membership as a condition of employment;† in Britain compulsory membership is the exception rather than the rule.‡ Lay-offs and re-hiring by American employers are regulated under almost every collective agreement by the seniority principle; this principle is also often followed by British employers, but it is very far from being the standard practice here. Shop stewards are invariably given special protection, and their functions and rights are very carefully set forth in nearly every American agreement, whereas they are rarely mentioned in British agreements. Other instances of practices that are becoming standardized are personnel and welfare programmes. In all these fields there is paradoxically, far less standardization in Britain than in the United States.

The untidy informality of the British system has the advantage of flexibility, but the failure to put industrial relations on a more systematic basis at the place of work is to a large extent the cause of the irresponsible behaviour of both shop stewards and management in certain sections of industry. The situation that seems to arise so often in the engineering and other industries, where local action is taken by the stewards without the knowledge, or authority of the union, happens far less frequently in the United States.||

It is often asserted that American trade unions do not engage in restrictive practices because they are far keener to secure higher production than British unions. This picture of American unions requires a good many qualifications before it can be said

* *Labor's Economic Review*—AFL-CIO, January 1956.

† See Union Status Provisions in Collective Agreements, 1952, *Monthly Labour Review*, April 1953; and Union Security Provisions in Agreements, 1954, *Monthly Labour Review*, June 1955.

‡ Where union membership is a condition of employment, in Britain, it is often the result of a tacit understanding with the employers rather than a formal agreement. The attitude of British employers has been on the one hand neither as hostile to 100 per cent trade unionism nor on the other hand have they been as ready as American employers to enter into specific agreements precisely defining the rights of the unions in this respect. The attitude of the British employers to this question is typical of their approach to problems in general; whereas the American employer tends to see things in terms of black or white, the British employer is inclined to look upon everything as a shade of grey.

|| See my *Trade Union Government and Administration in Great Britain* for a discussion of the functions of shop stewards in British unions.

to resemble the whole truth. There are plenty of restrictive practices in American industry, but American unions are more ready to do a deal with management by way of a *quid pro quo*—"we'll accept this new machine if you will give us a fair share of the profit". It is here that the seniority system helps, for if there are any redundancies it is the last in who are first out; thus those who have a reasonable degree of seniority are rarely threatened by normal technological change, but they do gain from the higher pay that results. The view is firmly held in America that it is the job of management to get production and it is the job of the unions to see that this is not achieved at the expense of their members. It follows from this point of view that there is much less attachment to piece-rates in the United States than is the case in Britain. Piece-rates, many American managements hold, not only put too much responsibility for producing efficiently on the individual operative, but they also create friction and unrest; they are, therefore, to be avoided. American management is, however, much concerned with increasing efficiency by rationalizing layout and production methods. The high level of wages and competitive market conditions in the United States make American employers extremely conscious of the need to save labour, and in pursuit of this goal they are far more relentless than British employers. Work study is widely used and the unions have trained their own industrial engineers and shop stewards to handle problems as they arise.* In the steel industry a programme of work study and job evaluation was jointly developed and installed by the management and the unions, but the usual role of the union is that of a watch-dog over its members' rights.† It is interesting to note that production standards are not included in the recent agreement between the big motor car companies and the United Automobile Workers Union; apparently both union and the companies prefer to be free to bargain at any time over changes that might be proposed rather than be tied by a formula. Generally, American unions do not oppose work study—indeed they press for it if a firm cannot pay adequate wages—but they refuse to admit that these modern techniques are 100 per cent accurate and they insist on the right to bargain about grades, rates and times for jobs.

* Some unions, notably the National Union of General and Municipal Workers, are now following a similar policy in this country.

† An example of a similar arrangement in this country is to be found in the recent agreement made between the employers and the union in the boot and shoe industry.

Another distinct difference in the attitude of British and American employers and unions towards industrial relations is to be seen in the field of joint consultation. In Britain joint consultation is often looked upon as an activity to be kept quite separate from negotiations; the view is held that consultation and collective bargaining are inspired by different principles, and, therefore, that each requires a different approach. In the United States consultation is carried out through the union-management procedures and neither employers nor workers would be prepared to by-pass these arrangements. Consultative committees on the British model would probably, for the United States, savour too much of company unionism which was outlawed by the National Labour Relations Act. Joint consultation, though strongly supported by the unions, developed in Britain as an alternative to broadening the basis of collective bargaining. Since the unions were mainly concerned with national wage agreements and often took little interest in the problems of the individual firm the growth of supplementary machinery for the consideration of factory issues was a natural development. In practice, however, joint consultative committees have very often become bargaining committees with the workers' and employers' representatives facing each other as two sides. Some British employers have long been quite clear that to separate joint consultation from the functions of the union created more problems than it solved,* and have counselled against it. Others have persisted and some have succeeded in establishing machinery that works well without any link with the trade unions. Those employers that have built up effective joint consultative machinery have only done so by dint of continuous effort, careful nursing and an exceptional talent for achieving good human relations.

II

Although the British system of collective bargaining is based on national negotiations and industry-wide agreements it leaves plenty of room for plant negotiations and plant differentiated wage structures. The drawback to the present method of wage-setting is that national negotiations tend to give the outcome a tremendous symbolic importance. Trade unions are encouraged by this fact, since success in national bargaining is the primary test of successful leadership, and by the knowledge that em-

* Sir Charles Renold. *Joint Consultation over Thirty Years: a case study.*

ployers are generally paying well above the prevailing wage rates, to pitch their claims high. The employers' organizations, for opposite reasons, tend to strike an almost entirely negative attitude. They never take the initiative since their members prefer to do their own skirmishing and look upon their association mainly as a line of defence. The effect of this situation is to make a national strike a possibility whenever negotiations between an employers' organization and the trade unions break down. Another disadvantage of concentrating attention on national agreements is that British unions have, perhaps, not given the same degree of attention to the wage structures of firms as their American counterparts.

One fundamental difference in the pattern of collective bargaining between the two countries is that American employers have generally only one union to deal with. Under the National Labour Relations Act, and now the Taft-Hartley Act, representative elections are conducted by the National Labour Relations Board to determine which union shall be the bargaining agent—the workers have also the right to vote for no union at all. Once a union has been declared to be the bargaining agent, then the employer is compelled by law to bargain in good faith. There are many other things an American employer is not free to do without committing the offence known as an unfair labour practice, but he at least does not have to deal with perhaps as many as a dozen competing unions at the same time.* British employers find themselves in an extremely difficult situation when confronted by a wage demand that involves the changing of differentials, since they are usually faced with a delicate inter-union situation that can easily lead to a serious conflict. Since British employers' associations are mainly concerned with national agreements, they have paid little attention to wage-rate differentials; at any rate they rarely suggest, in national negotiations, any major alteration to relative rates, though they might resist a drastic change. British employers' associations prefer to allow the unions to settle the problem between themselves and they are usually willing to accept a solution agreed upon by the unions so long as it does not involve too great an addition to labour cost. This negative attitude is almost certainly due to fear of stirring up a hornets' nest and to the knowledge that individual firms prefer to adjust their own differentials to suit their own needs; it has, however, resulted in facilitating the narrowing of wage-rate differentials to a

* H. A. Millis and E. C. Brown. *From the Wagner Act to Taft-Hartley*.

degree that is now regarded as incompatible with a fair reward for skill and responsibility.

Although the attitude of the employers and the behaviour of the unions have contributed towards the narrowing of wage-rate differentials, there have also been long-run forces at work in the labour market* pushing in this direction. The compression of differentials now appears to be slackening in both Britain and America, and it may well be that technological change will lead to the pulling out of the income concertina. Whatever pressures are generated by basic alterations in social and economic trends they will be translated into an appropriate wages pattern by the unions and the employers.

It is almost certain that wage rates would have risen higher in Britain during the past ten years, had collective bargaining not been to a large degree centralized. Employers' associations have been as successful in their efforts to keep wage rates below the competitive market price for labour during the past decade of full employment, as trade unions were in keeping wage rates above the market level in the pre-war period of unemployment. However, the artificial barriers imposed by collective bargaining were by-passed in both situations since they did not make for a stable equilibrium. Before the war employers reduced their labour cost in a variety of different ways so that the net effect of trade union action was probably small. Since 1945, employers anxious to recruit and maintain an adequate labour force appear to have found no great difficulty, even when members of an association, in paying total wages far above the collectively determined rate. The attitude of the employers, as members of associations, has always been to resist demands by the unions for higher wage rates, but as individual firms they have been willing to ensure that the average earnings of their employees far exceeded the

* There is now a considerable literature on this aspect of wages with a division of opinion as to the effect of trade unions. See H. M. Douty, "Union Impact on Wage Structures," *Annual Proceedings, Industrial Relations Research Association*, 1953; M. W. Reder, "The Theory of Occupational Wage Differentials," *American Economic Review*, December 1955; Harry Ober, "Occupational Wage Differentials, 1907-47," *Monthly Labour Review*, November 1953; K. G. J. C. Knowles and D. J. Robertson, "Differences between the Wages of Skilled and Unskilled Workers, 1880-1950," *Bulletin, Oxford Institute of Statistics*, April 1951; H. A. Turner, "Trade Unions, Differentials, and the Levelling of Wages," *The Manchester School of Economic and Social Studies*, September 1952; A. G. B. Fisher, "Education and Relative Wage Rates," *International Labour Review*, June 1932; Colin Clark, *The Conditions of Economic Progress*, 2nd ed., Macmillan, 1951; J. T. Dunlop and Melvin Rothbaum, "International Comparisons of Wage Structures," *International Labour Review*, April 1955; L. G. Reynolds, "Labour Economics and Labour Relations," T. P. Kanninen, "Occupational Wage Relationships in Manufacturing, 1951-53," *Monthly Labour Review*, November 1953.

wage rates agreed upon.* The effect of this policy has been to produce a situation in Britain where there is often little relation between the formally recognized wage rate for a job and the actual wage that is paid for doing it.

This bifocal wage policy gives employers a convenient degree of flexibility, since they can adjust their actual wage payments to the level demanded by a competitive market situation. Moreover, as an important part of the excess earnings is paid for at overtime rates, a fall in production is automatically cushioned by a fall in unit labour cost, though the fall will to some extent be offset by an increase in overheads per unit of output.

Though British employers' associations appear to have played a negative role in national wage negotiations, their failure to hold their members to the agreed rates in the post-war years has permitted the inflationary rise in wage and salary incomes. Employers have probably been more responsible for putting wages up by competitive bidding than trade unions have been responsible for pushing them up by their demands. Neither employers nor trade unionists should be blamed for this state of affairs since the responsibility for the over-rapid expansion of private incomes rests with the general economic policy of the government; without the connivance of the authorities the wage increases which employers have been willing to pay could not have been financed. Post-war experience clearly establishes that no form of national wages policy which places the onus of responsibility on the unions by asking them to restrain their demands for higher incomes can work effectively if employers are free and willing to pay more in order to satisfy their labour requirements. The great widening of the gap between wage rates and earnings in Britain, especially from 1948 to 1950, provides ample evidence of the truth of this statement. The most effective way of ensuring that wage incomes do not outstrip the availability of consumer goods is to see that the profits of employers are not so easily earned. Employers, as individuals, as well as in organizations, would then be compelled either to resist union wage demands more effectively, or to suffer a sharp cut in profit margins. If the unions push too hard and the government holds the quantity of money fairly steady the result is bound to be an increase in unemployment which will have the effect sooner or later of throttling excess

* For an analysis of the elements making for the difference between wage rates and earnings, see G. Penrice, "Earnings and Wage Rates, 1948-55", *London and Cambridge Economic Bulletin*, December 1955.

demand for money incomes, providing the government does not lose its political courage too soon. The only alternative method of dealing with the constant tendency for employers to pay incomes which outrun productivity would be a thorough-going national wages and salaries policy enforced by penal sanctions.* Such a policy was, in fact, tried by the United States from the end of 1950 to the end of 1952.† The experiment ultimately failed because in a free society it is impossible to enforce a policy that is strongly disliked by both employers and unions.

III

British employers and unions have made no developments in recent years as imaginative as the long-term agreement and the introduction of an automatic annual increase in wage rates based on an estimated future rise in production, or the guaranteed annual wage, or the pension and health programmes which are now becoming a standard feature of good employment practice in the United States.

The motor car manufacturing industry has been the pioneer of most of these important developments in industrial relations in America. It was under an agreement between the General Motors Corporation and the United Automobile Workers' Union, signed in 1948, that the annual increase based on advances in productivity was introduced. Two years later this idea was embodied in a long-term agreement. Clause 101 (a) of the 1950 agreement stated, "The annual improvement factor provided herein recognizes that a continuing improvement in the standard of living of employees depends upon technological progress, better tools, methods, processes and equipment, and a co-operative attitude on the part of all parties in such progress. It further recognizes the principle that to produce more with the same amount of human effort is a sound economic and social objective." Accordingly all employees were to receive an annual increase for the next five years, without further negotiation, of 4 cents per hour. This sum was arrived at on the assumption that the American economy would grow at a rate of about 2½ per cent per annum. In addition to this improvement in wages, basic rates were fixed to a cost of

* Some control over dividends and capital gains would also have to be established to satisfy the requirements of equity.

† For an account of the experiment see my article, "Wage Stabilization in the United States", *Oxford Economic Papers*, Vol. IV, No. 2, July 1952.

living sliding scale so as to ensure that the annual increase would not be vitiated by a fall in the value of money. The combination of a long-term contract with a cost of living sliding scale and annual increase of wages at a rate equal to the annual rise in production would seem not only to provide workers with a rising standard of real income, and employers with labour costs predictable over a longer run than hitherto, but it could also be a positive help in finding a way out of the wage-price spiral problem, providing that employers did not undermine stability by allowing a large concealed wage glide to occur through upgrading, overtime, bonus and other extra payments.

Even under the agreements described a major element of income insecurity for the workers in the American motor car industry still exists; this arises from the annual model change which results in a substantial number of employees being laid off during the period of re-tooling. It was to remedy this situation that the demand for a guaranteed annual wage was put forward by the leaders of the Union of Automobile Workers. The idea was not new; it had operated for some time in a handful of small plants, but no major employer had given it serious consideration.* The re-negotiations at the end of the five-year agreements provided the opportunity for incorporating, in a somewhat changed form, the demand that the employer should guarantee his workpeople a reasonable proportion of their average wage when he has to lay them off temporarily. The agreement made between the Ford Motor Co. and the Automobile Workers' union provides for the payment to workpeople, laid-off after 1st June 1956, a supplement to the state unemployment insurance that will give them a total income equal to a maximum of 65 per cent of their weekly straight-time pay, after taxes have been deducted, for a 40-hour week, for the first four weeks of unemployment; thereafter the maximum benefit will fall to 60 per cent and will run for another twenty-two weeks, making a total of six months' possible receipt of supplementation.

The scheme is to be financed by the company paying into a fund 5 cents per hour for each man employed. The benefit to be paid to laid-off workers will be contingent upon the total amount in the fund; how much benefit an individual draws will also depend on the amount of credit he has accumulated in the fund

* United States Bureau of Labour Statistics. "Guaranteed Wage Plans in the United States, Washington, 1947". (Bulletin No. 925.)

(based on the length of his employment) and his seniority with the firm.*

An interesting variant on the motor car industry schemes is one adopted in the glass industry.† Contributions made by the glass companies that have decided to introduce a supplementary benefit scheme will be paid into a fund for each individual employee who will be entitled to make withdrawals when sick or laid-off up to the total amount that has been credited to his name. This scheme is not connected with state insurance benefits in any way, nor are the funds accumulated in a central pool.

The emergence of severe seasonal unemployment in the British motor manufacturing industry and the advent of large-scale projects for the introduction of automatic machinery inevitably suggest that some kind of supplementary unemployment benefit may well become a pressing issue. If the attitude of British workpeople towards the introduction of labour-saving machinery is to be changed some kind of additional income security to that now provided by our system of national insurance is urgently required. At present a laid-off worker in the motor industry earning say £12 to £14 per week with a wife and two children would draw unemployment benefit of £4 per week. It would clearly be ridiculous for employers to imagine that any worker is going to look with equanimity on even the shortest run unemployment in the face of an income reduction of this kind. What is most astonishing is the absolute failure of the trade unions to consider this situation and to put forward constructive demands to meet it. Responsibility appears to have been abrogated by default to the shop stewards whose response often tends to be an entirely negative resistance to redundancy. It is when measured against issues of this kind that by comparison with their American counterparts British employers and unions appear to have lost the capacity to act with imagination.‡

The most startling development in the field of industrial relations during the past decade in the United States has been in the rapid expansion of private health, insurance and pension provisions financed either entirely or partially by employers. There

* "The 1955 Ford and General Motors Union Contracts", *Monthly Labour Review*, August 1955. "Where America Leads", by Ben Roberts, *Socialist Commentary*, September 1955.

† Referred to by H. M. Douy in a public lecture on Trade Unionism and Post-War Wage Bargaining in the United States, given at the London School of Economics, May 1956.

‡ It should be mentioned that the employers in the British tin plate industry have established a fund, based on a levy on each box produced, to compensate workers made idle by the closing down of the old hand mills. The National Coal Board has also entered into an agreement to pay compensation to miners made redundant by closure of collieries.

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were a number of schemes of this kind in being before the last war and they had usually been introduced by paternalistic employers. Since the war the securing of these benefits has been a major objective of the unions and in the main the vast growth in the number of workers covered by health, insurance and pension policies has been due to collective bargaining.*

Medical attention in Britain is now primarily available under the National Health Service, though there is a certain amount of privately provided treatment at home and in hospital and there has been a development on a small, though significant scale of industrial health and rehabilitation services.† One of the developments envisaged under the National Health Service was the establishment of medical units, but very few have come into being.

The growth of group health units, is, however, one of the most interesting of the developments that has occurred in America as a result of these new goals of collective bargaining. A unit in St. Louis, visited by the author, provided for members of the Teamsters' Union and their families, diagnostic and therapeutic treatment of a specialist kind, as well as general medical attention and dental care. Many firms also provide industrial health services, for their employees. In Britain the unions provide a certain amount of supplementary social insurance through their benefits, but they are becoming less interested in providing these services which are by no means as comprehensive as those now enjoyed by many American workers. The insurance cover provided for employees, and also in some cases for dependants, by these agreements often includes death, accident, incapacity, sickness, hospitalization, surgical and medical treatment (which can be very expensive indeed in the United States).

Pension plans are designed to supplement the benefits provided under the Federal system of retirement and disability insurance. The average amount of pension when the state benefits and the supplementary payments are combined comes to about \$100 per month, or in British terms almost £9 per week. In about 23 per cent of 300 private pension plans surveyed by the American Bureau of Labour Statistics the total retirement pension enjoyed could be worth more than \$150 per month.‡

* Between 1945 and 1954 the number of workers covered increased from less than 1 million to more than 11 million. K. Rowe, "Health, Insurance and Pension Plans in Union Contracts", *Monthly Labour Review*, September 1955.

† The industrial rehabilitation work that is being done at Vauxhall Motors, Luton, is recognized, for example, to be of outstanding importance.

‡ "Pension Plans under Collective Bargaining", *Bureau of Labour Statistics Bulletin*, No. 1147, Washington, D.C., 1954.

EMPLOYERS AND INDUSTRIAL RELATIONS

There has been a vast increase in private pension provisions in Britain. The initiative has, however, largely come from the employers' desire to give staff workers retirement security. Pension schemes for manual workers have not figured prominently in trade union demands except in nationalized industries. The British trade unionist's approach to pensions has been mainly a political one, but there are signs that the rigidity of the present national insurance system may well compel sooner or later a more flexible solution to the problem of providing adequate old-age pensions which now confronts the nation. It is highly likely that British employers will have to follow the same path as the Americans.

IV

The number of man days lost due to strikes has been rising steadily in Britain for the past few years, and it may well be that we are moving into a period of acute industrial unrest. This might seem surprising in view of the full employment and rising wages that have been enjoyed for more than a decade. A job and wages that have been enjoyed for more than a decade. A job and a good wage are not, however, enough to produce a satisfied worker; the average man wants to achieve many other goals; he wants *inter alia* greater equality of status, greater job security, and better provisions for old age. It is difficult to avoid the impression that both employers and unions have grown rather complacent in this lotus land of over employment; neither side of industry has shown the same degree of resource and initiative in industrial relations as that displayed in the United States; so long as employers have been able to put more in the pay packet they have thought that they have done enough and the unions have been relatively satisfied. A spasm of severe strikes, which might very easily occur over the introduction of automation, would administer a severe blow to our precarious economic stability; if industrial unrest is to be avoided employers, unions and the government must reconsider industrial and social policies, which were designed to meet problems of thirty and forty years ago, rather than contemporary issues. Though it would be neither possible nor desirable for us to adopt lock, stock and barrel American techniques in the field of industrial relations, it is likely that changes in industrial and social conditions will compel employers and unions to seek solutions along lines pioneered in the United States.

BOOK REVIEWS

THE CIVIL SERVICE: SOME HUMAN ASPECTS. By FRANK DUNNILL. (*George Allen & Unwin*. 226 pp. 18s.)

THIS book is of outstanding excellence and importance. It deals with one of the most neglected parts of the Civil Service, namely, the executive and clerical grades which form the middle management of most Departments. The author's approach is original and realistic. He sees these people in the light of their educational background, the way they have been recruited, the manner in which they have been deployed, the training they have (or have not) received, their promotion or promotion prospects, their relations among themselves, their relations with their superiors and with the public, the attitude of the public towards them, and the effect of all these factors on the processes of public administration.

Mr. Dunnill rightly insists that government business is not clearly divided between policy, which is confided to administrative officials recruited from the older universities, and execution which is entrusted to clerks supervised by executive officers. The administrative class (as Professor Mackenzie pointed out in the April-June issue of *THE POLITICAL QUARTERLY*) is no longer recruited mainly or entirely from graduates of Oxford and Cambridge but includes a large number of former executive officers who have been promoted late in life. These latter closely resemble in education, experience, and outlook the higher executives whose work is often very similar to that of junior administrators. Both groups will be succeeded in a few years by a younger group of higher executive officers who have been promoted since the war and of whose abilities the author has a very high opinion. He thinks that many of the latter would today probably secure places in a university; in any event the executive class now recruits some entrants direct from the universities.

The senior executives work in very close touch with the principals and assistant secretaries. In theory they are supposed to carry out policies approved by the Minister and handed down from the highest levels. In practice a great many questions involving policy "bubble up from below" and may be decided by executive officers or a junior administrator. The day-to-day management of the service is in the hands of these men and women in the executive grades; it is they and the clericals who are in most frequent contact with individual members of the public. Hence the extreme importance of their outlook, training and incentives.

Many of the clerical and executive officers work in overcrowded and depressing premises which are virtually office slums. (Fortunately, however, there are some excellent new buildings now in occupation or under construction by the government.) Their training has nearly always been inadequate and often totally lacking. They have sometimes inherited an official jargon, a series of stock letters or stock forms, and an attitude of deference towards certain rigid administrative categories, which may form part of the tradition of a Department. The surprising thing is not that the results are sometimes defective but that our system of government works as well as it does.

The author believes there is an immense amount of wasted talent in the

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lower ranks of the service, and he is rightly concerned to prevent this waste by helping the middle and subordinate grades to develop and express their abilities more fully through their work. This would require many different kinds of change; and one of Mr. Dunnill's virtues is that he sees the problem whole and in all its complexity. He sees the need for more and better training; for greater readiness to reconsider official regulations or policies as soon as they seem to be causing hardship; for principals and assistant secretaries to get closer to the actual processes of administration instead of regarding the day-to-day business as mere routine with which an "administrator" need not concern himself; for more sympathy and flexibility in dealing with difficult or hard cases put forward by angry, illiterate or inarticulate members of the public; for a greater sense of identification between the governors and the governed; for more sensitivity, directness and lightness of touch on the part of civil servants in dealing with individual citizens; for greater understanding by officials of the social transformation which has produced the welfare state.

The attitude of the public and the press towards government departments is quite indefensible in this country, and the author shows considerable restraint in discussing the subject. A stream of adverse criticism pours out week by week and year by year from the press, the cinema and the radio, so that "The plain man sees the civil service through glasses borrowed from the late Tommy Handley, from successive British comedies and from the journalists who prepare his daily paper." (p. 168.) An unfavourable stereotype of the civil servant is created in the minds of the public which produces undesirable effects in their dealings with government departments, and encourages a defensive, safety-first attitude on the part of civil servants in dealing with citizens which is quite understandable. If every slip or inconsistency by a Department is denounced in the headlines as though it were a national scandal, or made an occasion in Parliament for baiting the Minister, those who foster these malicious activities cannot complain if Departments tend to emphasize the virtues of caution, reliability, strict regard for precedent, and a tendency to stick to the departmental last on the part of their officials, and if the latter are not eager to seek a helpful solution at all costs to human problems.

There is much in Mr. Dunnill's book on which the ordinary citizen should reflect. In particular, he mentions the disposition to make the government of the day and its paid officials the scapegoat for every difficulty or unpleasant feature of our time, whether it be inflation, a trade dispute, the shortage of domestic servants, the loss of our position in the Middle East, or the failure to produce sufficient technologists. Most of what the author has to say should, above all, receive prolonged and serious consideration by the higher ranks of the civil service, by Ministers, by the Departmental and National Whitley Councils, by the Treasury, and by the Civil Service Associations.

Mr. Dunnill has written not only an important book but also one which is well written and enjoyable to read. He is to be congratulated from every point of view.

W. A. ROBSON.

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BEATRICE WEBB'S DIARIES, 1924-1932. *Edited with an introduction by*
MARGARET COLE. (Longmans. 327 and xxvi pp. 25s.)

BEATRICE WEBB'S two books of autobiography, *My Apprenticeship* and *Our Partnership*, were largely based upon her own diaries and covered the years of her and Sidney's lives to 1912. In 1952 Mrs. Cole edited and published a volume of extracts from the diaries themselves which carried the story from 1912 to 1924 and she now follows it with a second volume which covers the period from 1924 to 1932. Prophecy of immortality for books is always hazardous, but it will be strange if Beatrice Webb's autobiographical books do not become immortal. They have so many different claims to immortality. First the claim of history. For years she and Sidney sat at the very centre of political and social events, the centre of London, of England, of Britain, of the Empire and Commonwealth—one might even say, until that fatal shot was fired at Serajevo, of the world, for until the 1914 war destroyed the nineteenth century civilization, for the purposes of history the centre of the world could usually be found between Trafalgar Square and what is now Lambeth Bridge. The Webbs knew everyone who manipulate the wires which, when pulled, produce events which we call history. They were themselves among the most intelligent and determined of the great manipulators of wires. Mrs. Webb, as a diarist, was a persistent recorder of and commentator on political events. Her book, therefore, is and should for ever remain a contemporary picture of half a century of history, years of amazing progress and catastrophic disaster for the human race, a picture drawn by an extraordinarily intelligent woman watching the drama unfold from very near the centre of the stage.

An accurate and detailed day to day record of events in a diary by someone on the stage of history or at least in the front row of the stalls would ensure to the book only an academic or documentary immortality. There are a number of such famous documents, which historians regard as "primary sources, lying on the shelves of great libraries. Mrs. Webb's diaries are indisputably an immortal document of this kind. But she has a second a far rarer claim to immortality. Her own view of the procession of events and persons, her comments upon the drama which she was watching and upon the chief and minor actors, her own strange personality which is injected through the tip of her pen into practically every sentence which she wrote—all this make her autobiographical books authentic works of art. They belong to the same class as the *Mémoires* of Saint-Simon, a class of very few, but undoubted masterpieces. When one has said that, one need perhaps say nothing more. But one can point out three separate things which enabled Beatrice Webb to leave us this remarkable achievement. First her day to day comments and judgments on events are extraordinarily interesting. Her judgment was sometimes quite wrong, e.g. with regard to Ramsay MacDonald in 1924 and later with regard to the Soviet system. It was more often amazingly prescient, e.g. regarding the Labour Government in 1924, regarding the relations of China and Russia as early as 1926, and regarding the future of Ellen Wilkinson in 1927. But it is the immense intelligence and honesty of her comments, quite apart from their soundness, which contribute to the rare quality of her book. Secondly she has a gift which I should never have suspected by personally knowing her. In conversation she often talked about

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people, but was not markedly illuminating or amusing. Here in her diaries she has the most penetrating analysis of characters and the rare gift of being able to build up out of her analysis a vivid and vital picture of a personality. For instance, in this volume her portraits of Susan Lawrence, MacDonald, Haldane, and George Lansbury can stand beside almost any of the great masterpieces of biographical vignette. Finally, there is Beatrice Webb herself who takes her place with Montaigne, Pepys, Boswell, and a few others who have left us autobiographical self-portraits which are literary masterpieces. They are masterpieces because of the strange, intricate personality revealed and of the honesty and art of the revelation.

LEONARD WOOLF.

IN TWO CHINAS. By K. M. PANIKKAR. (Allen & Unwin. 183 pp. 12s. 6d.)
CHINA UNDER COMMUNISM. By RICHARD L. WALKER. (Allen & Unwin. 403 pp. 30s.)

THE PROSPECTS FOR COMMUNIST CHINA. Edited by W. W. ROSTOW. (Massachusetts Institute of Technology and John Wiley, New York; Chapman & Hall, London. 379 pp. 48s.)

SARDAR PANIKKAR is a distinguished Indian writer, blessed with a many-sided genius. He has been historian, statesman, poet, and prophet: in the present work we meet him as diplomat. His diplomatic experience in China is doubly unique, first because he was accredited to Chiang Kai-shek's administration and later returned to Peking under the latter's communist victors, secondly because he was the only diplomatic representative of a non-Stalinized state whom the Chinese communist leaders treated with some courtesy. He was even made the vehicle for the warning to the western powers not to cross the 38th Parallel in Korea, which was ignored, with far-reaching results. In his book Sardar Panikkar reveals both the merits and the defects which characterize most good diplomatists. His chief merit is his ability to understand and express the views of the persons with whom he had official relations. There is no trace in this book of the sneers or snarls beloved of so many political commentators. Though he disagreed with Chiang Kai-shek, and witnessed the downfall of his régime, he respects him as a man and as a patriot with a long record. His chief defect is his inability to understand, or indeed to taken an interest in, the nature of totalitarian government or the social forces on which it thrives. He devoted months of enforced idleness in Nanking to most praiseworthy study of Chinese history and culture. He went to Peking, however, as he himself admits, with little knowledge of Marxism or communism. Perhaps it is not too much for an admirer of Sardar Panikkar to hope that before taking up his next important appointment he will at least dip into the writings of Lenin and the history of communist revolutions.

Mr. Walker is a history professor at Yale. His book is based on a thorough study of press, periodicals, and political literature in Chinese. It is the first attempt at a survey of the communist régime as it has developed since 1949—as opposed to the seizure of power or the earlier history of the Chinese Communist Party, on which a large literature exists. The book's tone is not one of academic calm. It must be feared that its rather strident polemical quality

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may put off some readers who could learn a lot from it. Nearly a third is devoted to foreign policy, on which the author has little to say that is original. The chapters on the political system and on economic problems are useful. Much the best part of the book is devoted to the régime's treatment of intellectuals and of culture. A horrifying picture emerges of brain-washing and terror, for which there is probably no parallel in history. Certainly there is nothing comparable in the history of Soviet Russia. The Bolsheviks insulted and persecuted the old Russian intelligentsia in the 1920s. The Yezhov purge of 1937-8 claimed hundreds of thousands of victims among the intelligentsia, and subjected them to the long mental and physical agonies of police interrogation. But this was the result of a hysterical spy scare at the highest level, which had at least a tenuous link with the real international situation. The same can be said of the mass arrests and executions in China during the first year of the Korean war—more bloodthirsty than in Russia, but also related to a real situation. But the systematic brain-washing of the educated class of China, deliberately designed to destroy all previous cultural and moral values, is something unique. And the special position which the *litterati* have always had in Chinese society still further accentuates its importance. Since the book was finished, the campaign associated with the annihilation of the writer Hu Feng has taken the process still further.

Professor Rostow's team of Chinese experts have produced a far better book than his earlier symposium on the Soviet Union. The latter, though readable and competent, was but a compilation from secondary sources, not all of which were even acknowledged. *The Prospects for Communist China* has a valuable bibliography of books and articles, and the whole work bears the marks not only of assiduous study but also of hard thought. For the specialist student of political science this is the most useful of the three books here reviewed. It contains a clear analysis of the machinery of political power and the relationship of the régime to social classes, and an intelligent discussion of Sino-Soviet relations. Perhaps the most interesting section is that concerned with economic prospects, about a quarter of the whole book. The authors rightly stress the decisive importance of agriculture in the development of the economy. They reach the conclusion that "the fulfilment of Peking's current objectives (under the existing economic Plan) requires something like a 10 per cent increase in agricultural output over the 1952 level by, say, 1957-59; and that a 10 per cent fall in output from the 1952 level, if it persisted for several years, could generate a decisive crisis." Their calculations are based, as they readily admit, on inadequate and approximate statistical information. It should, however, not be forgotten that the régime's own information is certainly far from systematic or thorough. The authors' conclusions are the more significant because since they completed their book, Mao Tse-tung himself has declared that the pace of collectivization of agriculture is to be enormously increased. In the second half of 1955 the proportion of Chinese peasant households belonging to Agricultural Producers' Co-operatives, the "semi-socialist" form of organization, grew from 15 per cent to 60 per cent, and is to be extended to the whole rural population not, as earlier intended, by 1960 but before the end of 1956. The next step, "transformation into a fully socialist type", similar to the Soviet *kolkhozy*, is to be completed in 1959 or 1960. This presupposes an intensity of pressure on the peasants comparable to that exercised in Russia between 1929 and 1933.

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Even the revelations by Khrushchev of the effects of this process on Soviet livestock farming more than twenty years after collectivization had been accomplished, are not deterring the Chinese leaders. The convulsions in the Chinese countryside cannot be predicted. It is probably no exaggeration to say that they will have a decisive effect on the history of the whole human race.

HUGH SETON-WATSON

ADMINISTRATION OF WAR PRODUCTION. By J. D. SCOTT and RICHARD HUGHES. (H.M.S.O. and Longmans. viii + 544 pp. 37s. 6d.)

THE present volume, the seventh in the War Production, United Kingdom, Series, provides a highly detailed study of the planning, arrangement, and organization of the supply of arms and equipment of the British forces. Everyone agreed that there must be no repetition of the scandals of the first world war, when departments competed fiercely against one another for supplies and the failure to co-ordinate requirements and establish an authoritative system of priorities led to waste, delay, and large-scale profiteering. Proposals discussed in the 1930s for a common supply department met, however, with bitter resistance in Whitehall and Westminster. Co-ordination might be accepted in principle, but each department felt certain that its own problems were so exceptional that no central organization could deal with them satisfactorily.

The change from a free to a planned economy was bound to be painful and to cause much heartburning as well as lead to some injustice. The Ministry of Supply, about which argument went on for several years, was set up on an experimental basis in August 1939, and the story of its growth is one of the principal themes with which Mr. Scott deals. Mr. Scott is also the author of the sections on the War Office and the Air Ministry and of the chapters on the amazing Ministry of Aircraft Production and the short-lived Ministry of Production.

Mr. Hughes confines himself to the Admiralty, in which he served throughout the war and he gives a brilliant picture of his old department. Unlike the Air Ministry and the War Office, the Admiralty never surrendered to the Ministry of Supply's blandishments. The Admiralty successfully opposed all efforts to weaken its direct control, contending, though without much justification, that its requirements did not clash with those of the other services, and insisting that naval planning was a long-term process which war might modify but must not be permitted to interrupt. "Almost every new piece of co-ordinating machinery, outsiders felt, had to be set up over the Admiralty's dead body, as it were," says Mr. Hughes. "Allowing for exaggeration, there was perhaps an element of truth in this impression."

The department was not helped by the transfer, just before the emergency, of a large part of its staff to Bath—Mr. Hughes refers to the administrative bogey of Bathmanship about which many tales were told in Whitehall. The Admiralty's supply system, vigorously defended as the result of long experience, presented a bewildering picture. For years the sea lords had been cut down in expenditure and staff and their operations had been restricted by the Treasury straitjacket, and when money became almost unlimited on the outbreak of war and many other restraints disappeared, the Admiralty tackled

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reorganization somewhat in the spirit that while it was practicable to build an army in a single year and an air force in five years, the growth of a navy needed half a century.

Much has been written about the conflict between the Civil Servants and the business men who entered government service during the war. Men accustomed to personal power found it frustrating to be unable to give final decisions, and the process of minuting files from one division to another often seemed to them merely a game in which permanent officials indulged in order to shirk direct responsibility. One of the minor miracles is that the departmental squabbles did not cause much more trouble than they did and that the machinery, e.g. in the Ministry of Supply, whose staff grew from 15,000 to over 68,000 in three years, did not break down altogether under the unprecedented demands on it.

Among the most valuable chapters of this well-arranged and carefully-written book are those in which Mr. Scott explains the various attempts to develop a workable system of Ministerial responsibility. Committees continued to exist after their usefulness had gone and much overlapping took place from time to time, but British war production was, in the words of Ernest Bevin, "gripped and controlled from the top", perhaps more effectively and with less dissipation of energy than in any other democratic country.

G. A. CAMPBELL.

LABOUR POLICY IN THE USSR, 1917-28. By MARGARET DEWAR. (*Royal Institute of International Affairs*. 277 pp. + bibliography and index. 45s.)
SOME PROBLEMS OF INCENTIVES AND LABOUR PRODUCTIVITY IN SOVIET INDUSTRY. By G. R. BARKER. (*Blackwell*, for Dept. of Economics and Institutions of the USSR, University of Birmingham. 130 pp. and index. 14s.)

SOVIET labour problems are a fascinating study. There are theoretical arguments of the relationship between the workers and the "workers' state", practical problems of control over wages in conditions of full employment, the inter-relationship of wages in different sectors of a planned economy, the balance between material and moral incentives and compulsion, and much else besides. Each in their different ways, Mrs. Dewar and Mr. Barker, contribute to our knowledge about the way in which such problems were tackled in Russia, and that is all to the good.

Mrs. Dewar has one advantage: she writes about a period in which, at least for party members, there was a considerable degree of freedom to argue and publish, when clashes of opinion occurred at party and other congresses and were reported. After Stalin achieved unquestioned ascendancy, the "monolithic" nature of published material constitutes a serious handicap for all scholars, but Mrs. Dewar's study ends in 1928. She has used her material intelligently. Students of the subject must be grateful to her for a long, clear chronological list of decrees on labour which, with a summary of each decree, occupies an appendix of 116 pages. The emphasis throughout is on official acts; we do not find a picture either of the labour movement or of the reactions of the rank and file. However, the title refers to *policy*, and it would be unfair to complain that Mrs. Dewar has not written a different book. Her

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text is anything but a dry commentary on official decrees. On the contrary, the various measures are put into perspective, are related to the main sweep of events. She has the great merit of always seeking the practical *reasons* which determined policy. This is one of the features which distinguish a critical scholar from a hostile propagandist; the latter just denounces, leaving his readers with the impression of evil men with malevolent intent, and this Mrs. Dewar never does. Thus she shows how the many coercive measures taken in the period of "war communism" flowed inescapably from the civil war situation, i.e. from the efforts of the Communists to retain state power in a ruined land. She does not say they *should* have clung to power, only that their efforts to do so had certain consequences. The description of Trotsky's labour conscription plans shows clearly why they were formulated; and quotations from contemporary menshevik criticisms underline the immense dangers to human rights which flow from the theoretical basis of such proposals. Mrs. Dewar provides us with an insight into the constant conflicts between egalitarian sentiments and the need to provide incentives for work, between the natural functions of trade unionism and the party's need to use trade union organization to further its purposes. She does not fall into the common error of assuming that central orders were always obeyed, and the frequent facts of chaos and confusion are well brought out.

Mrs. Dewar's study provides most valuable background for the student of contemporary labour problems in the USSR. Thus it is useful to be reminded that the recently announced (March 1956) reduction of Saturday work to six hours represents a belated return to a principle enshrined in the 1903 party congress—in the form of a forty-two hour rest period once a week; this principle formed part of labour legislation in 1918, but the clock was turned back in 1940. It is also of interest to compare the speeches of Bulganin and others on the anomalies and illogicalities of the wages structure with statements made to the seventh congress of trade unions in 1927; there are some truly remarkable similarities. For all these reasons, Mrs. Dewar's book should be read by anyone interested in Soviet labour relations.

Mr. Barker's is the more difficult task. The title is a trifle misleading, since he does not really discuss productivity at all; the few figures he cites are the official ones, which reflect the exaggerations of the official index of gross industrial output. His chief concern is to analyse the wages structure in general and incentives in particular, and indeed it is a worthwhile task. He starts well, with a useful summary of the confusions of the "war communism" period and of the position in the mixed economy of the 1920s. But mostly he is concerned with more recent times, in which textbooks and newspapers increasingly devote themselves to paraphrasing official pronouncements and eulogizing the policy of the moment. If disagreements and arguments occurred, these tended to remain unreported. This is not Mr. Barker's fault, and it is certainly worth trying to overcome these obstacles. To do this successfully, one must take many official pronouncements with more than one grain of salt. The scholar's problem is where to find the salt and how much of it to use. Some hostile critics can make a whole book out of self-critical snippets culled from a variety of Soviet sources, and so "prove" that everything is inefficient and chaotic; this is as wrong as the assumption that approved Soviet textbooks are the fount of all wisdom, and the proper balance is hard to strike.

Mr. Barker conscientiously analyses the official data on labour, but does not allow sufficiently for the propagandist bias which forms an integral part of such data. This failure is most obvious in his treatment of Stakhanovism, where his version might have come straight from the *Short History of the CPSU*. There is a strong case for regarding Stakhanovism as a highly organized party campaign, and indeed it is not hard to understand why the party acted in this way, in the circumstances of the mid-thirties. Mr. Barker is entitled to hold other views, but he shows cavalier disregard for any but the official version, presenting the movement as essentially spontaneous in character. The same attitude of mind pervades his views of the socialist consciousness of Soviet workers; he is apparently convinced that they increasingly respond to non-material stimuli, to what he calls "contributive incentives", and "less and less (to) their desire for personal financial gain" (p. 126). All this urgently requires the addition of much salt. Undeniably some Soviet workers feel themselves to be part of an expanding, purposeful society, but we do not know how many feel that way. The official version is not evidence, any more than the standard Soviet histories are evidence of peasant attitudes to collectivization, or than one could deduce popular attitudes to Stalin from a file of Soviet publications for the years 1930-53. It seems safer to assume that the average Russian worker, like his British opposite number, would prefer to earn more without working harder than he must, despite the decades of effort devoted to persuading him that work is a matter of glory.

Mr. Barker gives a good account of the present legal position; the evidence available supports his view that the criminal-law punishments were quietly dropped from the labour discipline code in 1951. In other words, Russian workers are no longer imprisoned for absenteeism or leaving their job without permission. The harsh regulations of 1940 are reproduced in a footnote, but no effort is made to place them in their historical setting. The 1940 decrees were the culmination of a whole series of measures designed to strengthen discipline, and many of these are still in force. Indeed it remains illegal to change one's job without permission, though there seems to be no criminal penalties and many certainly do leave their work.

A most inadequate attempt is made to deal with wage and norm fixing. Disregarding long available scraps of evidence, Mr. Barker gives us a picture of "uniformity and standardization". In fact, as must now be clear also to Mr. Barker, there was much confusion. Work norms were not set according to the rules laid down, there were unjustified disparities between workers in different enterprises and different industries, the piecework bonus systems in some sectors were destructive of sound cost accounting and so on. All this is not "anti-Soviet", any more than it is anti-British to point to the serious labour problems which full employment has brought in its train in our own country. The Soviet authorities are at present making a vigorous effort to bring order into the wages structure, and our understanding of the problems with which they are grappling is in no way helped by Mr. Barker's uncritical presentation.

Finally, on a less serious note, collectors of odd index references may like this one: "Prostitutes, unreformed bourgeois intellectuals to be treated as, p. 29". The reviewer's fate is clearly not to be envied.

A. NOVE.

HOW PEOPLE VOTE. By MARK BENNEY, A. P. GRAY and R. H. PEAR.
(Routledge. 227 + xii pp. 25s.)

IN 1950 the London School of Economics organized a survey of political attitudes in the Greenwich constituency about the time of the General Election. This book is the outcome of the inquiry. Some explanation for the lengthy period of preparation is given in a foreword by Professor W. A. Robson; while the delay is regrettable it does not detract from the value of the results of the investigation. It has deprived this volume of the honour of being the first of its kind to appear in Britain, for the work of Milne and Mackenzie on voting behaviour in Bristol, North-East, in 1951 was published two years ago. The inquiries at Greenwich, however, were more extensive and, when undertaken, constituted a pioneering venture in political sociology.

How People Vote may be divided into two sections. First, there is a description of local background which includes an outline of the political history in Greenwich and of activities by local party organizations. There was some dissension in the Conservative ranks over the methods of electioneering to be employed and the Greenwich Liberal Party ran a candidate in spite of its extreme frailty. The Conservative candidate was adopted in 1946 and was then asked to make a contribution of £100 p.a. to the local association; it was also rumoured at the time that he would make a significant contribution to his election expenses (p. 55). This statement on the financial arrangements between the candidate and the constituency appears without any reference to the rules adopted by the Conservative Party in 1948 on this question. Conservative candidates may not now contribute more than £25 p.a. to constituency funds—or £50 p.a. if elected—and may make no donation to the fund for statutory election expenses. A misleading impression is created, therefore, that the conditions governing the selection of Tory candidates are the same as they were ten years ago. The chapter on the political complexion of the various wards of Greenwich also merits minor criticism, for it would have been made much clearer by the inclusion of a map.

The main interest of the book lies in the second part which records the results of asking roughly a thousand voters a wide range of questions—the same voters were interviewed both before and after the election. Subjects of this examination included nature of voting intentions before polling day, actual votes cast, degrees of political interest and activity, socio-economic status of each individual, religious affiliations and trade union membership. From the answers obtained it has been possible to work out a large number of correlations, most of which are quite unsurprising in character. We would expect to find that those in the higher socio-economic categories tended to be Conservative in sympathy, while those in the lower categories more frequently supported Labour; that Conservatives trust the *Daily Mail* more than do their opponents; that the reverse is true about the *Daily Herald*. But some of the conclusions are more striking. Of those questioned whose political views were changed during the campaign, none attended a political meeting. Voters most likely to change their opinions were those whose initial inclination was contrary to the majority view of others with a similar social status—i.e. during the electioneering Conservatives tended to lose working-class votes and Labour lost middle-class support. It seems that an election creates a network of social pressures which form a movement towards class con-

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formity. The Conservative candidate was alone in favouring the Catholic demand for financial assistance for their schools, yet 70 per cent of the Catholic vote appears to have been given to the Labour cause, and this preference is not explicable by a lower average socio-economic status of the Catholic population. It is well that candidates should remember that pressure groups may not be able to deliver the votes that they are reputed to command. Opinions of the sample on specific election issues are also highly revealing: Labour voters displayed less enthusiasm for nationalization than for any of the other major items of Labour policy, and 45 per cent of Labour voters accepted the Conservative contention that controls should be taken off private builders.

Much effort and money have been consumed by this investigation. Have they been well spent? It is easy to make generalities about political behaviour which will gain wide agreement; to prove them by the test of the questionnaire is an unexciting and exacting process. Yet it is important that our assumptions be challenged in this way for, if they are not, social science can scarcely claim the word "science". All truth is not obvious: the obvious is not always true. Those interested in the study of elections must be grateful to the authors of the Greenwich survey for the care and (overmuch) patience they have devoted to their task.

PETER G. RICHARDS.

GERMANY AND THE NORTH ATLANTIC COMMUNITY. A Legal Survey. By M. E. BATHURST and J. L. SIMPSON. (*Stevens*, under the auspices of the London Institute of World Affairs, xi and 215 pp. 35s.)

THE authors of this book are, respectively, legal adviser to the British Embassy in Bonn and a legal counsellor at the Foreign Office. As the title suggests, the book is addressed primarily to lawyers. But this does not prevent it having a wider interest. The book is essentially a summary, based on legal and constitutional documents, of the relations between Germany and her conquerors from 1945 to the present day. Although the authors concentrate mainly on Western Germany's relations with the Western Powers, they treat also, as necessity demands, of the relations between the Western Powers and the Soviet Union and between the Soviet Union and Eastern Germany. It is a remarkable achievement to have covered so many matters in so little space. Even those readers whose main interest is in underlying political realities rather than in legal texts will find much that is useful in this analysis of the legal forms that were used to give outward expression to these particular realities. The book also contains a valuable table of treaties and other international acts relating to Germany during this period, whilst two years in advance of his American counterpart because nothing comparable to our sixth form teaching exists in the American high school. Any comparison ought to take the sixth form and the technical college into account. It is here—and in extra-curricular activities at the universities—that the training in "leadership" takes place. And, in passing, I would add that while Professor Kneller's complaint that British higher education instils a passive acceptance of existing institutions may have some truth in it, nothing so thorough-going as the inculcation of the American way of life at every grade in American education is practised in this country. Had Professor

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the economic aspects are not neglected. The authors discuss briefly some of the main legal riddles to which Germany's peculiar status since 1945 has given rise, such as whether or not Germany has continued to exist as a state, the date of the termination of the war, the nature of the occupation, the applicability of the Hague regulations, the status of the Federal Republic and so on. Lawyers wishing to pursue these matters further will find both the discussion and the references useful, while non-lawyers will probably find here all that they wish or need to know on questions which, even if rather technical, nevertheless possess some political significance.

D. H. N. JOHNSON.

NEW STATES AND INTERNATIONAL ORGANIZATIONS. By BENJAMIN AKZIN. (UNESCO, International Political Science Association.) 200 pp.

IT proved often to be the case between the wars that the small states were better guardians of international morality than the great powers. Their spokesmen sometimes voiced the true conscience of mankind. If it could be replied, and occasionally was, that they could afford to assert right principles and to make a show of impartiality because the burden of enforcement did not fall on their shoulders, but was an ever-present preoccupation of the chief statesmen of the big five, nevertheless there was value in their leadership. Nor would the world have been worse or less secure had it been more often followed and expediency as interpreted in the great centres of government been more the servant of principles generally accepted. It was no accident that these were often expressed by the representatives of little countries or that such men sometimes played an important part in international deliberations, even becoming prominent figures on the stage of world politics, as did Benes. The inter-war contributions of such members of the League as Canada, Belgium, Denmark, Czechoslovakia, Mexico, can readily bear comparison with those of more powerful states. If their responsibilities were less they had perhaps no more to gain in the long run from asserting the essential principles of world order than had the great powers. The Assembly was not necessarily less wise in terms of expediency than the Council because it was sometimes a better sounding board for moral judgment.

Thus there is clearly a case for doing anything possible to assist the full participation in world counsels of the smaller countries—and although these are not synonymous with the new states they have much in common, the difficulties which they face in making their full contribution bearing many resemblances. The initiative of the International Political Science Association in instituting an inquiry into these difficulties, the result of which is this interesting report by Professor Akzin of the Hebrew University of Jerusalem, is to be warmly welcomed. For the experience of UNO is already showing similarities to that of the League; it has already produced from among the representatives of smaller or new states significant international spokesmen and servants of world order. "Among the diplomatic leaders and representatives of India, Israel, Lebanon, Pakistan, and the Philippines one finds some of the most skilful and even of the most respected participants of the international" conferences and organizations of today.

Active participation by the new states is important, of course, not only in the interest of international organizations but also in that of the new states themselves. They gain recognition, a sense of independence, of having grown up into full statehood, as well as material assistance in the form of financial or technical help. But many obstacles impede their full contribution. Often they lack the experts and specialized officials, or these are so few they cannot be spared for attendance at distant and sometimes protracted meetings. Also the costs of such attendance are apt to present a bigger proportionate burden to less developed countries. But it is surely desirable to remove such obstacles, and this study is a step in the right direction in that at least it uncovers them. Moreover it shows that the quality of the nationals of the new states who take part in the work of international bodies is "easily on a par with their colleagues". The report is interesting and worth while. It could have done, however, with more editing and particularly with more proof-reading.

H. R. G. GREAVES.

HIGHER LEARNING IN BRITAIN. By G. F. KNELLER. (Cambridge University Press. 301 pp. 45s.)

SINCE the war a torrent of books and articles have poured from the pens of Moberly, Livingstone, Nash, and others diagnosing a "crisis" in the universities. A genial American professor of education has waded through this stream and has emerged, soaked but triumphant, bearing conclusions and criticisms. The criticisms are palliated by praise. Many visiting American professors refuse to believe that state aid to universities and to students is given without ties: Professor Kneller admits with delight that in fact both dons and undergraduates are free from interference by politicians or boards of trustees. He acknowledges our greater intellectual freedom in that dons cannot be fired for their heterodox opinions, and even praises their security of tenure which resembles that of civil servants—although other Americans often attribute the limited output of our academics to the fact that they are established for life usually sometime before the age of thirty-five. Indeed he goes further and admires the British custom whereby dons organize as well as teach and research and hence are not, as American professors are, at the mercy of professional administrators. (Yes; but do not the delights of administration provide a refuge from thinking and writing?) So much for the praise. What are the criticisms?

His first criticism is that we have far too few professors of education. Professor Kneller does not quite put it like that. His heart is so warm, he has made friends with so many of those who wrote the articles, and his prose is so deplorably abstract, that it is hard to say what his conclusions *precisely* are. But *I think* that he feels that all the articles and books which he read were written by amateurs—amateurs who never applied, or thought of applying, scientific methods to educational problems. What faculty in what university, he asks, makes use of the results which researches into the psychology of learning have produced? No scientific analysis of the methods of selecting students has been made. In other words no one applies sociological methods to higher education and what is written about it is no more than well-informed gossip. He is quite right. If he doesn't distinguish between the brilliant polemics of Oakeshott and the platitudinous vapourings of others who ought to have known better, he has appreciated that nearly all of us who

write about higher education do so in our off-moments because we have been badgered by an editor, or irritated beyond containment by the pronouncements of our colleagues, or are troubled by the spiritual state of the world and look pitifully to education to cure it. These amateur pronouncements are the by-products of being, like Miss Prism, remotely connected with education. Professor Kneller has rightly discerned a real fear and distrust for applied sociology and a stalwart complacency about the rectitude of our methods. These methods are largely *a priori*; there is too little liaison between universities and schools; few attempts to discover what students can be expected to know on arrival; and not much willingness to modify the curricula accordingly. His complaint that we do not study the social behaviour of students is right.

Perhaps, however, Professor Kneller is too apt to generalize from his American experience. Sociology flourishes in America because it is needed. It provides knowledge for Americans about the behaviour of their fellow-countrymen which the British do not need so imperatively because they live in a society far less mobile, far more hierarchical, far less regional or affected by immigration, far more insular, traditional, closely-knit, identifiable. Sociology is needed here too, but not in quite the sense that Professor Kneller regards it as necessary. He suggests that no one knows on what principles students are selected. There he is wrong: the principles are so clear and self-evident to those dons who deal with admissions that nobody bothers to set them down. Students are admitted either after interview or by trusting schoolmasters' reports—schoolmasters who are known often personally to the dons—a situation inconceivable in America. Where Americans have been forced to develop elaborately formulated systems of admission, the British are still able to work by rule of thumb. Another reason why there are not more professors of education is that social scientists in this country are so comparatively rare that they are as often as not engaged in analysing social diseases rather than the norms. There is also a further reason. Visiting American scholars do not report favourably on the work of the departments of education in the United States. They hold them responsible for the low standard of academic achievement in high school. They deplore the power which they exert over other faculties in the universities. They say that educationists exert a baleful influence over examinations, teaching methods, and curricula. No doubt they exaggerate.

Or do they? For Professor Kneller's second main criticism, which is also specifically American, strikes at the roots of British higher education. He deplores our assumption that education is primarily a mental training so that students are selected almost entirely on their intellectual merits. Why, he asks, is there no "applied training in politics, church-going, married-life, schooling?" British higher education may equip schoolmasters, but it is failing to produce leaders in walks of life other than those of political and intellectual life. Here Professor Kneller displays ignorance of comparative British and American academic standards. Nearly all judges admit that the American graduate student is the equal, and possibly the superior in drive, of the British research student. But the British undergraduate is certainly on entry Kneller practised what he preached and adopted a less "literary" approach to the problem had he, instead of reading Moberly, etc., studied what actually goes on in British universities, he would surely have found something

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of what he thinks is missing, even though it is not always on the surface of university life.

The point at issue, however, is that Americans tend to think that a university should train men to be good citizens and should "integrate" their personalities so that they can "adjust" themselves to their environment, to their studies, to their fellow students, to their girls. (Shades of Riesman's other-directed man.) Whereas the British insist that at university men are trained primarily in the mental discipline of one—or perhaps two—of the recognized academic studies; and that unless a student can master in some degree the discipline, there is no place for him there. Indeed in the past hundred years Oxford and Cambridge have changed from places in which most of the ruling class who were there were admitted on grounds other than their intellectual merits to places in which intellectual ability is put first. Do we really believe that we ought to reverse this process and fill the universities with men reading for pass degrees? Or, in universities where pass degrees are read, with students doing vocational training? This is not to suggest that all criticism of university teaching can be complacently set on one side. But so far the criticism has not hit the centre of the mark.

It is characteristic too of Professor Kneller that he should attack Moberly & Co. on the wrong grounds. His criticism that they are illiterate in the social sciences is well grounded; but his criticism that they insist on dealing in moral absolutes and that they should be more concerned with the interplay of values rather than the establishment of a single system of values reveals ignorance of the nature of moral discussion. Moral discussion is an assertion that something is *more* valuable than something else, and that a third thing, which is worthless, is esteemed too highly. Moberly & Co. are perfectly entitled to make such assertions. The deplorable part of their argument is the assumptions on which the assertions are made.

They blandly assume, as the Barlow Report advocated, that the present balance between the humanities and the sciences should continue to exist and that if science expands the arts faculties should expand *pari passu*. This is justified by the further grotesque assumption that scientists are morally illiterate and that the decencies and values of the intellectual life are preserved only by the arts faculties, whose function it is to "civilize" scientists. Eighty years ago Matthew Arnold said nearly all that needs to be said about the value of humane studies. The fallacy in this kind of discussion lies in the belief that everything, including our full moral sensibility, is learnt through formal teaching at the university. In fact our moral sensibility is formed by innumerable influences and there is no sign that we shall lack moralists at whatever level they may argue: they will always be there to remind us that quantitative analysis is not the sole method of acquiring wisdom. But the demand for quantitative analysis, in both the natural and social sciences and in technology, is going to increase; and universities will become obsolescent if they fail to teach the most successful ways of analysing and making use of phenomena and experience. The question is: are the schools and universities going to respond to the demand for scientists by decreasing the number of pure art students and increasing the proportion of social and natural scientists? And if so how are the universities to lose as little as they can of what is valuable in training in the humanities?

N. G. ANNAN.

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BRITISH GOVERNMENT INSPECTION AS A DYNAMIC PROCESS. By JOHN S. HARRIS. (*Stevens*. 196 pp. 25s.)

INSPECTION is one of the most widespread and important functions of modern government, and it is a subject which needs more detailed treatment than it has so far received. The present work is a useful study, carried out in this country by an American political scientist, of the central inspectorates concerned with local services. The inspectorates examined are those connected with the poor law, education, police, fire services, highways, public health, housing, planning, civil engineering, and other local government services. In each case the author traces the history of the inspectorate and the evolution of its methods of work. He assesses the results of inspection in these diverse fields and shows the magnitude of the contribution the inspectors have made to public administration in this country. Professor H. Finer contributes a foreword.

WESTERN CO-OPERATION. (*H.M.S.O.* 127 pp. 5s.)

THIS handbook is published in the series of "reference pamphlets" prepared by the Central Office of Information; but its size and scope far exceed that of the previous publications in this series. All the previous items were confined to matters concerning only Britain or the Commonwealth. The present handbook casts its net much more widely and embraces the instruments and activities by means of which the Western countries are seeking to co-operate for economic ends, for defence, and for social and cultural purposes. Each of these three main aims of Western co-operation is described in a separate chapter both in terms of the relevant institutions and the functions they are performing. These chapters are preceded by an introductory survey which traces the genesis and development of the remarkable efforts at co-operation which have been made since the end of the second world war. A survey of this kind, covering OEEC, the Western European Union, NATO, the Council of Europe, the European Coal and Steel Community, Benelux, the Brussels Treaty Organization, and several other bodies, displays an effort without precedent in the history of Europe. Future historians will undoubtedly look back on the past ten years as of great significance both from the standpoint of the gradual integration of Europe and also as regards the part played in that movement by the United States.

The handbook is an extremely valuable source of information. It contains, in addition to the analytic and descriptive chapters, several statistical and other tables, the texts of certain treaties, diagrams, a map, an index, and—most useful of all—a list of abbreviations.

UNITED NATIONS STATISTICAL YEARBOOK, 1955. (*Stationery Office*. 644 pp. Paper, 40s., cloth, 45s.)

THIS is the seventh issue of the *Statistical Yearbook*. It contains an enormous mass of statistical information, demographic, economic, financial, and social. In the different tables statistics are given for varying periods. For instance

Central Government: An Introduction

By M. R. Curtis. Students taking the Diploma in Public Administration and similar examinations will find this new work of exceptional value. It discusses briefly the main functions of the chief organs of government and discusses critically the degree to which they are effective and gives suggestions for improvement. 12s. 6d. net

Ocean Carriage

By Edward F. Stevens. A new treatment of the subject for students and all engaged in the shipping industry by the author of *Shipping Practice*. It places special emphasis on the law relating to the carriage of goods by sea. 12s. 6d. net

Personnel Management

By C. H. Northcott. Completely revised and up-to-date, here is the third edition of a work that is essential to anyone connected with personnel management—essential because it is one of the major works on the subject. Up-to-date, to the extent that at least two-fifths of the book represents new material, this revised edition includes six new chapters, many references, and an up-to-date bibliography. 30s. net

PITMAN BOOKS

Economics of Industrial Organization

By A. Beacham. This is a new up-to-date third edition of this authoritative book which is designed to supplement the general economics textbook. The chapter dealing with the structure of British industry has been completely rewritten and the text has been revised wherever possible to take into account the more important changes which have taken place since the last edition was published. 16s. net

The Nature of Management

By H. R. Light. 12s. 6d. net. "... Mr. Light has produced an admirable 'ABC' for the beginner. ... It is no mean achievement to have compiled a successful introduction in simple terms to what is in practice a complex and difficult industry."—*The Times Review of Industry*

Methods of Wage Payment in British Industry

By Norman C. Hunt. 18s. net. "... All interested in this subject, of such importance in the modern world full of employment, will find much of value in this book. Although designed especially to meet the needs of students, it may be read with profit by anyone concerned generally in the problem of incentives."—*Secretary*

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most of the tables of industrial production give figures for the years 1929, 1937, 1938, and 1948-54, but Table 72 gives the figures of sugar production for every year from 1935-36 to 1954-55. It is an extremely valuable reference book and contains a surprising amount of information, e.g. a table showing in detail the receipts and expenditure on social security schemes in all the different countries of the world.

SURVEY OF INTERNATIONAL AFFAIRS, 1953. By PETER CALVOCORESSI, assisted by CORAL BELL. Royal Institute of International Affairs. (Oxford University Press. 400 pp. 48s.)

DOCUMENTS ON INTERNATIONAL AFFAIRS, 1953. Selected and edited by DENISE FOLLIOT. Royal Institute of International Affairs. (Oxford University Press. 515 pp. 57s. 6d.)

THIS presumably is the last volume in the Surveys which Mr. Calvocoressi will edit, as he has now left the Institute. He has been responsible for five volumes. As this volume shows, he is one of the best editors employed upon these formidable and useful volumes. Except for the death of Stalin the year 1953 was not a year of great or exciting events. But Mr. Calvocoressi has written an admirable and extremely interesting account of a period which began with the Russian dictator's death and ended with the Bermuda Conference. The first part, which is concerned with "The Death of Marshal Stalin", is naturally the most interesting; it also shows very clearly Mr. Calvocoressi's merits as a recorder of and commentator on international affairs, and also as a writer. He is an accurate recorder and his judgments are firm, courageous, and judicious; he writes concisely and precisely and his sentences often have an edge on them. The volume of documents is, as usual, well edited and very useful.

OXFORD REGIONAL ECONOMIC ATLAS: THE USSR AND EASTERN EUROPE. Prepared by the Economist Intelligence Unit and the Cartographic Department of the Clarendon Press. (Oxford University Press. 132 pp. 42s.)

THE publishers tell us that this is the first of a series of regional atlases intended to enlarge on the information set out in the *Oxford Economic Atlas of the World*, which was reviewed in our October-December, 1954, issue. The book provides a great deal of useful geographical and economic information, much of it not elsewhere available in this country. It covers the USSR, the Mongolian People's Republic, and in "Eastern Europe" Estonia, Latvia, East Germany, Poland, Czechoslovakia, Hungary, Yugoslavia, Albania, Romania, Bulgaria, and the Ukraine. The maps are usually adequate, but the colour printing is sometimes not very good, particularly in the physical regional reference maps. For instance in the regional map of Danubia it is practically impossible to distinguish the green for land at sea level from the green for land between 300 and 600 feet, and quite impossible to distinguish the lilac for land between 6,000 and 9,000 from the lilac for land from 9,000 to 12,000. It is possible, indeed, that the lilac shown for land between 6,000 and 9,000 is a printing error and should be grey-brown.

Treasury Control

The Co-ordination of Financial and Economic Policy in Great Britain

by SAMUEL H. BEER

"This admirable and delightful little book is concerned not with public finance and economics, but with public administration and political science. . . . In the popular mind Treasury control is something vexatious, not to say pestilential. The reader of this fascinating study is likely to feel very differently."—*The Sunday Times* 15s. net

Germany's Eastern Neighbours

Problems relating to the Oder-Neisse Line and the Czech Frontier Regions

by ELIZABETH WISKEMANN

"The Oder-Neisse frontier is the key to a peaceful settlement of divided Germany; and it is the great merit of Miss Wiske-mann's excellent book that it provides a factual, objective basis for informed opinions on the matter. It will be quite invaluable for leaders of opinion, in and out of Parliament. . . ."—*The Economist* 30s. net

Federalism and Constitutional Change

by WILLIAM S. LIVINGSTON

This book attempts to deal with federal government as a problem in both political theory and comparative government. Data for the study have been drawn primarily from four countries—Canada, Australia, Switzerland, and the United States. In each case the author analyses the means of changing the constitution, and the all-important distribution of powers, in order to discover the significant relations between the central and the local governments and measure the protections that are ultimately afforded to the component state. 42s. net

OXFORD UNIVERSITY PRESS

FOUNDATIONS OF INDIA'S FOREIGN POLICY

by Dr. BISHESHWAR PRASAD

This book, which has been written by Dr. Prasad for the Indian Council of World Affairs, is the first part of a critical study of the history of India's foreign policy from the middle of the last century up to Independence. The present volume covers the middle and later years of the nineteenth century and is mainly concerned with developments in Central Asia and their repercussions on the policy of the Government of India. It therefore deals primarily with the affairs of Northern, North-Western and Western India—the regions in which the British Government was mainly interested at that time. From the very beginning of the nineteenth century, the Government of India was faced with the ever-increasing fear of Russian expansion in the east and Dr. Prasad shows in detail the various ways in which the British Government reacted at different periods to this threat. Afghanistan naturally figures prominently in the story, but one chapter has been devoted to the fate of Sinkiang and another to events in the Persian Gulf. 25s. net

YANKEES AND CREOLES

by RICHARD PARES, C.B.E., M.A., F.B.A.

"... a very erudite and revealing account of the origins and extent of trade between North America and the West Indies before the American Revolution. . . . the general feeling after reading it is that there must be very little left to add to this particular subject."—*The Financial Times*.

"... it is a book that deserves its tempting title . . . unlike much analytical history it is not arid or mechanical. It is very well written in a style which, though close-grained, has a certain brisk and terse elegance . . . it never loses touch with the specific problems of the human beings involved. Trade in small ships over wide waters is an intrinsically interesting subject, and the drama of these odysseys to the West Indian islands is heightened, not obscured, by the framework of analysis in which it is set."—*Economist* 25s. net.

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THE YEAR BOOK OF WORLD AFFAIRS, 1955. (Stevens. 392 pp. £2 2s.)

THIS year book, edited by Dr. Keeton and Dr. Schwarzenberger, always contains interesting and valuable material and the volume for 1955 maintains the high standards set by its predecessors. It begins appropriately with three papers dealing respectively with the foreign policy of the United States, the Soviet Government, and Great Britain. Professor Hans J. Morgenthau deals with the United States, and has some severe things to say about the foreign policy of the Eisenhower Administration; he maintains that the faults are directly due to "a kind of domestic politics which is incompatible not only with good foreign policy but with democratic government itself". Sir Alvary Gascoigne, who was H.M. Ambassador in Moscow from 1951 to 1953, considers the foreign policy of Stalin and Malenkov, and tentatively speculates on that of Krushchev as Malenkov's successor. Susan Strange of University College, London, gives a useful analysis of British policy. There is also an interesting paper by Michael Aaronson on international drug control.

QUESTIONS IN THE HOUSE. By PATRICK HOWARTH. (Bodley Head. 220 pp. 18s.)

PRIVATE MEMBERS' BILLS IN THE BRITISH PARLIAMENT. By P. A. BROMHEAD. (Routledge. 216 pp. 25s.)

BOTH these books provide us with facts little known, but of considerable importance, not merely in the history of parliamentary procedure, but also in the evolution of the peculiar type of government and democracy which has grown up in Britain. Question Time in the House of Commons is considered by many historians and politicians to be one of the most useful weapons developed by democracy in its perpetual struggle to withstand the encroachments of government upon liberty. Mr. Howarth gives a useful account of the facts, so far as ascertainable. Apparently the first recorded parliamentary "question" was asked in the House of Lords in 1721, but the "habit" of asking questions began to develop only in the bitter parliamentary struggles after 1760. Exactly when the House of Commons began to set aside a special time for questions seems to be unknown; the first reference to it is in 1849. The history of the private members' bills is almost the opposite to that of parliamentary questions. Up to 1832 there was little distinction between government and private members' business. Then throughout the nineteenth century the government continually encroached upon private members' time so that at the beginning of the present century practically all major legislation was initiated by government. Mr. Bromhead deals only with the history of private bills since 1902; he gives a detailed account of procedure, the difficulties of getting a bill through, and the history of what has actually happened since 1900.

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NOTES AND COMMENTS

The Suez Canal Crisis

LIKE all major political events, the Suez Canal crisis has two aspects. The first is the specific and immediate problem, the urgency and means of solving it, the dangers which it threatens to international or national peace or prosperity. But behind the specific case there lies almost always a general problem which has its roots deep in time, a matter of ancient and profound political maladjustment, of major social strains and stresses. To look at a contemporary, controversial political question *sub specie aeternitatis* is regarded by journalists, politicians, and statesmen as silly or "academic", but it is sometimes illuminating, and we propose, before considering the immediate danger which the Canal and Colonel Nasser threaten to the world's peace and the price of oil shares, to say something about the general international problem of which it is an example or part.

* * *

The Canal is an international highway which runs through the territory of what is now a sovereign, independent state, Egypt. That the ships of all nations, from and to all ports, shall have freedom of passage without discrimination, on reasonable terms as regards dues, etc., through this maritime highway is of the utmost importance, not only to individual nations, but to the world's commerce. Here there is a potential conflict of interests of the most dangerous and disastrous kind. According to the theory and practice of "sovereignty" which developed from the eighteenth century, a sovereign state is a political monad with absolute power over its territory and everything covered by its "sovereignty", its actions determined solely by its own interests, isolated from all the other similar political monads, and bound to them by no obligations of either law or morals. The society of nations in Europe, and indeed in the world, was in theory organized on this principle and basis of "sovereignty" throughout the nineteenth century. In fact the principle and the organization were incompatible with the actual society, political and economic, which had developed from what we call the industrial revolution. It is important to realize exactly what this meant. It meant that millions of people were attempting to live lives which were incompatible with their political ideas, with the social organization

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and framework within which they were in fact trying to live. This is a common disease in human history. Most of the major political and social miseries and disasters are due to the conservatism of the human mind. A change in the habits of mosquitoes or herrings or merely in human tastes or ideas may cause a complete change in men's mode of living. This new way of life may be quite impossible if the old political institutions and social organization continue, and it becomes essential to alter the political framework of life to suit the new way of living. But the profound conservatism of the human mind causes the vast majority of people to resist any change in the laws, rules, regulations, organization under which they and their fathers and grandfathers in a long line back to Adam and Eve are thought to have lived in piety and happiness. In the eighteenth century the institutional paraphernalia of the absolute monarch was persisted in long after it was incompatible with both the way in which men thought and the way in which they lived. In the twentieth century when the first motor car was put on the road the regulation applicable to the steam roller was applied to it and a man carrying a red flag had to walk in front of it.

* * *

The sovereignty of the sovereign, independent state is as anachronistic as the man with the red flag in front of a motor car whose maximum speed is seventy or eighty miles an hour. For the last 150 years the lives which Europeans live have changed from being parochial and national to being international. Economics, transport, and speed have made the ordinary lives of ordinary persons necessarily international. This is shown by the complete dislocation which results from war or from the fantastic attempt of communist governments to isolate their subjects physically and mentally from the rest of the world. The claims of national sovereignty if persisted in over a wide field of human life produce the same kind of dislocation. In the eighteenth century, with its small population and lack of communications, life was necessarily in the main parochial, and national governments could do what they liked about commerce, transport, and disease, for instance, without much harm to any one but their own unfortunate subjects. But quite early in the nineteenth century it became clear that this was no longer the case, that a state by exercising its sovereign rights with regard to trade or communications or infectious diseases might bring starvation or death to

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millions of people at the other end of Europe or on the other side of the world. There was only one possible solution of this dilemma: if millions of people were to live intricately international lives, some kind of international government would have to regulate their international relations.

* * *

Patriotism and conservatism prevented this menace of the sovereignty of national states being faced and ended in the nineteenth century, but unfettered sovereignty made modern life in Europe so intolerable or impossible that in some directions international government was introduced perforce by compromise grudgingly or under various disguises. For instance, as early as 1815 after the Napoleonic wars the claim of a sovereign state through whose territories a river flowed to make the river unusable to other riparian states above or below it or to interfere with the passage of ships belonging to other nations was denied, and in the Final Act of the Congress of Vienna freedom of navigation on rivers was declared to be a general principle of international action. This led directly to one of the earliest examples of international government, with an international executive organ, the European Commission of the Danube, which was created to carry out work necessary to render the river navigable and with power to levy international navigation dues to cover the cost of the work. Other rivers to which the principle of freedom of navigation has been specifically applied, by the establishment of International Commissions of control or in other ways, are the Rhine, Scheldt, Meuse, Elbe, Oder, Pruth, Dniester, Niemen, Vistula, Guadiana, Tagus, Douro, in Europe; the St. Lawrence, Amazon, Rio Grande, Rio de la Plata, in America; and the Congo in Africa.

* * *

Thus to the great rivers of the world the principle of freedom of navigation was established and a kind of camouflaged international government, in fact overriding the claims of sovereignty, came into existence. But the whole system worked precariously because it was based on muddle and pretence. In theory the rights of each sovereign state to its absolute sovereignty remained unimpaired, in ordinary times—i.e. in peace—its sovereignty was curtailed and its powers were surrendered to organs of international government and administration. This applied not merely

to freedom of navigation, but also to many other fields of international life, communications generally, health and disease, industry and commerce, morals and crime, etc. This brings us to the particular case of the Suez Canal. The position of the Canal with regard to freedom of navigation and control is no different from that of the Danube or the Rhine except that it has behind it a more complicated history, constructional, legal, and diplomatic, having been constructed, not by God or nature, but by human beings in the territory of what, at the time of construction, was not a sovereign, independent state. Egypt, having struggled out of the toils of imperialism into the status of sovereignty and independence, claims the right, since the Canal is in her territory, to do as she likes with it, to repudiate obligations undertaken by her with regard to it, to use the dues of transit for the purposes of Egyptian administration, and to prevent ships from using it if bound for the ports of Israel. Great Britain, France, and the U.S.A., supported by the great majority of other nations, as was shown by the London Conference, are not prepared to agree to Colonel Nasser's demands and coup; they propose that, while in theory Egypt's full rights of sovereignty should be recognized, in effect the control of the Canal shall be in the hands of an international commission. The Soviet Government, supported by the communists and reds and pinks of Britain and the rest of the world, are all in favour of Colonel Nasser and his claim to the right of Egypt to exercise all the powers of sovereignty over the international waterway.

* * *

The first thing to notice is the curious fact that communists and those who claim to represent the "Left", to be the modern progressives, should support the claims of extreme nationalism and the sovereign state over an international highway like the Canal. Thirty-eight years ago after the first world war, socialists, liberals, and progressives were unanimous in urging that the sovereignty of states was an anachronism, that the claims of sovereign states to exercise unfettered control in fields where interests are international should be curtailed, and that in all such fields the establishment of international for national government was necessary. They held that this applied to "imperialist" as well as non-imperialist powers. The position of the Soviet Government and its supporters is that what was a crime when committed by an imperialist state is a virtue when committed by

a state which was once governed by an imperialist power, and that the whole world must welcome the prospect of absolute sovereignty exercised by a Colonel Nasser or any Asiatic, African, or Polynesian (not to say Russian) dictator. This is nonsense and very dangerous nonsense.

The whole situation is dangerous enough without making it still more dangerous by propagandist nonsense of this kind. It is essential to resist Colonel Nasser's claims. The way in which the French and British Governments started to resist them was indefensible; they should have taken the matter to the United Nations and have left out all military threatenings. As it is, the result of the London Conference has been better than at one time seemed possible. An overwhelming majority is asking the Egyptians to negotiate on a basis which would give them the theoretical rights of sovereignty but would establish international control. The main difficulties are considerable. First, what action is to be taken if Nasser, supported by the Soviet Government refuses to negotiate or to agree to international control? In the present state of international politics no one can contemplate military or even economic sanctions with equanimity, yet the history of the last forty years shows that international action such as is now being taken by the eighteen nations is usually futile unless they are prepared in the last resort to apply sanctions. Certainly no sanctions should be imposed except through United Nations. The second difficulty is that even if Egypt agrees to international control, through say an International Commission, its control would be precarious unless some conditions with regard to military occupation of the territory were included, and it is extremely unlikely that Egypt, encouraged by the Soviet Government and its supporters here, would agree to such conditions. Thirdly, the Suez Canal is only an example of a much wider problem. All international waterways, like the Suez and Panama Canals, should be subjected to international control, and unless the claims of sovereignty are curtailed and international substituted for national government over many fields of human life and in all the continents, the prosperity and peace of the world will be precarious, for they will be at the mercy of any government or dictator, whether a new imperialism like the Egyptian or an old imperialism like the Russian or the British. Even if the Suez Canal crisis can be settled satisfactorily for the moment, it will not be permanently settled unless the wider problem is faced.

RADICALS OF THE RIGHT

By ESMOND WRIGHT*

THE most striking phenomenon in the contemporary intellectual scene in the United States is the growth of a distinct American conservatism. From all the Presses—the University as well as the commercial, from the University of Chicago even more than from Regnery's—a flood, not to say an avalanche, is pouring: Gordon Harrison, *Road to the Right*; Russell Kirk, *Programme for Conservatives* and *The Conservative Mind* and *Randolph of Roanoke, a study in Conservative Thought* and articles galore; Dean Nesbit, *The Quest for Community*; Clinton Rossiter, *Conservatism in America* and *Seed-time of the Republic*; Richard Weaver, *Ideas Have Consequences*; Gordon Chalmers, *The Republic and the Person*; Daniel Boorstin, *The Genius of American Politics*; August Heckscher, *A Pattern of Politics*; Peter Viereck, *Conservatism Revisited* and *The Shame and Glory of the Intellectuals*, and many poems and essays, lucid or allusive, but all highly polemical—and many more. The “movement” is abetted by *The National Review*, an avowed organ of the Right, edited by William F. Buckley, Jr. It is abetted by other journals and dailies written to the same end but not always with the same avowal, from the Cowles publications in Minneapolis and the *New York Herald-Tribune* (in which Mr. Heckscher until recently expounded Eisenhower Republicanism) at one end of the scale, to the *Chicago Tribune* and the *Dallas News* at the other. There is a conservative trend among educators: Dewey is out and Hutchins and Adler are—somewhat reluctantly—in. There is a new theological preoccupation that makes Toynbee, Tillich, and Niebuhr an academic vogue: though Barzun and Niebuhr are held to be liberal they are also claimed as the voices of an age of anxiety; America, it seems, has sinned, whether by inventing the atomic bomb or the assembly line. “You’ve never had it so good” has become “You’ve got it too good”. “Take Back Your Sable”, says Russell Lynes. “What’s so good about good times?”

Perhaps the first point to be made about this movement is that, although to some extent it coincides with the election of Eisenhower in 1952 and marks a revulsion from the two decades of the New Deal state (in one sense, says Mr. Rossiter, it is an “anti-Roosevelt coalition”), it is not a movement among practising

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politicians. There is perhaps only one recent study by a politician—Henry L. Stimson's *On Active Service*, written in collaboration with McGeorge Bundy—that warrants inclusion in the bibliography of the American conservative revival. Politicians have rarely been impelled—in any country, and perhaps least of all in the United States—by any coherent and consistent theory of politics. (“Let me make the deals and I care not who make the ideals.”) When they have been “school-men” they have frequently run into difficulties in practical affairs. Burke, held up as exemplar by this school, was far from successful on the floor of the House of Commons or in English society; more than his admirers of today realize, he was sheltered and sustained by the Whig lords, “the great oaks that shade a country”, and wrote for them rather than for the ages. Jefferson, exponent of American democracy, was successful as President in the moments of his greatest inconsistency; the periods of his most outspoken liberalism either precede his taking office or coincide with his years of reminiscence at Monticello. Woodrow Wilson, often presented as a liberal in the Jeffersonian tradition but in mood and interests much closer to Hamilton, found an academic cast of mind a liability in settling the affairs of Europe in 1919, and even at home acted as President in ways completely contrary to those sketched as desirable thirty years before in his own *Congressional Government*. F. D. Roosevelt, infinitely the most successful of them all as a practical politician, notoriously worked by touch rather than by textbook. The only political philosopher in American history who succeeded in matching his conduct with his creed was Calhoun, and his philosophy was designed precisely to justify a cause, and a cause that led to war and disaster. Nor are the other names that Mr. Rossiter and Mr. Kirk disinter any more successful: John Adams, John Randolph, Daniel Webster, Elihu Root. If Rockefeller and Theodore Roosevelt, both abundantly successful, cannot be described as conservatives (as these writers concede) and if Washington is held to be above and outside party, is there a single name in their roster that can be considered a success in practical affairs?

The conservative school, then, is academic. The ward-healers and the precinct captains, the county organizers and the committee-men on Capitol Hill are not likely to be concerned with these sophistications. In any event, few American academics play any prominent part in politics, except in A.D.A. (Americans for Democratic Action), and they are rare birds indeed in the Re-

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publican Party.* Nor is the programme of the new conservatism a tactic of politics, as was Fabianism or the work of Mr. Butler and the Conservative Research Department in 1946-51. The preoccupation seems to be not with tactics but with principles, and with mentors from the past, often a past so remote as to be politically of small value as a source of ideas for present application. In *The Conservative Mind*, Mr. Kirk's line of successful British conservatives runs from Burke to Balfour. Sir Winston is not quite approved: he is the "Palmerston of the twentieth century". The lines that Goldsmith applied to Burke are equally relevant to his modern devotees:

Though equal to all things, for all things unfit,
Too nice for a statesman, too proud for a wit:
For a patriot too cool; for a drudge, disobedient;
And too fond of the right to pursue the expedient.

Not, it should be said, that all members of the school—if school it can be called—see eye to eye with each other even in their respect for the Master, Burke. Mr. Rossiter has said that Mr. Kirk was born one hundred and fifty years too late and in the wrong country.

The academic character of this group has been obscured by its very coincidence with the Eisenhower Administration, which has by many been held to reflect some deep conservative trend in American national life. It was time for a change in 1952, and therefore the conservatives of the fifties might be thought to be the legatees of the critics of F. D. R. and H. S. T. in the thirties and forties. As Mr. Arthur Larson puts it, "the humanitarian ideas of the New Deal were praiseworthy, and have been rightly emulated; the economic ideas were bad, and have been totally discarded".† This might be good politics in an election year, but such *simplisme* does not satisfy the Conservatives. The critics of the New Deal, says Mr. Heckscher, were mainly the advocates of a purer and more orthodox brand of liberalism. They objected to the Roosevelt programme but for the wrong reasons.

They attacked centralization, government by decree, excessive bureaucracy and the rest—not as a Burke or a Disraeli would have attacked them, because they chilled an inner spirit of growth and development, but almost precisely in the terms of the nineteenth-century Manchester economists. . . . The point was almost never made that the rapid and revolutionary developments

* Cf. Dean Acheson, "The Republican Party is cool to intellectuals, unless they are lawyers, when they talk about government." *An American Vista* (London, 1956).

† Arthur Larson, *A Republican Looks at his Party* (Harper, New York, 1956). Mr. Larson is Under Secretary of Labour in the Eisenhower Administration.

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in Washington were in their total impact a blow against the free independent varied and self-governing life of the American community. This was the true basis for a conservative critique.*

And Mr. Hoover with his individualism and his optimism was a Cobdenite not a Conservative.

From the standpoint of an American political theory there is some wisdom in this rejection. The real emphasis of President Eisenhower, in his first term at least, has not been on conservatism but on compromise, not on the shaping of policy but on a technique of government by delegation. Quite deliberately, and with remarkable success, he has sought to separate his own personality from the day-to-day running of his Administration; Cabinet decisions, once agreed upon in principle, have carried thereafter little sign of the President's interest; committees and staff-officers have played a greater role than in previous Administrations; the President has appeared less as Head than as Arbiter of Government. This represents a return not to the much-courted theory of the balanced constitution, in which each branch has equal powers, but to the earliest tradition of all, the tradition established by Washington, who was less a party leader than a father figure. It seems to be earning today a similar dividend of respect and affection: it secures for the President some immunity from criticism—though not even Washington found that true in his second term—it gives some freedom from the strain of office, and it facilitates the role of the President of all the people. It is, of course, of inestimable value for the party of which he is the nominal leader. Each American political party—essentially a federal alliance of competing sectional interests—needs and seeks (and has been known to manufacture) a leader that it can describe as "national". The man who is born for the universe but willing to narrow his mind is clearly born also for the Republican Party, and may even, despite Dean Acheson's denials, be found from time to time among the Democrats.† But with such considerations the conservatives are not concerned, and not all of them like the trend. "I should be sorry to see the United States settle for a conservatism of the *juste milieu*", says Mr. Kirk. "True conservatism is not a mere splitting the difference."‡ So much for

* August Heckscher, "Where are the American Conservatives?" in *Confluence*, Vol. 2, No. 3, September 1953.

† Dean Acheson, op. cit., Chapter 2, "The Oldest Party is the Youngest Party."

‡ Kirk, "The American Conservative Character" in *The Georgia Review*, Vol. VIII, No. 3, 1954. Nor all conservatives, again, would agree with Mr. Kirk here. "For better or worse American conservatism must build on its business base." Harrison, *Road to the Right*. (New York, 1954.)

Mr. Larson and "The Authentic American Centre", and for Eisenhower Republicanism. This is a conservatism that to most of its adherents is unashamedly on the Right, although it can find room for Mr. Adlai Stevenson ("by all odds the most consistent and philosophically mature conservative to have arisen in this century in either party. Stevenson had to a unique degree a sense of the diversity of which American society is composed"*) But it is deeper and more pervasive than party; for Mr. Viereck "a non-partisan treasure-house of traditional wisdom".

In any event this new attitude does not begin in 1952. *A Pattern of Politics* appeared in 1947, *Ideas have Consequences* in 1948. Mr. Burnham, arriving at a not very different goal but by another road, has been writing for many years; so have a number of ex-communists—though it should be emphasized that this movement is only in part explicable by reference to communism and to Senator McCarthy. It was thirty years ago that Roscoe Pound, in an essay on the New Feudalism, argued that the old-fashioned individualism was irrelevant in a society where a man's status was increasingly bound up with his profession, or with the "little Platoon he belonged to", to use the Master's language. Santayana thought liberalism a transitory phenomenon that weakened the traditional order and inevitably led to an arbitrary collectivism.† This new Romanticism of the Right echoes Irving Babbitt, Paul Elmer More, and the Adams of all generations; it echoes Calhoun of course, and one of its authentic heralds, though little honoured it would seem, is Francis Lieber. Royce and Croly should be added perhaps, despite their liking for Leviathan. A case can certainly be made out for the Genteel Tradition, the recurring protest of the taste-makers against Mammon and the masses. But there has been little sign of it thus far in politics, and its political lineage is much harder to trace than its intellectual.

Revulsion from Jeffersonianism, then, with its "triumph of squalid oligarchs" and its too free competition; a belief that a moral order and a notion of justice are as much part of the national experience of the United States as radicalism; these beliefs have produced a movement the second main characteristic of which is, oddly, its European shape. "Its emergence offers one more illustration of the deep political homogeneity of the Atlantic Community", writes Professor Raymond English, in the *Listener*,‡

* Heckscher, *ibid.*

† Cf. Viereck, "Totalitarianism is not the opposite of naturalistic relativism, as many liberals believe, but its consequence." (*The Shame and Glory of the Intellectuals*).

‡ 29th March 1956.

commenting on a talk by Mr. Peregrine Worsthorpe.* All these writers are familiar with Britain and Europe from study and travel. Whatever their sense of Atlantic homogeneity, this movement of thought is in part the result of the physical movement of American academics in the last ten years, and of the Rhodes Scholarships and the Fulbright programme. And of the Atlantic community, it is British, or rather English, institutions that have left their mark—and in particular it is England's "old and settled order", or those remaining institutions that still reflect it, that seem to have captivated these visitors. As Sir Walter Scott was taken up in the ante-bellum South, these new conservatives are fascinated by the exotic features of English life, and by figures who would not be thought representative at home, either of Britain or of conservatism. To Mr. Kirk it is Burke and Coleridge, to Mr. Viereck Metternich and Disraeli. It is not the first occasion on which a misconception about Britain has served America well: the American Constitution was the result, in part and derivatively, of an American interpretation of a French misreading of the nature of British politics. In a sense no doubt the "tyranny" of George III was a similar misconception, with dramatic results. But to see conservatism as the most startling feature of Britain or Europe in this century strikes the European observer with surprise. Mr. Boorstin has said himself—with that delight in paradox that is the charm of all his writing—that "anyone who goes to Europe nowadays cannot fail to be impressed with the amazing, the unique, continuity of American history and in sharp contrast, the discontinuity of European history".† Yet it is precisely to this Europe—with a history, however discontinuous, that is infinitely longer than Mr. Boorstin implies in his comparison—it is to this Europe that America's new traditionalists look for their inspiration.

What after all are the hall-marks of this New Conservatism? Does not its whole design set off a whole series of echoes in memory? Its essential commitments are to the fallibility of human nature, to the primacy of growth and development, to the superficiality of purely rational analysis, to the interconnected multiplicity of interests in society, to the organic continuity of institutions, to the inevitability of evil, to the mystery of human existence, to the brotherhood of man under the Fatherhood of God. Its sensibility aims to be dense, rich, complex, and tragic; its economics humane and pragmatic; its politics dignified, honourable, and responsible. Its faith is in freedom tempered by responsibility and responsibility tempered by freedom. In short,

* "What is American Conservatism?" *The Listener*, 5th January 1956.

† Daniel Boorstin, *The Genius of American Politics* (Chicago, 1953).

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we have here surely an attempt to transplant to America the great, dark, and luxuriant foliage of European conservatism.*

But, Mr. Schlesinger goes on, America's new conservatives, for all their conviction that philosophy must be precipitated out of the actual circumstances of society and the actual life of the people, remain "astonishingly indifferent to the actual circumstances of American society and to the concrete life of the American people". "The true obligation of the New Conservatives", he writes, "is to illuminate the limits and potentialities of business rule in America, and not to reproduce the agreeable but irrelevant sentiments of European conservatism."

When one seeks for positive content in the creed one is struck not only by its European-ness but by its verbalism. It is highly critical of the words it regards as liberal: "optimism", "sentimentality", "romanticism", "individualism", "opportunism", and particularly "equality". One recalls John Randolph's "I am an aristocrat: I love liberty and I hate equality." "Equality is found most often", thunders Mr. Weaver, "in the mouths of those engaged in artful self-promotion". As for rights, they are "the *hortus siccus* of modern vainglory."† "The corruption of the meaning of important words", says Mr. Kirk, "has been one of the most ominous and confusing symptoms of the decay of the higher learning in our time. We can get nowhere in politics . . . until we can define our terms."‡ Some of his colleagues, like Mr. Rossiter, labour manfully at their definitions but Mr. Kirk and Mr. Viereck are less successful. Conservatives are people whose view of life is "reverential", who are guided by the wisdom of their ancestors rather than by abstract speculation. "I never cease to be surprised at the prevalence of the notion, even among professors of history and politics, that the word 'conservatism' means a doctrinaire attachment to the accumulation of private wealth, an inclination toward political centralization and a glorying in ruthless competition. These beliefs . . . are none of them articles of conservative conviction." An order that is more than human, affection for variety, faith in a balanced and a limited government, reliance upon private endeavour rather than on "the abstract designs of the collectivist reformer", a prejudice against organic change, a conviction that justice means "to each the things that

* Arthur Schlesinger, Jr., "The New Conservatism in America: a liberal comment", in *Confluence*, Vol. 2, No. 4, December 1953.

† Richard Weaver, *Ideas Have Consequences* (Chicago, 1948).

‡ Cf. the similarity of attitude of some recent critics of American foreign policy, especially Kennan and Morgenthau. The accent is on realism.

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go with his nature", not a levelling equality, these become Mr. Kirk's themes.* It means in practice a preference for Congress rather than for the most sympathetic of Presidents—and the more obstructive Congressional committees are, the better—and "a yearning for Mr. Coolidge that cannot be suppressed".†

This philosophy is hard to reconcile with the conservatism of an industrial community. But, despite Mr. Schlesinger's advice, American conservatism rejects the obvious ally, Big Business. The tycoon is not the great oak in whose shade the conservative seeks shelter: the conservative has never had much sympathy with "industrial aggrandizement". This too is bewildering, for if there is something to conserve in America it has been more than anything else the achievement of the entrepreneur, however much he has been helped by wealth of resources and by political freedom and isolation. The American liberal has indeed done himself harm by his scorn for the capitalist, by remarks that when the capitalist hears of Locke and Burke he can think only of golf. It was the dynamism of business, restless, enterprising, and experimental, that prevented a fixed conservatism or a class system ever becoming appropriate to the United States, except for brief moments in the New England of Daniel Webster. The methods of the assembly line have made possible in a literal sense the mobility of American life. However conservative his social ideas might be, as Mr. Worsthorne has said, "If you called Carnegie, Rockefeller, Vanderbilt, Frick, or Henry Ford a conservative he would have put his lawyers on you for defamation of character."‡ Today the contributions of business to American life are more impressive than ever—witness the research foundation, the art galleries and museums, the private universities. One of these, Harvard, has an annual income roughly six times that of the total annual grant of the U.G.C. to all British universities. Profit-sharing schemes§ are transforming the American economy. Despite these developments—and transformations—in American capitalism the distaste for Big Business remains firmly rooted, among conservatives and liberals alike. It has made many natural aristocrats, like

* Kirk, *ibid.*

† Rossiter, *Conservatism in America* (London, 1955).

‡ Peregrine Worsthorne, *ibid.*

§ 300,000 A.T. and T. employees own \$600,000,000 of stock; employees of Sears Roebuck own 26 per cent of the enterprise, and one recent employee, retiring after thirty years' service, found himself entitled to \$47,000; twenty-five lumber mills in Oregon are owned by their own employees; millions of American workers are capitalists; one of the surprising features of the campus is the extent to which university students play the market. The striking feature is less "creeping socialism", as under the New Deal, than "creeping capitalism".

Woodrow Wilson, F. D. Roosevelt, and Adlai Stevenson Democrats rather than Republicans. They have found, says Schlesinger, that "they could best fulfil these conservative impulses, not in the 'conservative' party but in the party of the people". "It has been the party of the people which has generally stood in fact—whatever the doctrine—for diversity and tolerance in society, for civil liberties and civil rights, for the sacrifice of class interests to the national welfare, whether in the defence of the nation or the reform of its institutions. It has been the business community . . . which has been the characteristic source of the demand for conformity and orthodoxy in American life."* The American aristocrat has opposed American business because it has been akin to European liberalism—plutocratic rather than aristocratic, bourgeois rather than feudal, dedicated rather to class than to commonweal. The new conservatives reject it for the same reasons, though those reasons are now much less valid. And now they seek in America for other roots that will provide a society aristocratic rather than plutocratic, feudal rather than bourgeois, and dedicated to commonweal rather than to class.

The fact is, as Tocqueville put it a century ago, "The American was born free without having to become so." The conservatism of 1787 was designed to preserve gains already—rather easily—won. No feudal heritage survived the Revolution or the Jeffersonian reforms. There is no native tradition of village communities, of squire and tenantry, of obligation and of public service. But there are strong traditions of a different sort: of land for the taking, if there was readiness to work it; of abundant resources on it and below it; of the equality of man and of ease of movement, up and down the social scale, and across the Continent; of freedom of speech and freedom of conscience secured under law: a place, in Huey Long's phrase, where every man is a king and every woman a queen but where no man wears a crown. This is no doubt rhetoric but it expresses a reality that helped to build the country. The modern variant is that America is a place where one man's U is another man's U-all. To impose on the American restlessness a theory of political conservatism is to challenge the tradition of compromise, and indeed to run the risk of provoking a counter ideology of the Left. This could wreck—as it did in 1861—the uneasy sectional balance of American politics. Democratic politics in America involves endless bargaining between interest groups, a constant search for a consensus of opinion.

* Schlesinger, *ibid.*

This is more easily found on issues than by devising political theories. And if, as in some American universities, conservatives are seeking to manufacture a tradition, they might recall the words not only of President Eliot but of Hawthorne that it takes a century at least to make it.

What is even more surprising than the interest in European parallels and the emphasis on hierarchy and class, is this indifference to America's own traditions. What is unique in America is not only the sense of "given-ness", to use Mr. Boorstin's phrase, but the Frontier, the coming of the machine, the absorption of millions of refugees over the course of two hundred years—and whatever the forces that drove them West conservatism was not among them. Nor does the one area that has produced a genuine conservatism receive much attention: these writers show a certain unease in their handling of the South, and make curiously few references to the southern Agrarians of thirty years ago. And the list of their heroes is unexciting against the real and robust names of Davy Crockett and Paul Revere, Commodore Vanderbilt and Carnegie—and there is not a Johnny Appleseed or a Bunyan in the number. It is hard work making a national legend with phrases like "the quest for metaphysical community".

What then, other than revulsion against the excesses of liberalism, has produced this movement? Its origins, Mr. Rossiter admits, are "something of a mystery", and are nowhere clearly assessed. More important, perhaps, than the fact of having a great deal to conserve, individually and nationally, are some general developments in American life on which sociology throws more light than does political theory. A great religious revival is under way, and it is affecting the "upper class" even more than the middle class—there are no other classes in the United States. Fifty million Americans are regular church attenders; it is expected that this year 900,000,000 dollars will be spent on church building; steel-workers who have to work at week-ends have threatened to strike to gain "church-time"; the Catholic Bishop Fulton Sheen and Billy Graham are established TV stars. But this movement is striking most not at Fundamentalist audiences but in the universities; there is an intellectual audience for Niebuhr and Tillich of considerable proportions. It is cynically referred to in some quarters as "Atheists for Niebuhr". At the same time, church-going remains social rather than intellectual; religion has for many become religiosity, its content highly generalized, "Emerson without eloquence". Along with this, has

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gone a strong family interest in the church as a social centre, and indeed a new concern with family living; though divorce is still frequent (one marriage among four ending thus) it is now stable; and the number of children in the wealthier families has sharply increased. The growth of the town has produced too the development of the suburb, remoteness from the big city stimulating the interest in the local community, the "do it yourself" movement in the home, and the Parent-Teachers Associations. Business reflects these trends, in its welfare programmes, and its community services, and so do the employees. In secular as in religious terms, what is sought is less God than peace of mind; the magic word is "security". Professors Hofstadter and Riesman have both suggested recently that in times of prosperity like the present political attitudes are shaped not by economic factors but by a concern with status and prestige: old patricians and new rich, the seventh generation and the first, are alike concerned with being orthodox, with being "good" Americans. Out of such trends a potent nationalism can emerge, and there are many forces among the mass media of communication to give it emotional sanction.

There is then a social basis for this new movement. The middle class is large and prosperous and likely to remain so. Some recent American conservative statesmen have made it clear how much they would welcome a philosophy to suit their interest: witness the efforts of the late Senator Taft to outline his ideas, and the skill with which a great Secretary of the Treasury, George Humphrey, evades all suggestions that he offer a "theory" for his policies. American conservatism has shown itself highly successful in economic matters, and much more creative than European conservatives; what it has lacked has been the sense of political responsibility that this movement seeks to provide. It tries to offer "a way of thought", to bring attitudes to the surface, not dogma: "Precise definitions are more often the end than the beginning of agreement."* It tries to be comprehensive; there is something here for "traditionalists" and "authoritarians", for "Southern agrarians" and for "philosophic anarchists", for "standpatters" and "Catholic political theorists", for "pseudos" (like McCarthy) and "middling conservatives"; there is something too for the don, for those politically or theologically anxious, and for all those who wear grey flannel suits. The movement reminds us that the frontier produces aristocrats as well as democrats, that the belt of population moving West for two

* Boorstin, *op. cit.*

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hundred years sought also to maintain its ties of culture with Europe. There is here too a sophisticated concern with political method as well as with political ends. All these writers emphasize that it is the way reforms are undertaken, as well as their content, that is the crucial question. The central position they take is one of hostility to statism in all its aspects, to its anonymity, its bureaucracy, its remoteness from the spontaneities of life. On this many American liberals endorse their arguments.* There is a healthy alarm at the fact of American power, a stress on its need to act with greater responsibility, at the difficulty of retaining freedom in the world of Admass, with its recurrent threats of conspiracy within and atomic war without. "It is no less the sense of national power than the sense of personal inadequacy that has driven us to seek clear and outspoken doctrines to guide us."† A Jeffersonian liberalism based on rural life and Populism is now hardly adequate for an urban, Federal America that carries world responsibilities. It is this most of all which, as did the depression a generation ago, poses fundamental questions of a totally new kind. Perhaps for the first time since Lee resigned his command in 1861, to go with his State in a cause he himself doubted, politics in America has ceased to be a matter of "Who gets what, when and how". It is a matter once more of moral imperatives, of the fundamental questions: to whom and to what, a country or a cause, do we owe allegiance; what is treason, and who among us is free from it; how can immense good fortune and great wealth be used responsibly, and to whom and to what is that responsibility due? America has become pre-occupied with orthodoxy: it is no longer fashionable to be a Bright Young Thing, or to be a rebel. The hero is no longer the pioneer but the inheritor. Yet, whether or not they all realize it, the questions asked by the new conservatives are questions that challenge the orthodox as they challenge the liberals. This new movement is perplexed and groping, and has much that is quixotic. But it is after all in the oldest American tradition of all, the tradition of dissent. It is, as Russell Kirk says, the "lively protest of minorities" that keeps "any state from stagnation".

* Arthur Ekirch, Jr., *The Decline of American Liberalism* (New York, 1955); C. Wright Mills, *The Power Elites* (London, 1956).

† Boorstin, *op. cit.*

FREEDOM, EQUALITY, AND SOCIALISM

A Critique of Recent Labour Party Statements

By WILLIAM A. ROBSON

AFTER the setback which the Labour Party received at the last general election, the National Executive decided to set up a number of committees to do some new thinking on fundamental subjects. The object was to propose forward-looking and attractive policies on which the party could base its educational campaign and electoral programme. The first two reports which have recently been published are entitled *Personal Freedom* and *Towards Equality*.^{*} The importance of these subjects in the present state of British society—not to mention the rest of the world—is unquestionable. The pamphlets are therefore likely to arouse considerable interest both within the Labour movement and outside.

I

The report on *Personal Freedom* is an extraordinary document. There is almost nothing in it which could not be endorsed by the Conservative Party today or which would not have been acceptable to the Liberal Party at any time since 1911, except that trade unions escape without criticism whereas trade associations are given a few warning taps on the shoulder.

The pamphlet opens with some general remarks of an unexceptional kind. It reminds us that in modern society a great deal of authority over the individual is exercised by government organs and other bodies. Has this exercise of power diminished our personal freedom? And if so, is it justified by the benefits which have accrued to the community? Can the machinery of government be improved so as to safeguard personal freedom while extending the common welfare? If so, what steps should be taken?

The pamphlet is concerned with the relations between the individual and society. It asserts that the Labour Party aims at a society in which concentrations of power should clearly serve and

^{*} Published by the Labour Party, Transport House, Smith Square, London, S.W.1. 9d. each.

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not dominate the whole community; in which the privileges of the few will be transformed into the rights of all; in which a fairer distribution of wealth and opportunity will be brought about by state action assisted by a free trade union and co-operative movement; and in which the personal freedom of the citizen will be safeguarded against abuse of power on the part of public authorities or other organizations by means of effective civil liberties and an independent judiciary. These statements of purpose are extremely vague. They might mean a great deal or very little. For example, do the concentrations of power represented by the British Medical Association or the Federation of British Industries or the National Union of Miners clearly serve the whole community? An analysis of their activities would probably show that in some ways they do while in other ways they do not.

The pamphlet recognizes that the individual has a right to property, but insists that property rights are qualified and not absolute. They are subject to the obligation to use and develop property in the interests of the community; to public control wherever the accumulation of property leads to decisive economic power over others; and to the necessity for avoiding extreme inequalities of wealth and poverty which are morally intolerable and impediments to freedom. It is nevertheless right that "special ability and industry, including thrift, inventiveness and excellence in the arts should be specially rewarded", provided it does not result in the creation of a new privileged class. The pamphlet on *Equality* has much to say on economic matters to which we shall refer later. There is, indeed, much common ground in the treatment of several topics by the two pamphlets, and it would probably have been better if both freedom and equality had been dealt with together in a single report.

The vast powers of the modern state are an obvious threat to personal freedom, and the pamphlet purports to grapple with the problem of their limitation and control. Unfortunately, the committee responsible for the *Personal Freedom* pamphlet have swallowed hook, line, and sinker the conventional and unrealistic ideas on this subject contained in the report of the Donoughmore Committee on Ministers' Powers. They were already out of date when they were put forward in 1932; today they are totally obsolete. Yet the report of this Committee avowedly forms the basis of the proposals made by the Labour Party in 1956 to solve the problem of bureaucracy.

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The freedom of the individual citizen in his conflicts or disputes with the Great Leviathan is to be safeguarded by giving him access to the Courts and enabling him to entrust himself to the legal profession in its present unreformed state. The legal aid and advice scheme is applauded because it enables some people with small incomes to institute legal proceedings in the Courts. In discussing administrative tribunals the chief points made by the pamphlet are that they are not sufficiently subject to supervision by the Courts; that the members of the tribunals should generally be appointed by the Lord Chancellor; that legal representation should be permitted; that the ancient and outmoded law relating to the prerogative units should be *codified*—though why one should codify out-of-date law is not explained; and that a right of appeal to the Courts on questions of law should exist independently of the prerogative writs. In dealing with public inquiries the pamphlet similarly urges that the Lord Chancellor should be responsible for appointing the person to hold the inquiry; that counsel should be employed on a more lavish scale at such inquiries; and that the recommendations to the Minister of the inspector holding the inquiry may remain secret.

These principal features of the pamphlet on freedom do not disclose the faintest glimmer of an understanding of the causes of bureaucratic maladies, or of their prevention or cure. This is not surprising in view of the gross neglect which the Labour Party and the Fabian Society have shown towards the subject during the past thirty years. What is surprising, however, is the present committee's naive and indiscriminating acceptance of the existing court system and the legal profession as suitable instruments for reviewing executive action. Their attitude would have commended itself warmly to the late Lord Hewart; and it is far behind that of the Inns of Court Conservative and Unionist Society.

It is astonishing that the Labour Party should fail to perceive the need for drastic reform of the legal profession and the modernization of our law and civil procedure. The legal aid scheme is necessary only because of the excessive costliness of litigation; and its benefits are confined to a restricted class of litigant. The fantastic costliness of litigation in Britain is partly due to the division of the legal profession into two branches, which results in much work being done twice and paid for twice—by the solicitor and the barrister in turn; and partly to the archaic rules of procedure. I know of nothing approaching the complexity of our procedure or the costliness of our litigation in

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any other country. The practitioner's statement of the High Court procedure fills a volume of 3,850 pages excluding the index and table of cases, which occupy another 814 pages; while County Court procedure requires 1,925 pages for its exposition, again excluding the index and table of cases.

Of greater importance than either the antiquated organization of the legal profession or the costly and complicated procedure of the Courts is the defective state of the law itself so far as judicial review of executive action is concerned. It is impossible to obtain a remedy in the British Courts for many types of maladministration which would be subject to investigation and redress not only by the *Conseil d'Etat* in France or Belgium or Italy but equally by the ordinary courts in the United States.

The Labour Party has had many distinguished lawyers among its members who were in favour of social or economic reform; but I can recall no eminent Labour lawyer who advocated reform of the law, of the legal profession, and of legal procedure. Yet the whole vast mass of administrative tribunals with which we are now surrounded, and which the Franks Committee is now considering, has arisen because the ordinary courts were unsuited to deal with disputes and objections occurring between public authorities and citizens in the modern state.

The spectacle of the Labour Party emerging from the processes of "new thinking" harnessed to the chariot of our most stubbornly conservative profession, is not an edifying sight. The legal profession in its various branches has so far resisted all attempts at serious reform—even the reform of legal education—during the first half of the present century. So far as one can see it need have no anxiety that it may be shaken out of its ancient ways during the second half of the century, if this pamphlet is an indication of the Labour Party's outlook.

The real problem is not even mentioned in this pamphlet. It is to find means of subjecting the decisions of public authorities to scrutiny by the judicial process on wider grounds than those which are possible in Britain today. The outstanding fact which at present confronts us is the difficulty of getting many forms of maladministration inquired into and redressed by the judicial process owing to the narrow categories and concepts which are afforded by the common law as it has evolved in the Courts. The significant point about Crichton Down is that no illegality of any kind occurred in that case although it was a very clear instance of maladministration. If it had not been for the accidental fact that

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the Minister of Agriculture ordered an inquiry to be held because he had heard unfounded rumours of corruption the matter would never have been publicly probed or any serious notice taken by Parliament or by ministers. The scope of judicial review of executive action in this country appears indeed to have been dwindling in recent years; it is far less ample than in the United States. To give one example, the American Courts have recently refused to allow the State Department to withhold the issue of a passport without giving its reasons and affording the applicant a hearing to clear himself. If a passport were refused by the Foreign Office, it would be impossible to get the Courts to take similar action in this country. They would say that the issue of a passport is a matter within the discretion of the Foreign Secretary and that they could not interfere. On the other hand we have nothing corresponding to the *Conseil d'Etat* in France or the several countries which have followed the French example. Our position is thus one in which the ordinary courts do not respond to the needs of the administrative state while we have failed to evolve a comprehensive administrative jurisdiction to investigate and redress cases of maladministration, abuse of power, and unfair or harsh treatment of an individual citizen by a government department, local authority, board or commission.

II

The pamphlet *Towards Equality* containing Labour's policy for social justice, is a much better piece of work than the one on *Personal Freedom*. It suffers, however, from three defects. First, it hovers uneasily between what is and what ought to be. Second, it lapses occasionally into sheer humbug. Third, it fails to face fairly and squarely the question of incentives.

The pamphlet opens with the statement that fifty years ago the Labour Party brought a new and radical purpose into British public life. "It proclaimed the need for a new and classless society based upon equal chances for the nation's youth, regardless of birth, sex and fortune; a fair division and a planned expansion of the nation's wealth; the right to work; the elimination of poverty; common ownership, control or dispersal of economic power; service, not greed, as the driving social purpose." This is certainly true. But is it also true to say that "Today, these are no longer the aims of a small band of socialist pioneers, but the conscious ideals of more than half the nation"? The exact nature

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of a "conscious ideal" may be open to debate; but no one can honestly say that half the nation or even a tenth part of it is pursuing the ideal of service in their daily work. Some of the best civil servants, the most devoted doctors, scientists, teachers, clergymen and social workers are undoubtedly inspired by the motive of public service; but how far is it true of the millions engaged in trade and industry, agriculture and the professions?

The report remarks that despite a reduction of the gross inequalities of the past, the British nation is still a class society in which many forms of privilege remain intact and wealth is divided in an unjust manner. It contends that capitalism produces a strong and persistent trend towards economic and social inequality which can only be rectified by state intervention; and declares that gross inequality is not a necessary concomitant of economic progress.

It is true that capitalism fosters and promotes inequality; but it is also true that in the Soviet Union there are immense inequalities which one must assume are the result of deliberate policy on the part of the Communist Party, and these inequalities appear to be increasing. In Britain today the trade unions are pressing hard for the re-establishment of "differentials" which is only another word for inequalities of earnings. Is this due to the avarice and competitive greed engendered by capitalism, or to some much more profound causes rooted in human nature? The pamphlet ignores these questions and makes no attempt to inquire how much equality the British people really desires.

The pamphlet points with satisfaction to the diminution in some of "the unjustifiably large differentials between wages and salaries, skilled and unskilled work" which has occurred since 1945, but ignores the recent trade union revolt against this very movement. High taxation on the one hand and the beneficial effect of the social services on the other have eliminated the excessive inequalities of wealth which previously existed, but the pamphlet contends that far-reaching reforms in the tax system are needed to prevent the various forms of avoidance and the manipulation of expense accounts which enable many persons to live above the incomes which they are entitled to retain.

While zealously seeking every method of stopping up the holes through which money and benefits percolate to the benefit of business men and others who are assessed to income tax on Schedule D, the pamphlet casts an anxious eye at the "problems" created by the level of taxation imposed on salaried managerial,

technical, scientific and professional people "whose spending power is limited to their net income after payment of tax, and who cannot supplement this by capital gains, tax avoidance, etc. They include some gifted and valuable members of the community, whose loss through immigration would be an economic setback to the country. We cannot ignore this danger."

But this is exactly the danger which is ignored in other parts of the report. A few pages earlier one finds protests against the differential advantages enjoyed by top executives and salaried employees in comparison with the weekly wage earner. It is clear from such inconsistencies that while strongly desiring economic equality on principle, the report is uncertain how far it is safe to go in practice towards imposing it. In a sense this ambiguous attitude is a reflection of the general lack of knowledge about incentives to work. The report concedes that if a decent minimum wage is paid, there is no objection to remuneration varying with the nature and difficulty of the work, the skills required, the degree of responsibility involved, and the special abilities possessed. While rejecting the notion that gross inequalities are necessary to evoke effort, it declares that the width of the gap between the top and the bottom of the range of incomes cannot be decided in the abstract, since it depends on the *mores* of the society and the prevailing climate of opinion.

The report thus oscillates between dogmatic statements of principle unsupported by any evidence and carefully qualified applications of an uncertain character. The authors believe that "the inequalities which still disfigure our society are one of the greatest obstacles to that united effort towards higher productivity which is so essential"; they consider that new incentives based on interest and participation must be aroused. But no indication is given as to how it is to be done.

The pamphlet is on much firmer ground in diagnosing the inequalities due to our educational system. It alleges that despite great improvements in the newer modern secondary schools, many of the modern schools are little more than pre-war elementary schools under a different name. In so far as this is true, the children who attend such schools will suffer from severe handicaps compared with those who attend grammar schools. The pupils in the modern secondary schools come predominantly from the working class; while the public schools cater for the better-off sections of the middle class. Hence both types of school reflect and perpetuate the existing class structure of our society.

Children who attend public schools become imbued with a distinctive class outlook and attitude; and the report condemns the present public school system on the grounds that it promotes class consciousness and social snobbery.

III

A far more interesting and important contribution to socialist thought than either of the Labour Party reports is the book entitled *Twentieth Century Socialism* by Socialist Union,* a group of Labour Party members founded in 1951. Socialist Union has already published *Socialism—a New Statement of Principles* and *Socialism and Foreign Policy*. The new study was drafted by Allan Flanders and Rita Hinden, and it is one of the most arresting books on the subject which has appeared for some years.

The authors reject the notion that equality of opportunity will create a socialist society. "A society built on the ladder principle, which starts everyone off equally from scratch but allows some to reach the top by pushing others to the bottom, is clearly not a socialist society." (p. 25.) They understand by equality fair shares, but this does not signify equal incomes. People must be allowed to choose between, for example, earning more by working longer and harder, or having more leisure and a lower income. Different kinds of work will receive different remuneration, the more unpleasant work being better paid.

In the past European socialists have tended to think that the problem of production was solved, and that the main task was to achieve a juster distribution of wealth. It has now become clear that more must be produced if everyone is to receive more. Hence the emphasis has moved from distribution to productivity as a means of raising the standard of life. But, says Socialist Union, the freedom of the consumer cannot be calculated merely in terms of private income. Much of our welfare depends on increased social expenditure on such things as town and country planning, education, the fine arts and other amenities. So far as freedom in regard to work is concerned, much of the feeling of self-expression which is the true mark of freedom comes from status, esteem, good fellowship and other intangible goods rather than from wages or material rewards. Our preoccupation with higher productivity as the sole aim of industry is thus misconceived. Higher output can satisfy only one kind of human need—that of man as

* Penguin Special. 2s. 6d.

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consumer. Freedom in work, in the sense explained, fulfils another and not less important need.

A truly socialist society must be founded on a genuine fellowship; and to achieve this we must change not only the state but society itself. Fellowship means not merely giving each his due; it means going out of one's way to help him. Such a fellowship cannot be brought about merely by legislation and government action.

After discussing these large general aims in part one, *Twentieth Century Socialism* proceeds to consider the choice of means for attaining them. Part two begins by stating that radical transfers of ownership have disappointed some of the hopes which they inspired, while conversely great reforms have been brought about by methods which socialists had not advocated.

Everyone now enjoys a measure of social security. But unless we can maintain full employment without inflation we shall not have fulfilled the essential conditions required for economic security. This, say the authors, is primarily a matter of the government controlling demand in order that too much money shall not be chasing too few goods. They completely ignore the alternative method of increasing the output of goods and services—a curious example of reluctance to offend trade union susceptibilities. Instead, they discuss at length the restriction of demand by still heavier taxation, or by the reduction of government expenditure on social services and defence. "No government", they declare, "has been ready to incur the unpopularity of putting four-square to the public the case for weighting the burden of taxation yet further." To which I would add: "No socialist has been ready to incur the unpopularity of putting four-square to the Labour Party the case against weighting the burden of taxation yet further."

The wage-spiral is rightly brought into the discussion on economic security. It arises, the authors observe, from the continual pressure on every side for increased incomes, and it leads to exploitation of the community by those sections of it who are in the strongest bargaining positions. It could be dealt with, in part at least, by a rationalized wage structure on a national scale. But stabilization of wages would necessitate, politically and psychologically, the stabilization of dividends, interest and rent—indeed, of all other sources of income. The authors go beyond this and assert that a national wages policy presupposes a national policy for the distribution of personal incomes as a whole. Such

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a policy, they think, would disregard many of the existing disparities of income. Hence, "The advance towards stability must be accompanied by an advance towards equality." The word "must" is incorrectly used here. The authors may think it is desirable that the trend towards stability should be accompanied by a movement towards greater equality; but neither the logical nor the psychological connection is evident or proved.

IV

One of the weaknesses of *Twentieth Century Socialism* is that although it contains a lot of eloquent talk about fellowship and the full life for everybody in the first part, the economic chapters in the second part give one the impression that the authors' main purpose is to take away as much as possible from everyone: in short, socialism seems to be identified with poverty rather than with plenty. For example, the chapter on fair shares proposes that tax-free gifts of property between living persons should be stopped and the rates of death duties increased. "There is no reason", they say, "why a maximum should not be fixed for all wealth transmitted to heirs and everything above taxed one hundred per cent." The effect of such a measure on saving, which might be substantial, is not even considered. Yet surely the possible discouragement of saving is a "reason".

But however high death duties may be, they form a relatively slow method of rectifying disparities in the ownership of property. The authors therefore discuss the quicker method of a capital levy by which the government would take over immediately all private property above a fixed maximum, without waiting for the owner to die. Even if the maximum amount of property which might be retained in private ownership were put "*as high as £10,000*" (my italics) the government would acquire at one stroke more than half the nation's total private wealth, a transference to which they think there is no valid ethical objection. It would cause an immense amount of hardship, injustice, and dislocation. It might provoke a bloody revolution. But the only difficulty envisaged by Socialist Union is that of winning popular assent.

I do not wish to argue the moral issue involved in such a violent, indiscriminating, and wholesale attack on property, though there is much to be said on that score. The point I am making is that policies of this kind look much more like measures to induce poverty, hatred, and bitterness, than measures which

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will lead the nation towards prosperity, fellowship, and freedom. We are not told what good would result from the government acquiring this vast accumulation of property; but elsewhere in the same chapter Messrs. Flanders and Hinden advocate nationalized industries being run in order to produce a surplus "in the same way as private enterprise does" and thereby increase the proportion of public savings at the expense of private savings. Moreover, the government should deliberately seek to acquire property yielding high profits so that these should not go into private pockets. There are some parts of the book which remind one unpleasantly of *Animal Farm*.

In later chapters the book regains its sanity and balance. It admits that socialist thought, no less than capitalist thought, has been confused by absolute judgments about the forms of industrial organization; and the same applies to private property. Can we really believe, the authors ask, that if industry is publicly owned everyone will work whole-heartedly for the good of all? They do not believe in the possibility of such a transformation of human motives. They recognize that few people will work continuously "for some vague impersonal aim like 'the good of the community', even if they can be shown a direct connexion between their own seemingly insignificant efforts and the general welfare of their fellow men". The real problem, they conclude, is not to try to get rid of the money motive but to seek to liberate other motives which will supplement it. The root of the matter, they rightly conclude, is how to subject economic power in all its forms to social control, so that it will serve social ends.

V

The third and final part of the book contrasts strongly with the economic policies advocated in the second part. Socialist Union is sceptical about the advantages of nationalized industry because they have no confidence that a change of ownership will ensure an industry being run on socialist lines. The theories which regarded complete common ownership as the gateway to the promised land must now be abandoned, for the experience of communist régimes has shown us that "If capitalism is individualism run riot, then communism is collectivism run riot; the remedy is no better than the disease". The reason is that complete collectivization of property leads to a monopoly of power in the hands of the state; and every economic activity, every decision affecting

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industry, trade, agriculture or the professions, is subject to the will of the government. Hence, the abolition of private property leads towards totalitarianism. Socialists must therefore revise their traditional beliefs that the private ownership of property is necessarily bad; and that the ownership of property is dangerous only in private hands.

The authors then proceed to argue that the needs of a socialist society can best be attained by a system of checks and balances operating in the economic sphere. By this means the power of sellers will be balanced by the power of purchasers; the power of employers by that of trade unions; the power of borrowers by that of lenders, and so on. The deliberate aims of a socialist government should be, first, to see that countervailing power exists to offset the power of each major section or element in the market; and second, to occupy, when necessary, strategic positions at key points of the economy in order to exercise internal pressure on particular market situations. Market power in their analysis forms one of the two principal forms of concentrated economic power. Those who wield it are not usually the owners of the resources they control; they are the higher executives of banks, insurance companies, building societies, trade associations, marketing boards, trade unions, co-operative societies and public authorities, who have at their disposal land, labour, capital, goods and services, facilities and technical knowledge, owned by others.

The second principal form of economic power is found in the large-scale industrial or commercial undertaking. Here the expert manager has supplanted the proprietor as the effective wielder of power; and the exercise of power by this managerial class may well be unaffected by a transfer of the undertaking from private to public ownership. This is Burnham's thesis restated. Its acceptance by Socialist Union has led the authors to reject nationalization as a certain path to socialism—a highly significant change of outlook.

In summarizing their conclusions the authors declare that economic power can and should be controlled by the balance of contending forces; by planning through strategic government participation; and by enforcing social accountability on all enterprises. The socialist economic system which they envisage is a mixed economy with a private and a public sector; but it is one in which all economic power, whatever its nature, is subject to effective control. The public sector will include many different forms of public enterprise and various types of property and

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undertakings. There is no virtue in public enterprise in itself, they assert; its merit derives from the aid it can give the government in promoting economic security and an expanding economy. The question is not how much but for what purpose public enterprise is needed.

Twentieth Century Socialism is the most serious attempt so far made by a group of socialists to grapple with the problems of the mid-twentieth century. It is evidently the result of a good deal of heart-searching, in the course of which some of the old panaceas have been abandoned and some of the old dogmas dropped. A notable effort has been made to comprehend the character of our society in all its complexity and to recognize that it now lacks the destitution, the unemployment, the chronic insecurity, the gross inequalities of wealth and privilege, which gave the Labour movement its original impetus. One feels that Socialist Union does not like some of the conclusions to which it has been driven; and there are signs of internal conflict in the incompatibility of some of its recommendations; but the approach is generally more realistic than much of the Labour pamphleteering and speech-making in recent years.

VI

The great lack in the socialist movement today is the absence of a strong moral appeal. The moral indignation engendered by the spectacle of appalling poverty in the midst of plenty has evaporated with the disappearance of the causes from which it sprang, largely owing to the reforms introduced by the Labour governments of 1945-51, and the impact of the second world war on public opinion. The tone and temper of the Parliamentary Labour Party on economic and social policy has become in recent years acrimonious, aggressive, politically astute, quick to seize opportunities to embarrass the government, to awaken resentment or arouse jealousy, to detect flaws in government policy or administration. All this, it may be said, makes for a powerful Opposition. That may be true; but it does not create a moral appeal, and without a moral appeal the Labour movement will dwindle in stature and the scope of its vision will narrow.

The position outside the Parliamentary Labour Party is somewhat similar. The Fabian Society today is run mainly by Labour M.P.'s whose thoughts largely turn on the prospects for the next election and the struggle for power inside the party. Here too

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there is a significant change from the disinterested social reformers who were driven forward by a moral urge to try to create a happier and finer society than any we have so far known. The authors of *Twentieth Century Socialism* are not unaware of these aspects. Socialists, they say, are reaching out for new objectives and new methods of advance; but "these objectives will only emerge when the idealism has been restored to our ends". And in a later passage they declare that what socialists value "are all those opportunities which enable people to live in freedom and fellowship, which enrich the content of life and put the quality into equality. To ignore these ideals, to consider equality in isolation from them, is to open ourselves to the charge that socialists have no care for individuality and the graciousness of life, but are concerned only with a mechanical sharing out of what is." There are signs of this disregard in some parts of this book, and it cannot be called an inspiring document. But it has solid merits as an attempt to bring fresh thought to bear on contemporary problems of great difficulty and significance.

THE RIGHT TO BAIL

By CHARLES BURBANK

"BAIL was refused." So accustomed are we to those three words at the close of a newspaper report that rarely do they detain our eye for more than a moment. Yet to the accused person the refusal of bail may seem the most important happening at the preliminary hearing of a criminal case.

Our conception of justice presumes a person accused of a crime to be innocent until he is found guilty by the proper process of law. To the lay mind at least, it seems logical, therefore, that the accused should not be deprived of his liberty until he has been tried and convicted. The practice of the law, however, falls short of the theory. Instead of the accused retaining his theoretical freedom to arrange his affairs before his trial, he may already be in gaol.

For many accused persons, especially one who is known to have had previous convictions, bail while on remand or after being committed for trial seems to be becoming increasingly difficult to obtain. This reluctance to grant bail, moreover, is not

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just a whim of the mostly untrained magistracy with which the English and Welsh lower courts are staffed. It is a considered policy which, almost unnoticed by the general public, has come to be advocated by an influential body of judicial opinion.

Sitting with Mr. Justice Hallett and Mr. Justice Pearson in the Court of Criminal Appeal some months ago, Lord Goddard gave a warning to the lower courts upon the inadvisability of granting bail to men with "a long series of criminal records". The Lord Chief Justice then criticized the magistrates of the Soke of Peterborough for not having kept in custody a man with eight previous convictions whom they had committed for trial upon a charge of garage-breaking. The result, it had been alleged, was that the suspected garage-breaker promptly embezzled £16 from a laundry in London. "It is most dangerous", Lord Goddard insisted, "to bail these men with long strings of convictions".

That was no new theme for Lord Goddard. Not long after his appointment as Lord Chief Justice in 1946, he claimed that it had been "perfectly preposterous" for the Cambridge bench to have given bail to two men after police officers had told the magistrates—privately out of court, it seems—that the pair had bad records. Since then his lordship has repeatedly reiterated his view that a gaol is the proper place for persons with criminal records to await trial, and during Lord Goddard's period of office other members of the Court of Criminal Appeal seem to have adhered to this view. In one case in 1947 Mr. Justice Atkinson ruled that the grant of bail to an accused who may commit further depredations "is a very wrong step to take".

In urging that an accused person who already has a "record" should await trial in custody lest he resort to more crime, these judges have not been inhibited by the fear that this argument might be interpreted as a confession of defeat. Yet its tacit assumption that the accused must be guilty, because he has past convictions, might well be regarded as an admission that our penal system is a failure. It certainly implies a doubt whether a person who has been through the hands of probation officers and the Prison Commissioners is likely to be following an honest vocation.

Unjustified as our penologists must surely regard it, this undoubtedly defeatist doctrine has already an established place in our criminal procedure. Recent editions of the manual whose thick volumes clutter the clerk's table in almost every magistrates' court-room in England and Wales tell the justices that where the crime alleged is of a nature that brings "a likelihood"

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of it being repeated, they should deny the accused bail. Nor should he be granted bail, it is suggested, "where the evidence indicates that there is no defence to the charge preferred (e.g. where the accused was arrested in the act of housebreaking)". Throughout the textbooks on criminal procedure, indeed, bail is increasingly being represented as a privilege not to be accorded lightly. One such book, a standard work over which most law students and senior police officers pore at some time in their careers, states quite categorically that in deciding whether to grant bail magistrates *must* consider, among other factors, the evidence in support of the charge, the punishment for the offence, and the accused's previous convictions. No one would imagine either that history teaches us to regard bail as a hard-won constitutional right of the British subject or that at this stage in the proceedings the accused is still untried and is supposed to be innocent!

This wary attitude towards bail has never been laid down by Parliament. It is essentially judge-made law. The authorities cited by the textbooks to justify it are not the sections of statutes but the reports of trials. If we should query the propriety of the police, in objecting to the grant of bail to a man committed for trial, retailing to the justices a list of his former delinquencies, we are not referred to an Act of Parliament. Instead, we are told to read the remarks of the trial judge in the case of *Rex v. Fletcher* (1949) as reported by the *Justice of the Peace and Local Government Review*.

The frequent differences of opinion between the lay justices of the magistrates' courts and their learned brethren in the High Court might have been avoided had Parliament been more specific upon this issue. But the Indictable Offences Act, now over a century old, apart from requiring the production of sureties, left the question of bail to the discretion of the justices. This magisterial discretion has been left unchanged by recent legislation. The Magistrates' Courts Act of 1952, while slightly enlarging the magistrates' powers, did nothing to determine the manner in which they should exercise their discretion in the granting of bail.

Originally, the law upon this point was interpreted as meaning simply that the court should use its discretion to decide whether the accused, if bailed, might abscond. Some benches during Victoria's reign, it is true, showed unjudicial prejudice in granting or refusing requests for bail, which they withheld to mark their

disapproval of a defendant's views or morals. But this approach was deprecated as much by lawyers as by the liberal opinion of the day. That unchallenged authority upon the English criminal code, Archbold's *Criminal Pleadings*, said that "the proper test of whether bail should be granted or refused is whether it is probable that the accused will appear to take his trial". This doctrine was accepted until quite recently. Scarcely six years ago, in a carefully considered comment on the powers of magistrates, the late Viscount Simon went uncontradicted in the House of Lords when he asserted categorically that "there should be no remand in custody unless there was reason to believe that the accused was likely to abscond".

Having served both as Lord Chancellor and Home Secretary, as well as Attorney-General and Solicitor-General, in the course of his varied legal and political career, Viscount Simon obviously spoke from experience of both the administrative and the judicial sides of the law. Holders of such high offices tend to become disillusioned about the more liberal principles of our law, and it is significant that a lawyer with so wide an experience should not have found cause to modify his view of the traditional attitude towards bail. Yet now we have the proposition accepted in our courts that a person with past convictions forfeits his right to bail—not because there is any suggestion that he may abscond but because he *might* commit further offences.

Not that this is the sole reason why some lower courts are inclined to deny bail. Far from many of the accused persons to whom bail is refused having previous convictions, they are often people of unblemished reputation. They merely have had the misfortune to come before petty sessions presided over by men who deem it their duty not to concede bail willingly. Regarding bail rather as a privilege than a right, these magistrates are presumably not offended when they overhear solicitors warning their clients' friends that an accused's fate is sealed "if the chairman is So-and-so, because he is 'sticky' on bail". While some confine this refusal of bail to any whom they deem to be members of "the criminal classes", one J.P., whose ideas upon the subject were admittedly so rigid that they caused unfavourable comment in the Court of Criminal Appeal, actually assured a man who objected to being remanded in custody: "I treat all alike."

The offences alleged against some who are denied bail do not always carry penalties so heavy that a court can reasonably fear that they may not appear to stand their trial. Cases have occurred

of bail being refused to persons accused of stealing only a few shillings or some article like a milk bottle, and of whom there was no suspicion that they might abscond. One 28-year-old housewife, "a woman of hitherto unblemished character", was remanded in custody upon a charge of maliciously damaging property valued at two shillings. After a night in a cell, worrying about her husband and two young children, she was again brought before the court—to explain why she had picked three tulips in a public park!

From the comments made in court by their chairman, it seems that the magistrates before whom this case was heard had in mind the possibility of a prison sentence; and magistrates often seem reluctant to grant bail in unfinished cases which might end in the accused going to gaol. However wrong it may be (or, at least, ought to be) in law, it is only human for magistrates to formulate in advance the manner of sentence they will impose should a case be proved. But their willingness to concede bail is liable to be coloured by this pre-judging of a sentence. One stipendiary magistrate bluntly told a probation officer who asked that an offender be remanded on bail: "It is a very disagreeable thing to sentence a woman after allowing bail."

To those not privileged to see the world from the bench, it would seem that it must be equally disagreeable to face some alleged offenders to whom bail has been denied. What do magistrates feel when they learn that an accused person has been acquitted after spending some weeks in a cell owing to their having remanded him in custody?

It is true, of course, that at the time when they refuse to grant him bail, magistrates are often convinced of the accused's guilt. After listening to the prosecution's case—which, because the accused is usually advised to reserve his defence, goes unanswered at that stage—magistrates may be too shocked by the chronicle of the accused's misdeeds to consider the question of bail with judicious coolness. Sometimes it appears difficult for them not to treat his request for bail as added proof of his scorn for the law. When one young man, refused bail during a remand upon a relatively minor larceny charge, mentioned that he had arranged to get married the following day, the chairman of the bench retorted with an indignation that was perhaps understandable but was definitely unjudicial: "You should have thought of that before you went stealing!"

An even greater factor in the current attitude towards bail is

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the influence of the police. When bail is mentioned, the average magistrate seems to glance instinctively towards the police officer who has put the case for the prosecution. To the spectators and doubtlessly to the man awaiting trial it often appears as if the issue were settled by the brief pronouncement: "The police cannot agree to bail, sir." It does not give a balanced picture, of course, to imply that this familiar reply is the stock answer of the police. Often a senior police officer has already granted bail before the accused has been brought to court, and occasionally the police will advocate bail in a case in which the bench is reluctant to concede it. When a 22-year-old soldier was kept in gaol awaiting trial from the end of November until the second week in February, then acquitted at the assizes of a charge of possessing a forged £5 note, his prolonged detention was contrary to the wishes of the police concerned in his case. Although the man had a good character, had insisted from the beginning that he had an adequate answer to the charge, and the police had not opposed bail, the justices had still remanded him in custody.

Nevertheless, in spite of such individual cases, the influence of the police generally makes it difficult for a bench to give a liberal interpretation to the law of bail. Even if it occurs in only a minority of cases, the police often indulge in really strenuous advocacy to persuade courts against bailing particular defendants. And their motive for doing so rarely appears as disinterested as the Lord Chief Justice's fear that the accused may commit further crimes if he is allowed any more freedom. Many police officers feel, quite understandably, that justice will be best served by keeping the accused locked up in a cell rather than having him loose to find means of upsetting their carefully prepared case. If pressed to justify this apparently partisan viewpoint, these officers make much of the danger of an accused person, if left at liberty, "tampering with witnesses" and otherwise "hindering enquiries".

There is always a risk that a man on bail may manage to find someone prepared to commit perjury in his defence. But, as a recent case in London's Soho district proved, perjured witnesses can be recruited for the defence even when the accused is in custody or in a hospital bed. If the police wanted to stop a conspiracy to win an acquittal by false evidence, they would need to lock up not only the accused but also his wife, family, and friends.

Such a solution would be unthinkable—but is the denial of bail to the accused himself much better? It can mean the loss of his employment, the ruin of his business, the breaking up of his

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family, eviction from his home because he can no longer pay the rent or mortgage repayments, the seizure of furniture held on hire-purchase. Shut away in a cell he will almost certainly be handicapped in the preparation of his defence.

Nor is this period of imprisonment without trial necessarily brief. While our judicial system is committed to the principle of bringing accused persons to a speedy trial, the mercy of quick justice is tempered by expediency. In England and Wales it has to be modified in terms of the slow-moving assizes, and trial by quarter sessions may also involve a wait of several weeks. Even when an accused person is to be dealt with summarily by the magistrates, repeated adjournments may extend a remand in custody into a long gaol term. Before the bench decided at his fourth appearance that the accused had been then kept in custody so long that "in all probability if he were found guilty his sentence would not have lasted that long", one young research engineer had been awaiting trial upon a larceny charge for two and a half months.

It is scarcely consistent with our liberal traditions that an accused person, possibly innocent of the crime with which he has been charged, should be imprisoned in this manner. The right to bail is an implied right of every British subject, a right sanctified by the common law. In that once-famous declaration of 1689, now so nearly forgotten that it is often necessary to remind Englishmen that it was the nearest their Parliament ever came to a written constitution, those who framed the Bill of Rights seem to have taken bail so much for granted that they merely prohibited the demanding of excessive recognizances. If there was then no cause to be more explicit, the current trend suggests that there is certainly reason now for Parliament to assert in unmistakable terms the grounds upon which a court may deny bail.

ISRAEL AND THE ARAB WORLD

By THE HON. EDWIN SAMUEL, C.M.G.*

THERE has been almost a complete deadlock in the Middle East for the past eight years at least: perhaps ever since 1936, the date of the Arab rebellion in Palestine. But it is only since the second world war and the withdrawal of the west in face of the rising tide of nationalism (both Arab and Jewish) that the Middle East has become so unstable. As it lies on the edge of the iron curtain and possesses enormous mineral wealth, it is bound to be a sensitive area. Local frictions in the Middle East (as last spring on the Gaza frontier) may lead to European intervention and turn overnight into a major war in which the use of atomic bombs on the world's capitals cannot be excluded. This affects all of us so much that we are deeply worried. Inasmuch as the tension between Israel and the Arab world is one of the main dangers in the Middle East, let us examine the causes of that tension. We must consider both the Arab point of view as well as the Israeli point of view. They are so far apart that any agreement about anything in the near future seems most unlikely: we shall be lucky if the situation does not get worse. Nevertheless, we shall do well to look at the frontier problem, at the Arab refugee problem, and at the Arab blockade of Israel in order to understand why these problems are so intractable. Then we can examine Israel's long-term views on the Arab world in general and its relations with its own Israeli Arabs in particular.

The Arabs and the Israelis approach the problem of Israel from entirely different angles and their conclusions are completely irreconcilable. Israelis—and Zionists throughout the world—regard the re-establishment of Israel as a great act of historic justice. The Arabs, however, regard the re-establishment of Israel as an unmitigated disaster for the three-quarters of a million Arabs dislodged in the process. The Arabs demand the return of all refugees to their homes and the withdrawal of Israel from all areas not conferred on it by the original partition plan of 1947.

Jews point out that it was the Arabs themselves who wholly rejected that plan in 1947 and who attempted to prevent its implementation by force. The Arab states, having challenged the Jews of Israel by force of arms and lost, must now accept that

verdict. The Arabs then claim that it was not they who launched the first attack. The whole development of the Jewish National Home since 1917—and earlier—was an invasion of their rights. They do not consider Zionists as fellow-Semites returning to their motherland: the Arabs regard Zionists as European invaders, backed by British and American imperialism. If Jews then claim that they were settled in Palestine many centuries before the Arab conquest, the Arabs retort that there were few Jews left in Palestine by that time. Eventually the agreement gets back to Abraham and becomes more and more inconclusive. There is thus no possible hope of any Arab-Jewish agreement on the historical rights and wrongs of the case.

Let us therefore start again and examine the contemporary scene only. Why do the Arabs feel so violently about Israel? The Arabs' view is compounded of a number of factors. First, there is the problem of the Arab refugees. Then, there is the mortal blow to Arab prestige in 1948 through defeat on the battlefield. The Arabs are good guerilla fighters but they lacked then both the military experience and the political unity to make victory possible. They seriously underestimated Jewish military capacity in 1948 as much as they overestimate it now. For that, I personally believe, is the main cause of Arab hostility towards Israel: a blind and unreasoning fear that Israel is a beach-head for western expansion into the Arab world—a beach-head that must be wiped out before it is too late. Arabs cannot imagine that Israel will be content to remain within its present limited area. Israel has already packed three-quarters of a million new Jewish immigrants into its territory and is bringing more in daily. Although the present Israel government is busily engaged with colonization, the *Herut* party openly calls for Israel's expansion across the Jordan and a preventive war now.

Many Arabs know almost as little about Israel as many Jews know about the Arab world. The Arabs see world Jewry pouring money into Israel: they see that the American Export-Import Bank gives loans to Israel and the United States Congress makes it an annual grant. Israel has formidable backing, and, in the Arab view, is irresistible. Hence every Arab nerve must be strained to meet this danger. This leads to the intensification of the Arab blockade of Israel and to open anti-Semitism in America and Britain in an attempt to eliminate all Jewish (and not only Israeli) trading with the Arab world.

The mere fact that Israel is faced with this Arab challenge and

* A member of the Palestine Civil Service 1920-48.

must constantly develop its defence forces feeds Arab fears. Every time Israel sends a punitive expedition across an Arab frontier in retaliation for a long list of Arab attacks on Israel territory, a tremor passes over the whole Arab world. Such punitive expeditions may act as an immediate deterrent: but they confirm Arab opinion that Israel is essentially aggressive.

We must not forget that the Arab world today is very different from what it was forty years ago. It is more conscious of its own political potentialities; part of it is far wealthier; it is also much more united, both by pan-Arabism as well as by pan-Islam. As democracy is not well developed yet in several countries of the Middle East (Egypt and Saudi Arabia, for example), denunciations of Israel are almost an essential adjunct of internal rule. Many Arabs are not politically minded. But those who are tend to regard Israel as Middle East Enemy Number One. They will wait until they feel strong enough to challenge it once more and will meanwhile have as little to do with it as possible and will continue to blockade it.

What is the Israeli attitude? Principally it is: "Leave us in peace and let us get on with the job." The job is the settlement in Israel of all Jews dislodged elsewhere or who are moved by Zionist idealism to settle in Israel. Arab hostility merely increases the tempo of this activity. As long as a second round with the Arabs is not only possible but in fact probable, the more people that are settled in Israel, especially along the frontiers, the stronger Israel will be. Even the townsmen are all liable to compulsory military service and can be recalled to arms in a crisis. Every farm and every factory strengthens Israel's economy and makes it less dependent on imported food and goods in the face of Egypt's growing naval power which might sever Israel's supply lines in war.

It is this threat of extinction by the Arab world that is the basis for Israel's demand for more arms in order to counterbalance the increase of weapons in Arab hands, particularly Egypt and Iraq. It is impossible for the layman to know exactly what arms each country possesses and how capable their forces will eventually be in the use of these arms. But the more nearly the war potential on both sides is balanced, the less is the risk of either side deciding to take the initiative in starting a war.

There are other methods of preventing war in the Middle East, but few Israelis have much faith in them. The Tripartite Agreement by the United States, Britain, and France is now seen to have no teeth in it. Russia has already walked through the clause

limiting the supply of arms. No quadrupartite agreement is in sight. No staff talks have taken place between the three signatories and Israel on the steps to be taken to protect Israel in the event of an invasion. Nor do most Israelis have faith in the power of the U.N. to protect them. The machinery of the Security Council seems incapable of moving fast enough to stop any aggressor in time. Israel is so small that it has little room for strategic withdrawal, except in the southern desert.

In 1949, Israel accepted the Mixed Armistice Commissions and the U.N. Observers' Corps. But this was then regarded as an interim measure leading shortly to peace. With no peace in sight, Israel is growing increasingly restive at these derogations from its sovereignty. Mr. Hammarskjöld's mission to the Middle East last spring reduced the immediate tensions. But few Israelis believe in Arab good faith. The steady trickle of deaths on the frontier keeps Israel in a constant state of impotent irritation. Massive retaliation, the only available counter-measure, gets Israel a very unfavourable world press. What is the alternative? A policy of patience and self-restraint: but it is a difficult policy to follow indefinitely and it is politically vulnerable in the *Knesset*.

In this alarming situation, what then is the real risk of war? Personally, I do not think that Israel is likely to embark on a preventive war. The only possible objectives would be to improve her frontiers, particularly on the coastal plain; and, above all, to *force* the Arab states to make peace. But Ben Gurion is no Alexander the Great in a position to conquer the whole Middle East. The occupation of a single Arab village would at once rally the whole Arab world to a crusade. The occupation of the Old City of Jerusalem would not only bring in Great Britain automatically as Jordan's ally, but would arouse the whole Christian world. Although Israeli columns might reach the Suez Canal, or Damascus, it is doubtful if great power pressure would allow them to remain there long enough to dictate peace. Anything less than that would not be worth while.

Nor do I think that the Arab states are likely to start a real war with Israel in the near future. They have not yet acquired full proficiency in the use of their new weapons. Nasser, as a soldier who has already fought once against Israel, is not likely to underestimate the risks involved in a second encounter. This time, if he loses the war, he would also lose his political power; for dictators remain dictators only through success. (Not that Nasser's

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fall from power would make for greater stability in the Middle East: in the background wait the sinister forces of the Moslem Brotherhood which is even more fanatically anti-western.)

But the chance of an accidental war still remains and is the most dangerous of the three possibilities. In an atmosphere where each side publicizes the aggressiveness and bad faith of the other side, it is difficult for the public really to know what is happening on the frontier. Taking a hypothetical case, an Israeli patrol along the Israeli side of the frontier is shot up by Arab outposts on the Arab side. This is reported in the Israel press but not in the Arab press. To extricate this patrol, the Israelis use mortars, of which the shells fall on Arab territory. This is reported in the Arab press but not in the Israeli press. In retaliation, the Arabs shell an Israeli village: the Israelis shell an Arab town: there are many civilian casualties. All the reasons for declaring war by both sides are there. If such a war did not break out last spring on the Gaza front, it is only because neither side really wanted war at that moment.

A policy of retaliation is endemic in the Middle East, even for settling Arab village disputes. But if the murder of the member of one clan promptly results in the murder of a member of the other clan, under the rules of the blood feud, at least everyone knows why. But if the blood feud is conducted across an international frontier and the Arab press never publishes death on Israel territory caused by Arab attacks, massive Israel retaliation inevitably appears as an unprovoked attack, out of the blue. Hence it gives rise at once to demands for counter-retaliation and the risk of war increases.

The risk of war is, curiously enough, also increased by the concern of the great powers over the Middle East. As long as they are determined in their own interest to put out any conflagration, both Arabs and Israelis seem inclined at times to go to the limit, knowing that someone else will be responsible for maintaining peace.

What, then, can be done to reduce the risk of war? Let us take each factor separately.

Most of the frontier crossings into Israel are deliberate: but some are accidental—a shepherd wandering with his flock; a patrol losing its way in the dark; a tractor ploughing too close to the edge. As the frontier is not clearly marked in many places, marking it would reduce accidental crossing and the consequent risk of shooting. This marking is being done wherever possible;

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but as the Arab states occasionally claim that Israel does not exist and cannot therefore have a frontier, Arab participation is not always easy to obtain. A fence along the frontier through populated areas would also help. It would not prevent deliberate infiltration: wire-cutters can be had cheaply in Arab markets. But it would prevent children and hitch-hikers from blundering into "enemy" territory.

It is often claimed that some Arab peasants *must* cross the frontier into Israel in order to harvest some of their crops; and that, where the frontier cuts across village boundaries, it must be rectified. But frontiers cannot follow property lines: villages are not compact territorial units. Richer villages constantly buy land from poorer villages and often in isolated patches. Under the Mandate, peasants in border villages in Palestine, Lebanon, and Syria were given border passes allowing them to cross the frontiers to work their land on the other side. Were peace to be re-established between Israel and its neighbours, the same would be possible today.

The U.N. observers, whose number has recently been increased, investigate all frontier incidents and try to establish the facts so that the Mixed Armistice Commissions can attribute responsibility. The findings of the Commissions are, however, likely to be attacked by whichever country is criticized. Still, the system does tend to lower the temperature and to provide for orderly meetings between representatives of both sides.

Many of the frontier incidents are caused by patrolling along the very edge of the frontier. This is legally permissible and, where there is cultivation right up to the frontier on the Israel side, essential to prevent theft of crops and irrigation pipes. But, elsewhere, it would reduce the risk of clashes if both sides agreed to keep their patrols half a mile from the frontier. Israel, however, has had bitter experience in the past with no-man's-lands of this kind and is disinclined to accept Mr. Hammarskjöld's recommendations on this point.

In order to overcome the tendency of the press on each side to be silent on any action that is not to its credit while making the most of "enemy crimes", I am personally in favour of allowing selected foreign correspondents to be allowed to cross the frontier and report events on both sides, as is the case with foreign consuls, for example, in Jerusalem. At the same time, it might be useful if a U.N. transmitter in the neutral zone of Jerusalem were to transmit in Arabic, Hebrew, English, and French the Mixed

Armistice Commission's version of frontier incidents and what is being done about them, in order to reduce the tension.

The Arab refugees are human tragedy and it is hard to see what can now be done about it. There are, completely incompatible versions of the reasons why the Arabs left and even a dispute over the numbers who left. The Arabs claim that there are now over a million refugees. That figure, however, includes many children born during the last eight years. From the reports by the U.N. Refugee Relief Agency it is clear that not all deaths of refugees in the camps are registered, in order to retain their ration cards. No census of refugees has ever been permitted. Whatever the actual number is today, it is clear from examining the population figures of Israel that there were over 600,000 Arab refugees in 1948.

The Arabs claim that these refugees were forcibly expelled by the Jews. Jews say that the Arabs were ordered to leave by their own leaders in the belief that they would all return once Israel was conquered. But, like many human issues, the causes of the Arab exodus are complex. Some left because shooting began in their neighbourhood and they wanted to get out of the way. Others, especially in villages that had attacked Jewish settlements, were forced out and their villages destroyed. Some fled because they were afraid of being massacred by the dissident Jewish guerilla units similar to those who killed the inhabitants of the village of Dair Yassin near Jerusalem even before the end of the Mandate. But it is clear that the vast majority of Arabs in Palestine were not organized or trained for military operations. Many had rifles and were grouped in guerilla bands, but the bulk of the fighting was left to the armed forces of Syria, Trans-Jordan, and Egypt. Hence, when Arabs began to move away from their towns and villages, little was done by the Arab leaders to stop them. It is unlikely now that any real evidence one way or the other will ever be found.

The Arabs insist that Israel should take back all the refugees. This is not practical politics. The number is so large that the risk to Israel's own internal security is wholly unacceptable to any Israel government. Many of the Arab villages have been destroyed: the land has been redistributed to Jews. The Arab houses in towns and quarters have all been filled with Jews, mainly new immigrants. Israel has readmitted members of split families and, at one time, offered to take back 100,000 Arabs as part of a general peace settlement. But, as no peace was in sight, this offer has now been withdrawn. Personally, I believe that the offer should be

made once more: but I must admit that it would not solve the refugee problem. Nor do I now believe that many refugees would accept such an offer. They do not want to go back to *Israel*: they want to go back to *Palestine*, an illusory hope today.

Whatever the causes of the Arab refugee problem, many Israelis feel very badly about it. Jews have had their own share of dispossession and refugee camps and cannot view with equanimity similar sufferings by others. But Israelis as a whole do not understand why the Arab states have not copied Israel and poured out money to settle their own displaced persons. Israel has settled just as many Jews in Israel as there are Arab refugees in camps in Lebanon, Syria, Jordan, and Egypt, and with far less land available for settlement. Why cannot the Arabs do the same? They have the whole Middle East for the purpose.

But many Israelis do not realize the formidable problems involved in such a resettlement. There are in fact few places where Arab refugees can be settled. The Gaza strip has room for only a few thousand: the Nile valley is overpopulated already. Lebanon, with its equally balanced Christian and Moslem population, will not take in more Moslem Palestinians permanently. Jordan, until the Jordan River Irrigation Scheme is implemented, has no available agricultural land for Arab settlement. We come down to Syria and Iraq, i.e. the Euphrates and Tigris river area.

The cost of resettling Arab refugees in Syria and Iraq would be extremely high. Where is the money to come from? Iraq has oil reserves but Syria is not rich. The Arab refugees have claims for compensation for their lands, houses and goods taken over or destroyed in Israel. Israel has admitted liability, again as part of a general peace settlement. But assessment of the compensation is not easy. The value of this property is probably in the order of £100,000,000 sterling; but the Arab claim is many times that figure. It is now impossible to estimate accurately the value of the Arab movable property left behind or lost by each individual family, and some lump sum settlement would be inevitable. Even £100,000,000 sterling is far beyond Israel's capacity to pay without a long-term international loan. It is also now questionable whether the Arab states would agree to accept this sum from a non-existent state like Israel since acceptance would weaken the claim of the Arab refugees to return to their former homes. Nevertheless, I am in favour of Israel's offering an advance payment of, say, £20,000,000 sterling to start the ball rolling.

Even if such a sum were offered and accepted, how would the

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work be carried out? Jews have been settling people on the land for over seventy years and know how difficult it is. Arabs have had little experience in such work* and would be well advised to take U.N. experts to help them. But this would not be easy for the Arab states to accept as they are very sensitive at any suggestion that they cannot carry out schemes unaided.

The main difficulty, however, is political. The Arab states are not yet prepared to abandon their claim for the repatriation of all Arab refugees to "Palestine". Many of the refugees themselves are afraid to accept settlement in Arab countries for fear of losing not only their ultimate claim to repatriation to "Palestine" but even their present camp rations. Even such a well-meant attempt as the settlement scheme in the Jordan valley initiated by my former colleague Musa el Alami was attacked by the refugees themselves in the rioting last year. Hence the Arab refugees seem doomed to rot in their camps in idleness and hate, making the whole atmosphere of the Middle East even more bitter.

In these circumstances, I see no hope of any peace settlement in the near future in the Middle East. With luck, there will be no war, but that does not mean peace. Israel would like to be at peace, but the political price of peace is far too high at present. It involves cession of territory and the readmission of the Arab refugees whom Israel now regards as a potential Fifth Column. These would be the terms imposed on an enemy defeated in 1948: but Israel regards herself as victorious in 1948. Hence peace between the Arab states and Israel is out of the question.

If Israel were at peace with the Arab states, her economic position would then be much easier: she could buy cheap food from near at hand and pay for it with her manufactured exports. That, however, is one of the very things that the Arab states fear, and the blockade of Israel is in part maintained to protect Arab markets. Israel also has considerable numbers of experts, especially in the field of agricultural development already being sent to South-East Asia under U.N. auspices. They could be equally well be made available for the Arab states where the climatic conditions more nearly approach those of Israel. But that, too, is a long way ahead. For this kind of contact, an intimate knowledge of the Middle East by Israelis is essential. There are several good Arabists in the Hebrew University and a number also in the Israel Diplomatic Service, Civil Service, and Defence Forces. A Hebrew

* Even the building of a few houses for Arab refugees near Jerusalem is described by Stewart Perowne in his book, *The One Remains*, as a major undertaking.

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journal on the Middle East has been published for some years. But the chief source of knowledge of the Middle East is to be found among the tens of thousands of Jews in Israel, who have immigrated from other parts of the Middle East. Then there are Israel's own Arabs.

Nevertheless, the knowledge of the Middle East among Jews born in Israel or who have immigrated from Europe is not very profound. The Arab world is developing so fast that Jewish knowledge of it is apt very quickly to become out of date. The Israel press harps on the feudal nature of the Arab states. While some are still feudal—and even more primitive than that (for example, the beduin of central and southern Arabia)—there is little realization in Israel of the increasing power of the middle class in many Arab countries, in particular Lebanon, Syria, Egypt, Iraq, and Jordan. The Arab middle class, composed of merchants, civil servants, teachers, lawyers, doctors, army officers, etc., was already well developed in Palestine towards the end of the Mandate. Whereas the Arab landlords dominated the Palestine Arab nationalist executive committees in the 1920's, by the 1940's they were already in the minority. Inasmuch as the Arab middle class is a progressive element (like the middle class in Europe a century ago), Israelis are apt to underestimate the potentialities of the Arab states, especially those that are their immediate neighbours, and to look down on them.

It is difficult to correct this tendency. The Israel press can only report what is going on in Arab countries from second hand: no Israeli correspondents are allowed to visit the Arab world. Those items that find their way from the world press into the Israel press are largely anti-Israel declarations by Arab statesmen. Nor can individual Israelis find alternative sources of information. No Israeli Jew is ever given a visa for any Arab country: the frontiers between Israel and the Arab world are hermetically sealed. No Arabic newspapers or books reach Israel commercially, as the postal services have been suspended. There are only the radio broadcasts from the Arab states but they are so full of propaganda that few Arabic-speaking Israeli Jews place much reliance on them. Sometimes Israeli Jews at conferences abroad meet Arab delegates and can discuss the Middle East with them. But the Arab countries usually refuse to be represented at conferences at which Israel is represented. There are some exceptions; and when former Jewish and Arab friends and colleagues from Palestine do meet, with no limelight in evidence, useful exchanges of in-

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formation do take place. As far as concerns the young Israeli-born Jew who does not go abroad, the situation is far worse. His knowledge of Arabic is limited to what he can pick up in secondary schools. For Israeli Jews, Hebrew is the language of instruction; English is the first foreign language; Arabic, or alternatively French, is the second foreign language; and only half the children take Arabic: it is not at a very high level either.

In that area of Palestine now known as Israel there were some 120,000 Arabs after the fighting in 1948. The number of Arabs today is about 200,000, mostly in the villages of western Galilee, the increase being due to (a) natural increase; (b) authorized reuniting of split families; and (c) unauthorized return of refugees. The fact that the Arab population of Israel has increased so rapidly is, on the surface, evidence that their situation cannot be so bad. In fact, the proportion of Jews who leave Israel is much higher than that of Arabs!

Israel is particularly anxious to treat its own Arabs fairly. In spite of the tension on the frontiers, there is surprisingly little hatred in the interior towards Arabs. They till their fields in peace and can even be seen walking round in Jewish towns with no one paying any particular regard to them.

On the establishment of the new Ministries in the state of Israel, there was also a Ministry of the Minorities—the polite term in Israel for Arabs. But, after a few months, the Ministry was suppressed as it was realized that, if Israel's Arabs were not to become second-class citizens, they must be encouraged to claim their rights, equally with Jews, from all the Ministries. As far as Arab religious needs are concerned, they are catered for by the Moslem and Christian departments of the Ministry for Religious Affairs. Israel's Arabs have the same right to vote in both local and national elections as is possessed by all citizens, and make good use of it. Eight members of the *Knesset* are Arabs, of whom five were elected on separate Arab lists (and vote with the Jewish right-wing socialist party Mapai) while the others were elected on the lists of the left-wing socialist party Mapam and of the communists. By comparing the total number of votes cast in Arab areas with the total number received by Arab candidates, it is clear that half the Arab voters are already voting for Jewish candidates—the first step towards political integration.

Arab members of the *Knesset* may address the assembly in Arabic, each speech being subsequently translated into Hebrew. Some Arab members already understand Hebrew and can follow

the speeches of their Jewish colleagues. Those who do not can receive a running Arab translation through headphones. The same applies to the law courts, where proceedings are translated for the benefit of Arab litigants. In schools in Arab areas, the language of instruction is Arabic and the first foreign language is Hebrew. Most Arabs pick up Hebrew—another Semitic language—with great ease.

One of the most satisfactory features of Arab life in Israel is the treatment of Arabs in the law courts. The Israel courts are completely independent and protect not only the Jewish citizen against the state and the Jewish civilian against the army, but also the Arab minority against the Jewish majority.*

It is also generally admitted that Israel's Arabs have prospered in recent years. Their agriculture has developed; so has their health. More schools have been opened in Arab areas in which Moslem boys and girls sit side by side (something that was always believed in mandatory days to be out of the question). But most of the educated Arabs have left Israel and there are very few Arab civil servants.

Nor are Arabs conscripted yet to the army. A number of Druze fought with the Israel forces in 1948 and there has been a Druze unit in the Israel army ever since. A few Arab volunteers have served with it from time to time. By law, all Arabs are now liable for military service, and last year they were registered. But they are not trusted sufficiently to be called up in numbers, although groups of volunteers—largely Christian Arabs—are now being formed.

It is this lack of confidence in the Israeli Arab that is their chief difficulty: and no one can do anything about it. In a region where loyalty to family, race and religion count far more than loyalty to city or state, few Israeli Jews expect Israeli Arabs to feel other than Arab, no matter how well they are treated. Most Arab areas are still under military government, although one of the reasons for this is that the Arab peasantry have always been accustomed to paternalistic rule. Many of them are not yet ready for elected local councils and rural councils. Those Arabs who live on the frontier are still unable to move without a pass, although the need for passes elsewhere has been abolished.

Arabs are not encouraged to seek work in the towns, and there

* I was once advised by my Jewish lawyer to settle out of court a law suit over the return of my former flat in Jerusalem. He said that as my landlord was not Jewish, I had no chance of winning my case! So I settled the case out of court.

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are separate Arab labour exchanges in most areas. This prevents their competing with Jewish labour; but it also prevents Jewish labour from competing with them. Arab wages are still lower than Jewish wages in most occupations, but the gap is much less than it was in mandatory days.

If the Jews of Israel are cut off from the rest of the Middle East, the Arabs of Israel are cut off even more. They have no daily newspaper of their own and cannot get Arabic newspapers or books from abroad. They can listen to Arabic broadcasts from the adjacent countries; but few Arab villages have an electricity supply. Many Jews would like to see Israel's Arabs remaining a distinct ethnic group. But many of the younger generations already wear blue jeans and speak Hebrew: integration is comparatively rapid. Taking the long view, perhaps that is the best solution.

THE HEALTH SERVICE: DIAGNOSIS AND PROGNOSIS

By HERMAN M. SOMERS AND ANNE R. SOMERS*

I

THE Guillebaud Report† and that companion study by Dr. Abel-Smith and Professor Titmus‡ mark the end of a chapter in the history of the National Health Service. It had long been clear that the existence of such a service had ceased to be a party issue; it was far too popular for serious political challenge. There remained, however, considerable doubt in many quarters about sheer feasibility in terms of cost and administrative complexity. Such reservations were reinforced by a widely held view, apparently supported by official data, that costs were rising sharply in each succeeding year and that neither services nor costs were under effective administrative control.

There were grounds for expectation that such "facts" might

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† *Report of the Committee of Enquiry into the Cost of the National Health Service*, H.M. Stationery Office, 1956 (Cmd. 9663).

‡ B. Abel-Smith and R. M. Titmus, *The Cost of the National Health Service in England and Wales*, Cambridge University Press, 1956.

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become the basis of drastic revision, probably in the nature of contraction, of the Service. When the Guillebaud Committee was appointed in April 1953 by the Minister of Health, its terms of reference* reflected the common understanding of what had been happening to costs, and many friends of the Service took a gloomy view of the prospect ahead.

Objective inquiry and scholarship, however, brought forth quite a different story of what had been happening and, therefore, quite different conclusions. The Committee's major findings can be summed up as "False Alarm!" Costs have not been what they seemed and administration is, in general, effective.

The cost study informs us that there has been a relatively modest absolute increase of about £15 million a year from the first full year of the Service, 1949-50, to 1953-4, when it reached a current annual net cost of £430½ million.† Expressed in constant prices (1948-9), the "real" current cost is estimated to be only about £11 million greater in 1953-4 than in 1949-50. "Thus, the net diversion of resources to the National Health Service since 1949-50 has been of relatively insignificant proportions." Moreover, there was a rise of nearly 2 per cent in population during the period under review. Thus the net cost per head at constant prices was approximately the same in 1953-4 as in 1949-50. Expressed as a proportion of gross national product the current net cost of the Service fell from 3½ per cent in 1949-50 to 3¼ per cent.

Clearly, such data do not indicate a programme "out of hand" and there was no longer any *prima facie* case for overhauling existing procedures. Those who opposed the inquiry as well as those who requested it must have found some irony in the Committee's conclusion: "... we have found no opportunity for making recommendations which would either produce new sources of income or reduce in a substantial degree the annual cost of the Service. In some instances—and particularly with regard to the level of hospital capital expenditure—we have found it necessary in the interests of future efficiency of the Service, to make recommendations which will tend to increase the future costs."

As to administration, the Committee recognize present defects

* "To review the present and prospective cost of the National Health Service; to suggest means, whether by modifications in organization or otherwise, of ensuring the most effective control and efficient use of such Exchequer funds as may be made available; to advise how, in view of the burdens on the Exchequer, a rising charge upon it can be avoided while providing for the maintenance of an adequate service; and to make recommendations."

† All data relate to England and Wales only. Scotland is omitted because of special difficulties in obtaining comparable data but the omission should not influence trends.

but conclude that "the Service's record of performance since the Appointed Day has been one of real achievement". They see no present need for any major organizational change and are prepared to let well enough alone. Most segments of the public appear to find this conclusion consonant with their mood.

This *dénouement* could not be entirely surprising to those able to see the Health Service in historical perspective, with its roots in the old English poor law medical services, local authority public health services, National Health Insurance, Local Government Act of 1929, and—less widely understood—the virtual nationalization of the hospital system during the second world war, a decisive precedent for the present regional organization of the hospital services.

It would be entirely too facile, however, to regard the NHS solely as a continuum with the past. It brought much that was new. The sheer magnitude of the enterprise made for a difference in kind as well as degree. The pervasive role of central government and the prominence of the Service in everyday life contributed to an unprecedented focus of public attention. When the original Act was being debated, Mr. Aneurin Bevan, then Minister of Health, is reported to have said: "Every time a ward maid kicks over a bucket in a hospital ward, I shall be called to account. . . . We shall enfranchise complaint." Such "politicization" of the ward maid's bucket, symbol of the potential volatility of public reaction, carries danger as well as opportunity and a critical obligation for public information.

The Guillebaud Committee, Dr. Abel-Smith and Professor Titmuss have made a great contribution in clearing the air of considerable misinformation and in giving documentary support to the already apparent abatement of political tensions. The Committee was appointed under a Conservative government to examine what was, rightly or wrongly, a Labour-identified institution and its report has been presented to parliament by another Conservative government, without challenge to its basic findings. It is now possible for debate to proceed on a more constructive plane with regard to improving and strengthening the Service, without the former suspicion that criticism concealed a desire to undermine. But institutional stability is often accompanied by general apathy and consequent stagnation. There are numerous danger signals, many suggested by the report, which amid the general approval could be easily and harmfully neglected, and some potent issues for the future which this Committee left unexplored.

II

The cost study was entrusted to a private organization by the Committee which felt it needed better economic measures of cost trends than appeared available from the government. Dr. Abel-Smith and Professor Titmuss, like the Committee itself, found that the conventional Appropriation Accounts were inappropriate and in some respects misleading for policy purposes. These merely record the sums voted and paid out for given purposes during specified periods. The figures are erratically affected by such factors as fortuitous timing of payments, do not relate costs to the period when the expense was actually incurred or the resources used, and are not functionally comparable from year to year. In accordance with principles of what is called "social accounting"—the terminology may differ in other countries—the authors were concerned to measure costs "in terms of current productive resources to public authorities as a group".

This necessitated major reorganization of Exchequer and department data. In the words of the authors, it involved "(a) measuring the absorption of goods and services by the activities of the National Health Service in each period and, conversely, distinguishing these from expenditures which do not involve the absorption of current productive resources, or which involve their absorption in another period; (b) eliminating payments *between* different types of public authority, so as to arrive at a measure of transactions between public authorities as a whole and the rest of the economy; (c) deducting from gross expenditures the amounts recovered in charges from beneficiaries of the Service; and (d) distinguishing, at least in a broad way, between expenditures on goods and services for immediate consumption in the provision of services (i.e. current expenditures) and expenditures relating to benefits spread over a future period of years (capital expenditures)." To achieve comparability, the scope and content of the Service in 1951-2 was adopted as a standard.

The cost as thus measured "shows a steadier and less sharply rising trend than that shown in the Appropriation Accounts". The difference is particularly apparent in 1952-3 when retroactive awards were made to doctors for services in previous years. In the accompanying table we have tried to combine some of their major fiscal findings.

One of the striking facts is the failure to spend sufficient on capital structure to maintain facilities at their current levels.

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Approximately £30 million per annum would be required for hospital replacement on a sixty-year basis. £20 million would be necessary even assuming a ninety-year depreciation period. Fixed capital expenditures, limited almost entirely to hospitals, have actually averaged less than £12 million per annum, about one-third of the pre-war rate in real terms. About 45 per cent of all hospitals were originally erected before 1891. As future years will require more, not less, hospital beds and related facilities, the Committee found dubious economy in this type of frugality.

COST OF THE NATIONAL HEALTH SERVICE IN ENGLAND AND WALES
(£ million, in actual prices, except as otherwise noted)

	1949-50*	1950-1	1951-2	1952-3	1953-4
Gross Total of the Vote—Appropriation Account†	387.6	398.3	410.7	450.8	432.7
Gross Current Cost (excluding capital)‡	376.6	395.7	411.7	436.7	433.4
Charges to Patients	5.0	5.2	9.6	19.8	23.1
Net Current Cost (excluding capital)‡	371.6	390.5	402.1	416.9	410.3
Capital Costs (real asset expenditure)	15.7	15.3	16.5	9.8	8.8
Total Cost of Service to Public Funds (current plus capital)§	385.3	405.8	418.6	426.7	419.1
Net Current Cost, in 1948-9 prices	369.8	388.3	374.1	370.6	380.8
Net Current Cost as Per Cent of Gross National Product	3.75%	3.71%	3.48%	3.34%	3.24%
Gross Current Cost Per Head in 1948-9 Prices	£8 14s.	£9 2s.	£8 17s.	£9	£9 7s.
Net Current Cost Per Head in 1948-9 Prices	£8 12s.	£8 19s.	£8 13s.	£8 11s.	£8 15s.

* Financial year—1st April to 31st March. 1949-50 was first full financial year of operation.
† Cash supplied by Treasury for NHS under its vote. For first two years figures do not take account of receipts. During next three, certain trading receipts were subtracted.
‡ "Gross Current Cost" includes charges for prescriptions, dental services, private hospital beds, etc. "Net Current Cost" is gross less the charges, i.e. current costs to public funds.
§ Totals in each year are understatements. The authors found it impracticable to include in current costs of hospital authorities and Executive Councils the use made of existing plant by debiting charges for rent, interest, and depreciation. Other data in study suggest that this might add about £50 million per year. However, the authors point out this omission will make only negligible difference in assessing the trend of costs, their main object.

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Other economies appear to have been achieved by undermanning and tight Whitley Council control over wages and salaries for administrative and ancillary staff which has kept them from rising as rapidly as the price level. Some sobering reservations must therefore accompany the general gratification over the cost trends: much of the relative stability in annual costs has been attained by sacrifice of future capital requirements and by staff sacrifices which, if continued, must prove a threat to service and morale.

In addition to its rich mine of data on past expenditures, the cost study offers some clues to future demand resulting from population change. The findings here are likely to have policy significance for many countries. It is widely believed that an ageing population must mean continuously rising medical costs due especially to increased demand for hospital facilities. A special analysis of the data offers no support for this assumption. The need for hospital care is far more influenced by a person's social situation, especially marital status, than by age.

Compared with the demands made by single and widowed men and women the proportion of married persons in hospital, even after 65, is extremely small. "The married state appears to be a powerful safeguard against admission to hospitals in general and to mental and chronic hospitals in particular." Projections to the year 1979 indicate that additional future costs to the Health Service arising solely as a result of an ageing population are not formidable. This, of course, does not imply that costs may not be much higher due to other changes.*

III

Although Dr. Abel-Smith and Professor Titmuss conducted a pioneering enterprise, made doubly hazardous for lack of adequate data, the Committee accepted the results completely and embodied them in their own report. As the study was obliged to raise basic questions of how to measure actual cost trends in a complex public programme, the techniques employed are significant for public policy in other fields as well. The methods, assumptions, projections, and estimates, as well as the resulting findings, will

* "... more old people may mean more demands on some services but not on others; more children and a higher birth-rate affect the different branches of the Service in different ways; less hospitalized sickness may mean more expenditure on welfare services; a larger proportion of the population with middle-class standards and aspirations may mean more expressed demand for some forms of medical care; a lower marriage rate and smaller families may mean increased demands for hospital care. . . ." *The Cost of the National Health Service* p. 70.

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undoubtedly provoke ample critical and technical discussion.* This alone would prove a major contribution in long-run terms.

Whether the particular classifications of data will ultimately prove the most useful is beyond the competence of this review. Clearly and more important, Abel-Smith and Titmuss were asking the right questions. They are the essential questions not only for a Guillebaud Committee but, as *The Manchester Guardian* pointed out, for continuing public policy discussion. It seems remarkable that the Ministry should not have equipped itself to grapple with such questions. But the Committee inform us that for the first seven years it did not have a statistician concerned with the Health Service. Even now it lacks a research unit. While improvement has been noted in recent years, especially with respect to comparative cost information, it does appear that both Treasury and Ministry have neglected an essential aspect of responsible administration—the collection and analysis of data in a form appropriate for policy decisions.

To help fill the gap the Committee recommended that the Ministry establish a full-time Research and Statistics Department for operational research. The Ministry says it would be both difficult and expensive to obtain the type of information the Committee has in view. But failure to undertake more searching inquiry on a regular basis is likely to prove even more costly.

Deeper causes for the deficiency in knowledge might be found in some of the political factors which condition the attitudes and behaviour of departments. A contributory element may be the apparently insufficient opportunity afforded the House of Commons for a thorough and detailed challenge to proposed departmental budgets and procedures. If the Ministry were required to justify in full detail all budget plans before House committees, assisted by their own technical staff, it might long ago have been obliged to furnish more satisfactory data or find itself hopelessly embarrassed.†

* For example, the method employed makes it impossible to close the books on a given year for an indeterminate period thereafter: e.g. if the doctors' current wage claim for services going back to 1950 should be granted, the data for all these years would require revision. However, it will be easier to find deficiencies than to suggest suitable alternatives. *The British Medical Journal*, for instance, was quick to point out that, as a base from which to measure future trends, 1949-50 was not a good year "because expenditure in it was swollen by a pent-up demand for spectacles and dentures". Yet, it concludes, "it was the only possible one". 4th February 1956, p. 279.

† In addition to other basic limitations, the Select Committee on Estimates has long allowed itself to be controlled by the bureaucratic view, expressed by Sir Gilbert Upcott, formerly Treasury officer attached to the Committee: "Only the Treasury can tell the Committee what are the fruitful fields of inquiry." The Committee has now equipped itself with some staff of "House-trained" clerks, but no expert or specialized assistance. (K. C. Wheare, *Government by Committee*, 1955, pp. 224-6.)

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In any case, the Guillebaud Committee have made dramatically evident the wisdom of encouraging departmental committees and Royal Commissions to employ independent technical staff—made possible for the cost study by the assistance of a private foundation—instead of depending for statistical and professional services solely upon the civil service. Part of the function of such bodies should be to bring a fresh view to a problem. They are impeded from doing so effectively if they cannot have the full-time help of technicians who have not been nurtured in the existing methods of handling the data.

IV

The major operational issue facing the Committee was the efficiency and appropriateness of the present general organizational structure. Below the Ministry of Health there are three managerial sectors: a network of boards and committees responsible for hospital and specialist services (which now consume about two-thirds of total costs); the 138 local Executive Councils which administer general practitioner services; and 146 local health authorities responsible for clinical and domiciliary functions, primarily of a preventive character, and some auxiliary services such as ambulance transport.

From the outset, a great deal of criticism has focused on this tripartite organization and the alleged lack of co-ordination between the parts. Among the more prominent complaints are: The present structure causes or contributes to a shift in the centre of gravity of medical care towards hospital and away from the home and surgery (doctor's office), with resultant wasteful overuse of hospital resources; it separates prevention from cure to the neglect of the former; irresponsibility and waste result from separation of administration from financial responsibility; it has caused a further contraction of local government.

The Committee considered a variety of conflicting proposals for administrative revision, ranging from centralized unification of the three branches under a National Board, along the lines of nationalized industries, to decentralized unification under local government authorities, as well as a large number of more limited schemes for better "co-ordination". The report makes a few specific recommendations for greater freedom from Whitehall control in hospital management and for improving relations at various points where branches of the Service overlap. But it re-

jects all demands for major structural change. It concludes: "We are strongly of opinion that it would be altogether premature at the present time to propose any fundamental change in the structure. . . . It is still a very young service and is only beginning to grapple with the deeper and wider problems which confront it. What is most needed at the present time is the prospect of a period of stability."

Many persons will be joined in disagreement with this conclusion, but it would be useful for them to consider that they would soon be asunder again if called upon to agree upon a specific alternative. It would also be helpful to recall that the current centripetal tendencies reflect broad social and technical changes and are not the arbitrary results of any particular administrative structure.*

Sir John Maude, a member of the Committee, served as an informed spokesman for the advocates of major decentralization in his statement of "reservations" appended to the report. He develops his case with care and cogent detail. But his conclusions illustrate the Committee's argument that it is easier to discern difficulties than to frame feasible alternatives. Sir John would like to see local government management of all branches of the Service and recommends immediate transfer of Executive Council functions to local authorities. But, he reluctantly concludes, on the "crucial matter" of "transfer to local health authorities of the hospital and specialist services", it would be "inadvisable" to undertake such a "radical reorganization" until there is an "adequate reorganization of local government administration and finance". As the probability of such "adequate reorganization" is generally understood to be exceedingly slim, this solution evaporates even for those whose preference it is. There is an understandable sentimentality about local government in all democratic countries but the hard reality is that its steady decline in this century has resulted from forces far more fundamental than alleged aggrandizing tendencies of central governments, and these are not likely to be reversed.†

* A recent study of a closely related problem concludes: "Public responsibility implies central authority; central authority, where a large, complex and widely-diffused system like the Hospital Service is concerned, implies a long chain of command raising, at every stage, the perennial question of devolution and initiative. . . . It would be absurd, of course, to argue that the National Hospital Service in precisely its present form was the inevitable consequence of the decision that a comprehensive hospital service should be made a public responsibility; but any conceivable system would have raised the same fundamental problems." The Acton Society Trust, *Hospitals and the State: Background and Blueprint*, I, 1955, pp. 42-3.

† Sir John makes a case for "what might have been" had earlier recommendations for strengthening the role of local government in the health field been effected, e.g. the Min-

One of the most prominent of these forces in the health field is what Sir John himself identifies as "the technical revolution of medicine". In his recent survey, Dr. Stephen Taylor concludes, "The form of medical practice is ultimately shaped by the technical facts."* "Medically, the greatest change produced by the NHS", continues Dr. Taylor, "has been the diffusion of salaried specialists throughout the country." The free availability of such consultants, with their vastly improved diagnostic and specialist facilities, is a major factor underlying the trend towards increased use of hospitals. This trend, in one form or another, has been taking place throughout the western world, regardless of the great variation in the organization and financing of medical care. Sir John cites a study by the Oxford Regional Hospital Board showing that in 1952 one out of thirteen people in that area was admitted as an in-patient. In the United States, in the same year, one out of eight in the population was a hospital in-patient, although Americans do not have a free health service to "abuse" and hospital care is notoriously expensive. However one may regard the merits of the trend to hospital, the particular structure of NHS cannot be held accountable.

What the Committee have to say about "preventive health" is closely related to the hospital issue. The fear that a greater emphasis on the hospital must come at the expense of "prevention" seems to stem from a view which unrealistically confines the concept to traditional local public health services. In an adequate programme of "preventive health", both the modern hospital and local services are essential. Weakening one is not the way to strengthen the other.

It is difficult to avoid the Committee's conclusion that no realistic case was made for altering the general structure of the NHS. However, it does not require an attack on the use of hospitals or the overall structure to support the need for better general practice. On this important problem the report appears regrettably

ority Report of the Royal Commission on the Poor Law, 1909, and the recommendation of the 1926 Royal Commission on National Health Insurance regarding transfer of the work of the Insurance Committees to local government. Others allege that had the war not intervened a gradual transfer of all voluntary hospitals to local authorities might have taken place without need for nationalization. But is the history of "lost opportunities" in this and other fields all capricious or does it reveal the limitations of local government capacities?

* He adds, "Habit and custom and cost may delay change for a while. But in the long run, man's desire for self-preservation forces through the necessary alterations." *Good General Practice*, Oxford University Press, 1954, p. 530. For a provocative discussion of the effects on medical practice of scientific and technological changes, see R. M. Titmuss, "Science and the Sociology of Medical Care", scheduled for publication in *British Journal of Psychiatric Social Work*, Autumn, 1956.

cavalier. It suggests that the Committee did not have the time or the disposition to undertake any thorough inquiry into this complex area. Nevertheless, it included some rather perfunctory observations whose tone is inconsistent with the majority of recent British surveys of this problem.

The well-known highly critical report by Dr. Joseph Collings (*Lancet*, 25th March 1950) concluded with "a condemnation of general practice in its present form". This report has been criticized by Dr. Taylor, who studied the problem for the Nuffield Provincial Hospitals Trust, for "converting particular truths into rather less accurate general statements". But Dr. Taylor himself concluded that about one-fourth of British general practice is "unsatisfactory", including one-twentieth "for which it is hard to find excuses".*

The British G.P. today faces the risk of becoming "a relatively unimportant outpost of the hospital services".† Whether developments drift in that direction, or whether, as most people hope, he will rise to the challenge of "the technical revolution of medicine" and succeed—through group practice, health centres, access to hospitals, or otherwise—in combining continuity of medical care with true clinical medicine, is still conjectural. The problem antedates the Health Service and nationalization is not a primary influence in it. But nationalization has brought the matter to the surface as an issue of public policy which requires more thorough analysis than the Guillebaud Committee gave to it.

There are other questions which the Committee do not appear to have given the examination they deserve. This may, in part at least, be due to the fact that, except for the cost study, no research or first-hand inquiry was undertaken. The Committee sat like a court listening to complaints and proposals of interested parties. The report tends to reflect some of the diffusion which can result from such a process, touching on multifold detailed

* "Proportionately," Dr. Taylor goes on, "the picture is far less black than Dr. Collings painted it, but numerically it is still serious enough. If a quarter of all GPs are less efficient than they should be, this means nearly 5,000 GPs looking after some 10 million patients. If a twentieth of all GPs are seriously inefficient, this means 1,000 doctors in charge of some 2 million patients." *Good General Practice*, p. 447. The proportions estimated by Dr. Taylor agree closely with another survey made by Dr. Stephen Hadfield for the British Medical Association. *Report of the Committee on General Practice within the National Health Service* (Cohen Committee) to the Central Health Services Council, 1954, is temperate in criticism, but the nature of certain of its recommendations is revealing. For example, in suggesting minimum standards for GPs with regard to accommodation and equipment, the first listed is, "There should be running water—or at least a wash-basin with water—soap and a towel in the consulting room." (p. 24.)

† *Good General Practice*, p. 554.

problems without bringing about the additional knowledge needed to cope with the large ones.

This is strikingly true, for example, on the controversial "bread and butter" issue of charges to patients. The Committee recommends leaving charges as they are, at least for the present. It is supported by the findings of the cost study that, while the introduction of charges (now amounting to about 5 per cent of gross current costs) had some effect in reducing demand, a slowing down was already clear before the charges were imposed. But the Committee did not take the opportunity to contribute some factual knowledge regarding the effect of such charges on individual patients' decisions. This is an area, among others, wherein research might have yielded fruitful results and reduced dependence upon theory and surmise. But this might have required more resources than were available to it. The report has been criticized for not entering upon a full theoretical discussion of cost sharing, but this could be of dubious value in the absence of better information about its effects.

V

The Committee explicitly chose to avoid the core question of the adequacy of the Service. They protested that "... in the absence of an objective and attainable standard of adequacy the aim must be to provide the best service possible within the limits of available resources". The amount available is presented as a matter for Government policy in its allocation of total resources, for which the Committee say they can offer no guidance. It would probably have been unwise for this body to have undertaken to assess adequacy within the context of its particular assignment. But it is unfortunate to leave the impression that there are no criteria which might help determine what national resources should wisely be applied to the Health Service.*

While the concept of adequacy is indeed enormously complex and will always elude precision, it remains a responsibility of a public service to develop rational indices. The Government's decisions on allocation of resources must be related to some view

* In practice the Committee find it impossible to avoid passing judgment on adequacy, even when it is more convenient to call it by another name. For example, the recommendation of a much higher rate of capital expenditure involves some criterion of adequacy as there is otherwise no basis for saying that the present level of physical equipment ought to be maintained. Again, the Committee's recommendation that charges for dental and ophthalmic services be eventually reduced is based on a conclusion that present charges may be interfering with necessary demand. This too includes a criterion of adequacy.

of what an adequate service needs. The state of medical technology and attitudes towards health and disease change constantly, but in relation to a particular time it is possible to gauge the adequacy of a given quality of medical service or facility. Moral and political values must play a decisive part in final judgment, but social and physical sciences have a vital function to help answer the basic question, "Are we doing what needs doing?"* Fundamental tasks await future studies.

It is not for visitors to offer judgment on whether the British people were wise to enter upon this gigantic public enterprise. But the general evidence of this report indicates that congratulations may be offered that, once the decision was made, Britain again exhibited its administrative genius and has done the job with calm efficiency. Yet, as has been indicated, the situation does not warrant complacency. Social progress always means "the substitution, for one set of solved problems, of a new and more significant set of problems", often making even greater demands on human intelligence and energy. None of its deficiencies alters the fact that the Guillebaud Report contributes a most important basis for the application of such intelligence and energy. In the words of the *British Medical Journal*, "With the companion volume by Mr. Abel-Smith and Professor Titmuss it will be an essential source of information for many years to come."†

* The continued existence of a private medical practice may have constructive value in this connection, not only for its own sake, but as a built-in safety valve. Expansion in the private sector beyond a certain point would presumably indicate some inadequacy or at least a growing discontent with some aspect of the Service. This could be a good signal for detailed inquiry.

† 4th February 1956, p. 280.

THE FINANCING OF LOCAL GOVERNMENT

By W. S. STEER*

I

THE Rating Revaluation recently completed has gone some way towards strengthening the financial position of local authorities. It has brought ratable values more into line with present-day property values, and has removed the most serious inequalities in valuation between different local authority areas. It has also eased the direct burden on householders as a class, while increasing the burden on other classes of ratepayers, such as shopkeepers and hoteliers, for whom rates are a trading cost to be met out of gross profits. Rates now conform more closely than they have previously to generally accepted methods of taxation.

But there still remain the wider democratic aspects of local authority finance that require serious attention. For methods of raising local authority revenue must satisfy two quite different criteria. It is not sufficient that they should fulfil the requirements of fairness, flexibility, ease of collection and so on. They must also be designed so as to preserve the independence of local authorities as self-governing bodies within a democratic society. And although revaluation has improved the rating system as judged by the first criterion it has in no way affected the status of local authorities as judged by the second criterion. It is the purpose of this article to examine recent trends in local authority finance more especially from the point of view of their effects on local autonomy, and to suggest principles which, if adopted, would not only relieve local authorities of their most pressing financial pre-occupations but would also strengthen their democratic status and electoral accountability.

II

Local authorities derive their income from four main sources, namely, rates; government grants; rents and other income; and

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loans. Rents and other incomes are largely self-balancing items against which expenses have to be charged. Loans are the means of financing capital works, such as houses and other permanent assets. But the really significant items for our purpose are rates and government grants. For the relationship between rates and grants, and the form that government grants take, determine largely the degree of freedom enjoyed, or of central direction endured, by local authorities.

In 1937-38 of a total income on revenue account of £392m. rates accounted for £191m., that is 49%, and government grants for £139m., that is 35%. Included in the £139m. government grants was a total of £90m. in the form of specific service grants. In other words, 65% of the money received from the Treasury was payable not for the general purposes of local government but was allocated to certain specific services such as education and housing. In 1953-54, of a total of £979m.* on revenue account £392m., that is 40%, came from rates and £414m., that is 42%, from grants. Of that £414m., £351m., that is 85%, was in the form of specific services grants. Between 1938 and 1954 there was thus an increase of £201m. in rate income but of £275m. in grant income and the proportion of rate income in the revenue account had dropped from 49% to 40%. In the same period specific service grants rose from 65% of a total of government grants of £139m. to 85% of a total of £414m.

There have thus been two developments that disturb all persons who want to see local government enjoying a large measure of freedom from central control. Local authorities are not only dependent upon Exchequer grants for a larger share of their total revenue than they were before the war, but a much greater proportion of these government grants are now specific service grants which carry with them the most detailed forms of central control.

III

What then are the causes of the rapid rise in the costs of local authority services?

Obviously inflation is a large part of the answer. Rises in prices and wages bear equally upon private enterprise and the public services. But this is not the whole story, for local authorities are not doing the same things to-day that they did in 1938. They have lost some services, they have expanded some of the remain-

* Local Government Financial Statistics, 1953-54.

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ing services, and they have taken on quite a number of new services.

The transfer after the war of the municipal hospitals to hospital boards, and of the remainder of the old poor law functions to the National Assistance Board, saved local authorities a sum estimated at £63m. At the same time, however, under the financial settlement effected by the Local Government Act, 1948, local authorities lost the former unallocated block grant amounting to about £57m., but received a new "equalization grant" amounting at first to £33m. Thus the immediate effect was that the local authorities were about £39m. better off than they had been previously. Certainly they could not accuse the government of being ungenerous. But the additional funds the local authorities received were soon absorbed. The rising costs of maintaining existing services, the compulsory expansion of other services such as education and housing, and the heavy costs of new services such as old people's homes, and the care of deprived children have created financial burdens for local authorities they are quite unable to carry without the aid of very large Exchequer grants. And these grants have in turn altered the traditional pattern of relationship between the central departments and the local authorities.

A very large proportion of local authority rates is now being spent on services which they were not intended to finance. In 1953-54, of the total rate expenditure of £392m. the largest items were education £132m., local health services £90m., highways £53m., police £33m., housing £14m., and care of the aged £14m. Thus two social services—education and housing—accounted for £146m. or 37% of the total. Protection of children £8m., and care of the aged £14m., both newer personal social services, added another £22m. Together these four social services accounted for £168m. or 43% of the total rate expenditure. But none of them has any relation whatever to property. None of them is a communal service for the enjoyment of the general body of local residents. All of them are social services which local authorities have been obliged under statute to provide for certain limited classes of local persons who need them. How then can we justify the existing practice of apportioning the rate contributions to these services among local residents on the basis of their property holdings? On what grounds do we exempt from local contributions to these services the large number of local residents who do not happen to occupy rated premises?

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And what is the justification for relieving (under the derating acts) the occupier of agricultural lands and buildings of the whole, and the occupier of the industrial premises of the three-quarters, of their liabilities?

True, it is the total tax structure that matters. The most we can hope for is that rough justice will be done after both rates and taxes are taken into account. Nevertheless the present system gives rise to very serious anomalies. Let us take education as an example—particularly as it happens to be the most expensive service left in local control. The owner of a highly-rated business which is making moderate profits may well ask why he should have to make such a large rate contribution to this service while a rich hotel resident pays nothing at all; and while the prosperous farmer pays nothing on his farm and farm buildings and the factory owner pays only on a quarter of the full assessable value of his factory. The business man can argue, too, that rates are a curious way of financing a service which is based on the concept of social justice and is designed to provide equality of educational opportunity. A policy of fair shares for all might be expected to require fair shares from all, and this is certainly not achieved by the rating system.

The same kind of thing can be said about rate contributions to the other social services such as the national health service, housing, the care of aged and handicapped persons, and the care of deprived children. We are aiming at roughly equal standards throughout the country in the provisions we are making for all these different categories of social need. These services are to be equally available to all sections of the community who require them and it seems to follow that the cost of maintaining them should also be evenly spread.

It is in fact impossible to find any logical grounds for confining the local contributions to these social services to ratepayers, or for apportioning those contributions according to the arbitrary ratable values of occupied premises.

IV

Precisely the same considerations account for the rate contributions to the older local services, and to the newer social services, namely the need for local people to contribute from their own resources for services over which they exercise rights of local control.

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No one denies that local funds must be found if local authorities are to enjoy the freedom to manage their own affairs as they think best. But the question remains whether the extent of local discretion is sufficient to warrant the contributions that local ratepayers have to make. In education for example the amount of freedom a local authority enjoys is very limited. The standard and types of its school buildings, its establishment of teachers and their scales of pay, the range of special services it must provide—all these and many other matters are strictly prescribed by the Ministry of Education or some other central body. Only in the field of further education is there much scope for local discretion and initiative, and even here—as for example in the matter of university awards—there is increasing pressure towards standardization of practice. But in the main fields of primary and secondary education, it is probably true to say that local education authorities are little more than administrative agents charged with the responsibility of maintaining locally a service that will form part of a national and more or less equal system of public education.

If this is so, why should local authorities have to pay so heavily for discretionary powers which they do not possess?

V

I suggest that the time has come when instead of basing the finance of local government on the illusion that all that local authorities do is local self-government, and that it is for each local authority to decide for itself the standards it will observe and the methods it will use—we ought to recognize that over large areas of local authority work national interests must override local considerations and marked local variations of standards and methods cannot be tolerated. In other words, at the two extremes local authorities perform two distinct roles. For some activities they are local government bodies performing local services to meet purely local needs. For other activities the local authorities act as administrative agents for implementing locally a national policy. In between there are a whole number of mixed activities in which both local and national interests are combined in varying degrees.

When acting in matters of purely local concern, it is right and proper that the authority should decide for itself both what is to be done, and how and by whom it is to be done. As a necessary

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corollary it should expect to have to pay the whole cost of these activities from its own resources. When, however, the local authority is acting virtually as an administrative agent for a central department there is no justification for requiring local councils to raise large sums of money for such services from local residents. For how can local councillors be held responsible to a local electorate for expenditure on services over which the council has no real control? If the only real privilege the local authority enjoys is the right to administer the service through its own servants, then it seems reasonable to limit the local authority contribution to the costs of administration. For these costs the local council can properly be held accountable by a local electorate.

For the mixed services in which national and local interests are combined, it would seem to follow that the proportions to be borne by rates and taxes respectively should reflect the proportions in which local and national control is shared.

If these proposals were adopted there would thus be three types of activities of local authorities, each carrying its own method of finance. There would be the "local" services. For these the local authority should pay the full cost from its own resources.

At the other end of the scale there would be activities that are essentially national and which are "local" only in the sense that they are locally administered. For these activities the local authority should be expected only to pay the cost of administration.

Between these extremes would be most of the mixed activities of local government. For these activities the local contributions should be limited to the degree of local control actually exercisable.

VI

I am aware that the adoption of these proposals would not remove all the weaknesses of the rating system, and that they raise a number of difficulties both of principle and of practice. It would still be necessary to seek alternative sources of local revenue. For as Professor W. A. Robson has shown, no country except Britain relies exclusively on taxes on real property for municipal revenue derived from local sources.* Moreover, rates could still be criticized as a regressive tax, and the case for the

* *Great Cities of the World: Their Government, Politics and Planning* (Allen & Unwin), p. 44.

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abolition of derating would not be affected. The principle that services which have become so national in character as to require 100 per cent Treasury grants should remain in local authority administration also raises difficulties. For the most obvious and straightforward thing to do is to place such services either in a central department or under a public corporation. Nevertheless I believe that it is of the greatest importance that as many of the personal social services as possible should be administered by local authorities. Schools, hospitals, children's homes and similar establishments are local institutions; teachers and their scholars, members of the medical profession and their patients are all local people. And, although the broad policy to be pursued and the standards to be achieved in these and similar social services must be determined nationally, the detailed application of the policy is a matter of intense concern to local people. In my view the interests both of democracy and of efficiency would best be served if the multitude of decisions that must be made affecting the day-to-day administration of these services were made by local councillors responsible to a local electorate. Certainly there is no reason to suppose that local authorities cannot be trusted to spend large sums of the taxpayers' money at least as responsibly or be given the same measure of discretion as nominated hospitals boards and hospital management committees. I do not believe, therefore, that the result of acting as administrative agents for carrying out national policy in certain services need be that local authorities would be regarded as the servants and become the tools of the central departments. I should expect that, coupled with a fairly rigid financial and costing control, there would be a "scheme procedure" somewhat similar to that adopted under the Education Act, 1944, and the National Health Service Act, 1946, setting out in detail agreements reached between the central departments and the local authorities as to the manner of carrying out the agency services. I believe, too, that such a system would encourage rather than discourage able and public-spirited persons to offer their services as councillors. Moreover, acceptance of the principle of agency services would provide the basis on which hospitals and the work of the health service executive councils could be transferred to local authority administration,* and would probably prevent the loss to local government of further services.

* See the discussion of this proposal in the Report of the Committee of Enquiry into the cost of the National Health Service. (Guillebaud Report) Cmd. 9663.

VII

The transfer to the state of the cost of the national services, while not reducing total public expenditure, would bring much-needed relief to hard-pressed local authorities. In 1954 a total of about £168m. was raised in rates towards the cost of education, housing, protection of children, and care of the aged, the major share (£132m.) being for education. It is difficult to say what proportion would be proper for the local authority contribution, but, assuming that it were 1 in 4, local authorities would be relieved of £130m. or about one-third of the present rate burden. Moreover, these are the services which must continue to expand and become more costly. The effect of apportioning the cost of the other mixed services in proportion to the degree of central and local control is also difficult to forecast. But I should expect these services to attract as much grant as at present. The police and fire services are under such close central control that I think the rate charge would be less and not greater than at present. Certainly the changes I am suggesting would remove the present anomaly whereby the grant for the police service is 50% and for the fire service 25% although the degree of central control is more or less equal. On the other hand local authorities might have to pay more for town and country planning which is a service of a predominantly local rather than national importance. For the purely local services and for costs of administration, local authorities would be obliged to accept full responsibility and to surrender any government grants they have been receiving.

The democratic advantages would be even greater than the financial gains. The present complex system of finance obscures the true character of English local government. For when rates rise or things go wrong, the councillor can so easily blame the government and plead that the local authority was acting under orders. Indeed, if he happens to be an urban or rural district councillor he has a further excuse: he can blame either the county council or the government, or more usually both! It is not surprising that the elector is bewildered and does not know whom to believe. Responsibility is diffused and electoral control is weakened. It is little wonder therefore that it is so difficult to get electors to the polls. In the system I am advocating the local authority would pay according to the say it had in the different services it provided. The local electors could properly hold the

council responsible for the whole of the rate expenditure, i.e. for the whole cost of the local services, for the costs of the local aspects of mixed services and for the administrative costs of the national services. The relations between the central departments and local government would also be simplified. Local authorities are constantly complaining about detailed control in matters of essentially local concern. They are irritated by the need of having to consult central departments on a large number of minor matters which they feel could safely be left to the people on the spot. Local authorities, too, are not blameless. They are often unresponsive to changing attitudes to social problems and fail to recognize that wide diversities in standards of the personal social services can no longer be tolerated. Central departments are thus forced to impose controls which they do not really desire but without which it would be impossible to achieve the results expected by the public. If, however, grants and rates were related to central control and local discretion respectively, the central departments would hesitate to impose unnecessary controls, knowing that an increase in control would mean an increased grant. Similarly local authorities would have no excuse for failing to maintain national standards in the services which were of national importance and for which 100 per cent substantive grants were paid.*

In the mid-twentieth-century social service state we cannot finance and run our local authority activities on concepts of the mid-nineteenth century. The time has come to consider seriously whether the theory and practice of local finance should be amended to take account of the growth of agency services which do not fit into traditional concepts of local democracy. For it is the heavy cost of these services which is the main cause of the financial weakness that threatens English local government.

VIII

In conclusion, I ought to refer to two important and valuable contributions to the discussion of problems of local authority finance which have appeared since this article was first drafted.

Mr. A. H. Hanson in his Fabian pamphlet entitled *Financing Local Government* advocates (a) the abolition of de-rating, (b) the

* Lest it should be thought unprecedented that the state should use local authorities as their agents, this is precisely what is being done in the case of Trunk Roads and certain aspects of the School Meals Service: 100 per cent grants are being paid and the local authorities are carrying out the services for the State.

securing of additional sources of local revenue, (c) increasing the number of authorities eligible for Exchequer Equalization Grants, (d) a reduction in the number of specific service grants, (e) the liberalizing of the specific service grants by basing as many as possible on the "unit" cost principle and (f) relating the Equalization Grant to "standard expenditure" rather than to actual expenditure.

The West Midland Group, in its study entitled *Local Government and Central Control* (Routledge and Kegan Paul, 1956) makes a much more radical proposal. The Group rejects the assumption that financial dependence on the centre necessarily means undue central control. Indeed it boldly asserts that local authorities might receive the whole of their revenues from the central government and yet be allowed considerable independence. (p. 77.)

This independence is to be achieved by evolving objective measurements of the adequacy, the standards of performance, and the costs of local authority services. Thus the group would abolish the present system of relating the amount of general and specific grant to permitted *expenditure*. In its place it advocates a system under which financial aid would be related "uncompromisingly to the cost of a service and the need for it, and so to the product of the agreed factors of costs and the standard of adequacy of a service reckoned in units of action appropriate to the service—families of different sizes and incomes housed—square yards of road of different categories maintained". (p. 283.)

My own views differ somewhat from both these sets of proposals and I ought perhaps to indicate my reasons for these differences.

I am in complete sympathy with Mr. Hanson's desire both to supplement, and to introduce greater flexibility into, sources of local revenue. I agree heartily that there are numerous examples of pettyfogging restrictions placed on local authorities by over-elaborate grant regulations, and that some means must be found to eliminate the waste of effort and frustration caused by such regulations. But I do not believe that the really burdensome controls—i.e. the controls that restrict the local authority's freedom to decide for itself what shall be done and how—arise mainly from financial or administrative considerations. Rather they are due primarily to an inherent conflict between the desirable conditions of local freedom and the necessities of national politics. For example, no amount of tinkering with the finances of the old

poor-law system could have kept it within local self-government once the government had decided that all poor persons should receive the same treatment, irrespective of where they happened to reside. Similarly, today, public opinion is not prepared to tolerate local variations in the personal social services that have no justification other than that they are the price to be paid for local democracy. The most that local authorities can hope for in fulfilling their obligations in these services (as distinct from their permissive powers) is the widest possible administrative freedom in achieving the objectives set for them by national policy. This is what I mean by administrative agency.

I consider, therefore, that people who plead for local freedom, if by that they mean freedom to determine the content and standards of the personal social services, are closing their eyes to political realities—and are, in fact, doing a positive disservice to the cause of English local self-government.

But administrative agency need not involve a loss of self respect or of administrative independence. For national standards might be achieved in many different ways to suit local circumstances and needs, and if all the *administrative costs* had to be met by local authorities, the authorities would have every right to claim the widest possible freedom in deciding *how* the predetermined ends were to be achieved. Indeed, I believe the system I have described would mean less rather than greater central control, for local authorities would have the strongest possible incentive to reach the highest levels of administrative economy and efficiency without any prodding from central departments. I therefore share with the West Midland Group the view that financial dependence on the centre need not mean undue central control, and I welcome its proposals for evolving objective measurements of the adequacy, the standards of performance, and the costs of local authority services. But I do not believe that, even with the most sensitive measurements, local authorities could be permitted that degree of independence over certain aspects of the personal social services which is compatible with what I conceive to be local self-government. I suggest, however, that if the proposals I have outlined were looked upon as the *principles* on which the cost of local authority services might be shared between the Exchequer and the rates, then the West Midland Group proposals might be seen as the *practical means* by which greater financial aid from the centre might be accompanied both by greater local independence and by greater local accountability.

PLANNING IN POLAND

By J. R. SARGENT*

IT is common knowledge that a ferment of discussion and criticism is now in progress in Poland concerning almost every facet of national life. The most significant testimony to this is the way in which Marshal Bulganin, on his recent visit to Warsaw, scolded the Polish press and implored the people to be loyal to Russia. But it would be borne out by any of those who have recently visited Poland, among whom are myself and fourteen other British economists. Among the targets of criticism is the system of economic planning. As there is very little that is not being criticized, this is perhaps not surprising. Nevertheless it did come as a surprise to some of us who had gone to Poland prepared to devastate the sort of centralized planning we expected to find there, to hear ourselves sometimes defending it against the Poles themselves. We had imagined that our time would be largely spent deploying cleverly constructed leading questions to elicit from stonewalling Polish economists information they did not want to give. Often we were somewhat nonplussed to find ourselves mere spectators of a keen debate among the Poles. The discussions we took part in, or tried to edge a word into, were among people actively concerned with the operation of the planning system, such as civil servants and economists in the State Planning Commission and various Ministries, and academic economists, many of whom combine their teaching jobs with part-time employment somewhere in the planning machine. Popular opinion on the system of economic planning, if articulate, is liable to consist of rude words; and the Party's attitude has not yet recrystallized. What I have to record therefore is primarily a ferment among intellectuals; but, as I hope to show, it has its wider implications for Polish life.

We found no one to dissent from the view that the planning system suffered from too much "centralization" and too little "attention to material incentives". It was accepted by no less a person than Dr. Stefan Jedrychewski, a Vice-President of the Council of Ministers. "Bureaucracy", too, is attacked with a vigour which makes Lord Beaverbrook look a very pale crusader. But while this is healthy, it is unhelpful. We must uncover the specific flaws in the system. The first of them, which is widely

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complained of, is the failure of enterprises to fulfil the plans set for them by the State Planning Commission as regards the assortment of different goods to be produced. This is not a question of under-production—although this is a serious problem in some industries, especially coal—but of unbalanced production. The annual economic plan consists of a set of directives to enterprises fixing what they are required to produce. As far as possible these are cast in quantitative terms; so many tons of coal, so many bricks. But for many consumer goods, where there are differing qualities and varieties, it is beyond the power of the planners to issue directives in sufficient quantitative detail. They cannot order the production of so many shoes size ten, so many size eight, and so on. So in these cases the target is assigned to each enterprise in terms of value for a large range of goods. The process of checking whether the value target has been attained involves setting a price for each of the goods within the range in order to aggregate them into a value figure of actual output. But within the total costs which the enterprise is permitted to incur under the plan, astute managers can over-fulfil the plan of output in terms of value by concentrating production on those goods within the range that the enterprise produces whose costs of production are low in relation to the prices set. They can do this because the prices set for the different goods are often out of date and have not reflected changes in their relative costs. There are other defects in the method of setting prices which make possible other devices for "over-fulfilling" the target. In general the technique is to produce as much as possible of those goods which give, as it were, a high number of points in the evaluation of plan fulfilment in relation to the effort and expenditure involved; and there are excellent reasons for doing this, in that rewards for management and labour depend upon the extent to which plans are fulfilled. But the result is that the relative quantities in which goods are produced measure up only by chance to the proportions in which they are required by the public.

One way of overcoming this would be for the planners to issue directives in much greater quantitative detail, so that managers would have less opportunity to organize the pattern of production for their own profit. That this is not seriously suggested is due to the strength of feeling against any greater central control. An alternative solution which is now being canvassed is that the prices set to enterprise, and used in the calculation of plan fulfil-

ment, should be given an economic significance; they should be high where a product is scarce and low where it is abundant. This would ensure that incentives to managers operated in such a way as to harness the flow of production in the directions required by existing deficits and surpluses of commodities. But this proposal for the reform and reactivation of the price mechanism has objects in view wider than that of solving the problem of unbalanced assortments. To these we must turn.

Failure to make sufficient use of what we should call the price mechanism and what Marxists call the law of value is a flaw in the planning system which has recently been criticized by a senior economist of the State Planning Commission, Włodzimierz Brus. Brus gave as his view, in a report delivered to a conference of Polish economists this year: "The basic cause of the negative aspects of the past six-year period lies in the insufficient application of the law of value in the mechanism of steering the national economy." The problem that Brus is concerned with is that of adjusting the pattern of production to the pattern of demand. In the simplified model of a free economy this is done by fluctuations in relative prices; scarcity makes a commodity relatively dear, abundance makes it relatively cheap, with the result that production is encouraged in the first case and discouraged in the second. But in the Polish economy prices are fixed by the government. The usual method of doing this is to take the average cost of production in all enterprises making the commodity, and add a certain percentage for profit. This constitutes the price received by the enterprises in the industry; and those with higher costs than the average make less than the normal profit, while those with less than the average make more. The price paid by the public is divorced from this "factory" price by whatever rate of turnover tax is levied on the commodity. The disadvantages of a cost-plus system, such as the temptation it gives to inflate costs, are familiar from our own experience of price control. But the complaint of Brus and his school is somewhat different. It is that once prices have been set, they tend to remain much too rigid. If there turns out to be too little of a commodity, its price does not rise; if there is too much, its price does not fall. How then are demand and supply adjusted to each other? This is effected through the orders given to enterprises in the plan for the next year, or the next quarter, or whatever the planning period (which varies for different goods) may be. Targets are raised for scarce goods and reduced for those in surplus.

Evidently the process of response to changes in consumer's demand—which is the inevitable loose end of any planning system—is like a goods train getting into motion. The engine starts up; but it is only after a long succession of tugs that the final truck is hauled after it. A commodity becomes scarce. First the planners must become aware of the scarcity, although there is no price rise to signal it. Then they must estimate the size of the deficiency, and communicate it by directive to the enterprises concerned. Finally the enterprises must respond to the directive. Brus and his considerable following believe that the speed with which scarcities and surpluses are rectified will be increased if enterprises are financially interested in this result and not simply ordered to achieve it. They propose to effect this by confining the responsibility of the central planners to fixing the retail prices of individual goods at the level which equalizes demand and supply, and leaving it to the enterprises to make the necessary response of their own accord. If a commodity becomes scarce, the planners should raise its price until demand and supply are temporarily equated; and the fact that the price is now high in relation to its cost of production will (assuming no change in the turnover tax) give an incentive to enterprises to produce more of it. The element of directives from the centre will thus be reduced; and it may be added, the task of determining how much more needs to be produced is given to the enterprise, which is better placed than the central planners, and more financially concerned, to get the answer right.

It is not suggested that this policy should be carried out *à outrance*. There will be some goods whose prices must for social reasons be kept stable, or at least not allowed to rise; goods, for example, which are important in the consumption of the poor. There will be others whose output cannot be expanded because of dependence upon imported raw materials, so that to raise their prices would only give purposeless profits to the enterprises producing them. But the general principle should be, in Brus's words: "Let the planning organs not take the decisions for the enterprises; their role should amount to creating such economic conditions that the decisions of the enterprises would go in the direction desired." Yet this is not nearly as radical as it might be. The suggestion is that when a commodity is scarce, its price should be raised *by the planners*; not, be it noted, by the market. It would still be the responsibility of the planners to recognize a shortage and make the necessary price adjustment. Enterprises

would not be free to set their own prices. To allow this, we were told by Dr. Jedrychewski, would be "utopian"—an odd description, since we were also told that it is one of the errors committed in Yugoslavia. However, to keep price-fixing in the hands of the central planners, even if it were used more flexibly than hitherto, would undoubtedly limit the extent of decentralization, and would also limit the speed of response to shortages and surpluses, since there would still be some delay before these were recognized as such by the planners. The reason given for this limitation is the danger that some enterprises could exploit a monopolistic advantage if they were left free to fix their own prices. It is difficult to take this very seriously. It may well be that there is a more potent, unspoken motive; the fear that too much freedom of action would enhance the prestige and independence of the growing managerial class.

The defects of the Polish planning system and the proposed remedies which we have been discussing so far refer mainly to consumer goods. Although the Poles obviously regarded the debate as being about important issues, it seemed to us at first somewhat academic. This is the last thing, however, that could be said of the debate on investment planning. For this bore directly on the most important problem facing Poland today; the problem of the rate of capital accumulation. There is now considerable scepticism towards the orthodox Marxist view which states, in the words of Oscar Lange, that "... in an expanding and progressive economy the proportion of the output of the means of production to the output of consumers goods must steadily increase, i.e. the rate of increase of the output of means of production must be greater than the rate of increase of the output of consumers goods". Even so well placed an individual as Professor Bronislaw Minc, brother of Hilary Minc, declared himself a sceptic on this count. Nevertheless, to achieve a high rate of capital accumulation, to devote a high proportion of the national income to investment, is a fundamental policy of the régime, and, since patriotic instincts can be touched by the prospect of Poland as a growing industrial power, a source of strength. At the same time, to sustain the rate of accumulation—25 per cent of the national income* was devoted to investment in the period 1950-55—presents serious difficulties. It has meant holding down the rate of growth of consumer goods output so that it has barely

* This refers to the Marxist concept of national income, which excludes a number of services and part of defence expenditure normally included in the western concept.

kept pace with the rapid growth of population; and this is reflected in the admission which is now officially made that real wages have not increased since 1948. This is underlined by the outbreak at Poznan, where it must be remembered the cause of the trouble was a grievance about real wages, although it became the occasion for the release of other accumulated resentments. In these circumstances the régime is faced with the alternatives of compromising on the rate of accumulation in order to raise real wages, or facing the task of maintaining it by repressing economic discontents. But it may be that the severity of the choice can be tempered by revising the system of investment planning in the hope of obtaining greater yields from the investment that is actually done. If this were possible, the percentage of the national income devoted to accumulation could be reduced without any sacrifice of growth. Consequently the debate about investment planning in Poland has a much deeper significance than a mere academic disputation. And so, indeed, have the questions we discussed earlier concerning the pattern of output of consumers' goods. For if the reforms being canvassed can really solve the problems of disproportions in the output-pattern of consumers' goods, and solve them quickly, then the commitment of a given amount of resources to consumption will involve less waste and create more satisfaction than before.

The economic effectiveness of investment is now under intensive investigation by a special unit within the State Planning Commission. Many people are sceptical, and there are jokes about the economic effectiveness of those investigating it. Brus, who is in charge of this section, has aroused controversy with some views of his own. First he wants to rehabilitate the rate of interest. On short-term credits from the State Bank, state enterprises do pay interest, but not on the fixed capital which is put at their disposal by the planning authorities to the extent determined by the annual plan. They must pay amortization quotas on their fixed capital to the authorities at rates determined by them, but no interest is required. Consequently the enterprise does not have to pay that element in the real cost of capital which reflects the fact that investment in capital (or the storing of value for future use) involves a sacrifice of present consumption. There is therefore a tendency for enterprises to overstate their capital requirements and to display an improper indifference between quick-yielding and slow-yielding investments of the same capital cost. The object of introducing a rate of interest on fixed capital is a limited one.

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There is no question of using it as a control on the total quantity of capital investment, or of allowing enterprises—in the “erroneous” Yugoslav manner—to use it as a means of bidding against each other for the available supply of capital funds. The aim is simply to bring home to enterprises the necessity of self-discipline in the absorption of scarce investible resources.*

This implies that the discipline exerted by the centralized control of investment is inadequate. Vice-President Jedrychewski told us that the process of allocating investment funds bore a strong resemblance to a “Cracow market”. There are three main stages of this process. First the aggregate amount of investment must be established. Then this fund must be divided between the Ministries responsible for each sector of industry. Finally each Ministry must divide its allocation among the enterprises for which it is responsible. At the first stage the decision is largely swayed by political possibilities. At the last stage it appears to depend more intimately upon some economic calculus of returns. When the Vice-Minister of Building Materials described to us how his Ministry divided its allocation of capital between individual brickworks, the first determining factor he mentioned was the relative productivity of capital in each, not leaving out of account the cost of transporting the finished product to the market. Nevertheless we heard voices raised on other occasions demanding that more attention be paid to the relative productivity of enterprises in determining the allocation of an industry’s investment fund. However, it is plainly the second stage—the division of the aggregate investment fund between sectors of industry—which is the least satisfactory. Certain economic necessities obtrude themselves, and certain political pressures are hard to resist. The directives issued by the government to the State Planning Commission for the preparation of the new five-year plan provide an example of each; a greater share of investment was to go to agriculture, on the one hand, and to housing and other social facilities on the other. But apart from the most obvious and serious shortages, one suspects that the allocation is predominantly influenced by bluff and bargaining between departments. (No doubt the prescription for success in this kind

* There is an incentive within an enterprise to self-discipline in the application of its permitted allocation of investment funds, since this is fixed as a financial total. If the enterprise can economize in the use of its allocation it may be in a position to use the balance to achieve the over-fulfilment of the output plan which will increase the rewards of management and labour. But this, together with the absence of paying a rate of interest, leads to an over-statement of capital requirements, on which it is difficult for planners to check.

of work was not the least of the things that his Russian counterparts wanted to learn from Lord Citrine.)

The achievement, however, of a rational allocation of capital between sectors of industry is hampered by the irrational structure of prices. If the investment of a given capital sum will produce either y shirts or x saucepans, the choice between these alternatives involves assigning them relative values. Their relative value can only be found by observing the rate at which they are exchanged on a free market. But retail prices in Poland are only adjusted at intervals, and then not necessarily to the level which equates supply and demand. The same retail price for two goods may conceal a very different degree of scarcity, so that an increase in the output of the scarcer would be more welcome, more valuable, than an increase of the output of the more plentiful. The proposals now being made to cause retail prices to reflect relative scarcities, to utilize the law of value, are thus of great relevance to the planning of investment. But in determining whether to use a given amount of capital to produce shirts or saucepans, the choice does not depend entirely on a comparison of the aggregate values of the two goods which will result from the investment; it depends on a comparison of the amount by which these values exceed the costs of the factors which have to be combined with the capital in production. Now one of the costs of production which Polish enterprises have to meet is a contribution towards the financing of national capital accumulation, a certain planned profit.* But this planned profit varies from one industry to another, for largely historical reasons. Consequently, if an industry over-fulfils its profit plan, that is no indication (even assuming that prices reflect relative scarcity) that it is from the national point of view a profitable field for investment. An additional proposal is therefore to set each industry a uniform rate of planned profit, in order that over-fulfilment of the profit plan may provide a clearer criterion as between industries for the most effective disposition of investment funds.

These various strands in the current debate on the planning system in Poland may seem to have a faintly academic flavour. This does not mean that their practical influence is inconsiderable. The distinction between theory and practice to which we are addicted in Britain, and which effectively insulates the world of

* Part of this gross profit is retained in the enterprise, and part of it is paid to the state in profits tax. There is also a very considerable turnover tax, which is in many respects indistinguishable from the profits tax.

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affairs from the world of ideas, is alien to the Marxist tradition. Certainly the ideas for reform had penetrated to the attention of the high civil servants we met, although it would probably be true to say that they tended to be more sceptical the closer they were to the actual administration of the system. The greatest sceptic we encountered was a Pole recently returned home with a distinguished record as an economist in the west, who assailed the proposals for reform with all the fury of the convert. As he occupies a position as adviser to Hilary Minc, his influence may prove important. We tried to assess the influence of all the ideas we had heard canvassed concerning decentralization and greater use of the price mechanism, by asking Dr. Jedrychewski how seriously the government took them. His reply showed that whatever his opinion of parliamentary government, he was a master of the parliamentary answer. "We take all ideas seriously", he said, "except those which go too far."

There is one sector, however, the planning of which remains as yet largely uninfluenced by the drive for a better allocation of economic resources. This is the sector of foreign trade. Although their economic systems are much more homogeneous than those of the countries of western Europe, the Peoples' Democracies have achieved nothing like the degree of economic co-operation that has been made effective by the Organization for European Economic Co-operation. Nor have they made much effort to do so. COMECON, founded in 1949, is a body lacking both formal authority and, it would seem, the technique of persuasion which the Organization for European Economic Co-operation has so successfully developed. Polish planners obviously regarded it as of little importance. Trade between the Peoples' Democracies is almost always bilaterally balanced. When we suggested the possible advantages of multilateral trade under some kind of clearing organization similar to the European Payments Union, they pointed to the existence of a triangular trade agreement between Poland, Finland, and Russia. But when this had done service as an example on several different occasions, it became evident that it was the only one;* and the subject did not appear to appeal to the planners as one of much importance. As regards the longer term, there is a desire among the Peoples' Democracies to achieve greater co-ordination of their five-year plans, and as a first step in this direction the timing of the separate national plans

* The only one, that is, involving Poland. A similar triangular agreement exists between Czechoslovakia, Finland and Russia.

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has been standardized. Suggestions for greater specialization are also in the air. Professor Brus's unit in the Polish State Planning Commission is studying the possibilities of getting cheaper supplies of certain goods by curtailing investment in their production at home in favour of investment in the production of goods for export which will enable them to be bought abroad. But there are strong autarkic attitudes which are likely to limit the influence of the "law of value" school in the sphere of foreign trade. A high official in the State Planning Commission said specifically that every country ought to have an engineering industry and that no country should specialize in agriculture. We suggested that Poland would do well to produce less cars and rely more on imports from East Germany and Czechoslovakia, on the grounds that if this were done economies of scale could be achieved in those countries and the cost of cars be reduced. But he emphatically refused to consider such a possibility. He was not totally opposed to specialization; but it was clear that in his mind it should be limited to specialization *within* each industry and not *by* industry—for example, on light locomotives in Poland and heavy locomotives in Hungary, but not on all types of locomotives in one of the two. There is more behind this than the defence of departmental vested interests. The building up of Polish industrial power is a patriotic objective with a wide popular appeal, as well as an ideological necessity. To sacrifice any part of it, even in the name of international specialization and greater economic efficiency, would be a blow at national pride which would be dangerous for a government aware how weak is its popular support. Socialism does not imply autarky, we were assured by Poland's most eminent economist, Oscar Lange; yet to reduce autarky could lower the chances of the régime's survival.

Throughout all the rethinking that is now going on about the system of economic planning in Poland, there run intermingled two quite separate themes. The first theme is that of greater economic efficiency, the desire to achieve more with limited means. The urgency of this stands out in sharp relief against the fading hopes of continuing to withhold one quarter of the national income from current consumption for purposes of capital accumulation. Thus although the proposals made to the end of greater economic efficiency—such as greater use of the price mechanism, improved investment planning and the introduction of a rate of interest on fixed capital—have decidedly

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liberal overtones and even shocked the more dirigiste members of our own delegation, their adoption, if they proved successful, would be an important contribution to the major purposes of the communist régime. There is certainly no doubt of the orthodoxy of their most prominent advocate, Professor Brus. The second theme is that of simple liberty. It reflects the widespread yearning for a system in which the role of order-giving, directives, and reference to higher authority is drastically curtailed. While measures in this direction may be campaigned for as aids to greater economic efficiency—such as the proposal to rectify scarcities by promoting high profits rather than issuing directives—they are likely to have a wide appeal because they coincide with the general desire for liberalization. In this respect, however, it is less easy for the government to be sure where reforms might lead. Liberalization is, of course, primarily a political matter; and the contribution that can be made towards it by changes in the system of economic planning is limited. There is no necessary connection between economic decentralization and political liberty. But shrewd dispensing of the former might be made to look like a concession of the latter. This seems an obvious move for the government to try, and for those concerned with political liberty to see and to ensure that it is seen for what it may be worth.

In conclusion two points should be made. The first is that no less noticeable than the objects of repeated criticism were those which totally escaped it. Public ownership of the means of production in industry and commerce is now completely accepted, and the idea of reversing it arouses no interest. They are all socialists now, although this is less remarkable when it is remembered that Poland was a substantially mixed economy before the war. Furthermore it is not economic planning, but the system of economic planning, that is under attack. However the system might change along the lines described above, Poland would still remain a planned economy in a fuller sense than any economy outside the Peoples' Democracies.

Secondly, while I have emphasized that what I have been describing is not a mere academic dispute, there is one sense in which it could be said to be so. The key problem in Poland now is that of agriculture. It is not so much a problem of gross production as of securing supplies from the farms to feed the growing industrial population. When the people of Poznan cried for bread, they were not using the word simply as a symbol of poverty; they meant it literally. To the solution of this problem the current

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debate on economic planning has comparatively little to contribute; the stumbling-blocks are political and ideological. It is true that the growing preference for material incentives over state directives appears in agriculture too. Collectivization, we were told by the Vice-Minister for Agriculture, although the cornerstone of official policy, must be voluntary. In Poland 77 per cent of all arable land is still owned by individual peasants; 12 per cent is in state farms; and only 11 per cent is in collectives. This is a comparatively low figure for eastern Europe; but to get the peasants into collectives there must be no compulsion, but incentives, such as temporarily and sometimes permanently reduced compulsory deliveries of produce to the state, and propaganda. The problem of agriculture, however, will not be solved by devising economic incentives. It is a matter of political skill in the handling of the peasants, and in particular of persuading them that the voluntary principle in collectivization is not a mere temporary expedient. Even if this can be successfully done, the government is still hampered by its doctrinal addiction to the class-war in the villages. To become a rich peasant is not merely to be stigmatized as anti-social; it involves differentially higher rates of taxation and of compulsory deliveries. This can hardly fail to act as a deterrent to increasing output. A further barrier to the realization of peasant ambitions is set by the legal limitation on the ownership of land, although in relation to the present size of holdings it is not set low enough to be a serious check on the deeply felt urge of the peasant to increase the size of his plot. But the range within which economic incentives can operate in agriculture is inevitably limited by ideology to an extent which does not apply in industry. There reform of the system of economic planning may show results. But in agriculture the economic problems are subordinate to the political. No doubt this makes them more intractable. But there is equally no doubt that the future of Poland depends upon their solution.

BOOK REVIEWS

THE SECOND INTERNATIONAL, 1889-1914: BEING VOLUME III OF A HISTORY OF SOCIALIST THOUGHT. By G. D. H. COLE. Two vols. (Macmillan, London. xix + 1043 pp. 70s.)

IN two thick books Professor Cole has given us the third volume of his history of socialist thought. "My next volume," he tells us, "if I live to write it, will probably continue the record up to 1939." Not merely out of personal admiration and regard, but in the knowledge that this is, if not an ideal history of socialist thought, easily the best and fullest history of socialism ever written, does one look not only to the story being brought up to 1939, but to an epilogue taking us at least to the Attlee governments and the death of Stalin. Professor Cole is uniquely fitted to this labour and should he fail the bow of Ulysses will be long unbent. Works as useful as Dolléans's three volumes, as brilliant as Halévy's essay, or as compendious as Laidler, are no substitute for Cole's range, clarity, and sympathy.

What makes the situation odd is that in the preface to Volume I we were told that, "the writing of a comprehensive history of socialism would be an impossible task for any single author, and would have to be on a much bigger scale than anything I have in mind to write". All questions of scale aside this last section is certainly more than an account of ideas—in these years ideas were few and usually banal—but it is remarkably like a general history of political socialism quite literally from China to Peru. We are thus given much more than the title promises. In some ways, however, we are also given less, if only because the history of an idea can never be written in merely terms of its protagonists. Of that more later.

There are, I think, two main currents of socialist thought. One expects a millennium and goes back—at the least—to Rousseau. The other expects no age of complete reconciliation of need and satisfaction, but is concerned to increase, for all that, the component of justice in existing human affairs. Intellectually, Proudhon represents it more than any other man. Both are based on the judgment that liberty, equality, and fraternity are largely empty if taken as legal or political concepts only, but can be given meaning if economic relations are suitably and publicly managed.

Rousseau believed that all men today, and especially the poor, are somehow alienated from the fullness of life they once enjoyed and might again enjoy. After the state of nature—of which he thought less well than his exegists suggest—affairs went briefly well until ruined by social inequality and the tyranny of the state. This theme of alienation was transposed by later writers and most socialists to apply specifically to the industrial working classes. Alienation had once been absent—under some fabled primitive communism, perhaps, or in the acceptable ranking of society in medieval times as described by neo-Catholic idealism. It could be absent again: according to Marx it would be thus absent when the capitalist "integument had burst asunder" and "the expropriators were expropriated". Under socialism,

"... man to man, the world o'er
Shall brothers be for a' that"

as Mr. Malenkov's favourite poet has it.

The other current is less concerned with alienation, more inclined to accept

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the limitations of the human condition, and to believe that even under socialism there would be much contradiction, opposition, and frustration. Just because the advantages hoped for are smaller they are often desired with a fiercer passion, and a key word here, more important even than equality, is justice, based, as Proudhon said, on *le sentiment de la dignité personnelle*.

Now, of course, these currents have always mingled, but it is through them that the antinomies, endlessly grouped and re-interpreted, of socialist thought have emerged. One can list some of the leading pairs with the aid of rather a large number of ugly words ending in "ism":

Primitivism	Progress
Localism	Centralism
Pluralism	The State (or Party)
Elites	Masses
Voluntarism	Compulsion (or Discipline)
Justice	Equality, etc.

Certainly these are equivocal terms, and indeed the whole language of modern socialism is bedevilled by its vocabulary being equivocal and its equivocations being by some consciously, by other unconsciously, exploited. Yet it is round various combinations and oppositions of this kind that socialist thinking has gone forward, and socialist failure to think has been disguised. In varying social and economic circumstances these concepts have different weights and urgencies, and it must be the task of the historian of ideas to trace the pedigrees and life stories of the different vocabularies through which they have been expressed. If the *thought* of German social democracy—as distinct from its political disputation and administrative history—after the Gotha Programme is worth study, then that study must be textual and perhaps should make use of some form of "context analysis". Almost certainly, however, such study is not worth while.

In his second volume Professor Cole provided an account of creative thinkers, but in his third he must perforce deal with epigoni engaged in practical politics. He does this remarkably, but his chapter, *Conclusion: Reform and Revolution* hardly fits the preceding 940 pages. In fact the implied antithesis wasn't there except in Russia. One might in a sentence say that the tragedy of the Second International was that while its greatest figure was Jaures, its greatest party was the German S.P.D.

The question of how far the S.P.D. was a serious political party is now insoluble. If one considers its relations with the Bismarckian state, its actions to police action and legal persecution, it seems less a body dedicated to the transformation of society than a surrogate for society, a retreat from a harsh, philistine world into a private, comradely, high-thinking fellowship. Its structure was so highly valued that, like certain modern warships, it could not be risked in battle. Its ideology excused its members from the day to day scrutiny of social reality and dangerously devalued the present in favour of the future.

The International was the S.P.D. writ large. It provided a way of life for exiles and occupation for those excluded from other forms of action. In central Europe its general staff was largely Jewish, and so, almost co-terminous, was its intelligentsia. Given the situations of the Jews and of social democracy there is nothing surprising in this—though it meant, of

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course, that anti-semitism could be one of the sticks which reaction used to beat socialism. It did, however, in the world before 1914 at once impose a fresh burden of unreality on the International and its constituent parties, while simultaneously rendering them possible as continuing organizations with a functioning system of communications.

A strong link with strong trade unions would have done much to offset these failures of realism, but the German unions were surprisingly weak—it was only in the 1900s that legislation on hours and conditions approximated that gained in Britain in the 1840s—while in Austria-Hungary they were inevitably backward through lack of a developed industry, a primitive agriculture, and national divisions. (Yet in Austria—as in Belgium and Sweden—unions and socialist parties were held together by that struggle for the suffrage without which pro-labour legislation was impossible.)

In addition then—as now—democratic socialism had not found how to come to terms with nationalism. In 1899 nationalism was accepted by the Austrian social democrats as a necessary concomitant of their creed. Neither Germany nor Russia really followed suit. Socialists as a whole at once hoped for national self-determination and the consequent disappearance of invidious national sentiment. Both hopes were vain, but, in the comradeship and aspirations of that lost age, not absurd. Today similar hopes are merely self-deception, and the problem still unsolved.

It is on the complex of issues involving the maintenance of peace, militarism, and the nature of national defence that socialism before 1914 is supposed to have been most muddled and self-deceiving. Certainly few men but Jaurès and Lenin were clear—how differently!—in their minds on these problems, but it is surely unfair to ask that the International should have succeeded in 1914 where more powerful influences failed. France and Russia presented less difficult problems of political and moral decision than Germany or Austria—I do not say that Jaurès and Lenin were right in their different solutions—and it is fair to put the deaths of Bebel, Singer, and Auer beside the assassination of Jaurès as tragedies for mankind and not for socialism alone.

Socialists should certainly have thought harder and with more candour on these matters, but they quite simply had not the power to prevent or stop the war, and where there is no power there is no responsibility. Europe and the world were, after all, late in taking the chance of general war seriously. No one knew what the combination of technological progress and military incompetence might produce. Worse still those who *did* (and they were seldom socialists) think about war thought badly—there was an enormous if contemptible literature romantically frivolous, gloatingly apocalyptic, and politically contemptible, the very existence of which diverted serious attention from what was happening. Nevertheless the Stuttgart Congress of the International in 1907 was mainly devoted to the problem of militarism and war. Unfortunately it ended unrealistically, promising what could not be performed. Professor Cole describes how:

“Last came the two paragraphs laying down the duty of the workers in face of the threat, or of the actual outbreak, of war.

“If a war threatens to break out, it is a duty of the working class in the countries affected, and a duty for their parliamentary representatives, with the aid of the International Bureau as an active and co-ordinating power, to

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make very effort to prevent the war by all means which seem to them the most appropriate—means which naturally vary according to the intensity of the class-struggle and to the political situation in general.

“Should war none the less break out, it is their duty to intervene in order to bring it promptly to an end, and with all their strength to make use of the economic and political crisis created by the war to stir up the deepest strata of the people and precipitate the fall of capitalist domination.”

“Thus, in the final operative paragraphs the Russian Social Democrats got their way, and the parties of the International were formally pledged not merely to do their best to prevent war, but also, should it occur, to do their best to end it at once and to use the occasion for action to bring about the fall of capitalism. In the final resolution nothing was said about the general strike, or about insurrection—the Germans saw to that; but thanks to the Russian addition the prescription for action went a long way beyond the mere parliamentary protests which alone had been explicitly set forth in Bebel’s draft. The general strike was not ruled out—it was passed over in silence; and the same can be said of insurrection, which can indeed be regarded as implicit in the final paragraph.

“The resolution, in its ultimate shape, seems to have satisfied everybody. Even Hervé voted for it, leaping on a table to mark his enthusiasm. The delegates felt sure that they had done something almost heroic, while stopping short of incommuting the German comrades by any awkward references to insurrection that might have got them into trouble with the German Government.” And the problems of colonialism and imperialism, though raised, were never seriously faced, far less subjected to the scrutiny they deserved.

The age of the Second International is the age of Michels’s “Iron Law of Oligarchy”. Was it necessary that the period of organization, expansion, and mass propaganda should be so null in thought? Was this the necessary consequence of the success of bureaucrats and bosses? Today it is fashionable to answer with an affirmative, but the explanation is, I think, simpler. Continental socialists—including even the anarchists—believed that the necessary basic thinking had been done, that Marx and Engels, or Proudhon, or Bakunin, had left a sufficient legacy of thought, and that this thought had but to be turned into action for all to go well. Marxism, as I have tried to show elsewhere, particularly lent itself to such credulity, and it had, in addition, another disadvantage. It is possible to interpret Marxism as a deterministic system, and such systems always tend to one of two extremes—one might compare Marxism in this with Calvinism or Islam. Of these extremes one is furiously to do the will of God or history; the other is quietism—waiting patiently, surely, on God or history. Continental Marxism, beyond the Muscovite pale, followed the latter course.

In Asia and Latin America so far as there was socialism it turned its eyes to Europe. Only in Britain lay an alternative, or rather many alternatives. To the outside world, and sometimes to themselves, the British seemed far from being, in Peacock’s phrase, “that very unamiable sort of people, who are in the habit of indulging their reason”. In fact they did so very actively in these years—the young G. D. H. Cole, as the altogether admirable *World of Labour* showed, not being the least among them. Professor Cole has written much on British socialism, but nothing better than the two long chapters of this book. I think his judgments sometimes too severe—Hardie thought more than is

generally believed, Morris was less "poetic" than is suggested (a curious fault), and so on. None of this much matters in the face of the life and content of what we are given. Unfortunately this life, this richness of content, were not available to European socialists. They were too shut off by self-esteem on the one hand, and by a vivid social particularism about domestic affairs on the other, to learn the most essential lesson of British labour—its daily empiricism in applying positive principles of social, political, and moral judgment to immediate practical ends and changing circumstance.

It is for these reasons that socialist thinking in this period is so often absent or barren, but that is not to say that the influence of party organization and scale, of bureaucracy and oligarchy, is not worth exploring, nor I think as preventing, but as directing and limiting the processes of thought. In these volumes this theme only occurs obliquely and mainly in the rather heavy chapters on Germany and Austria, and the much livelier ones devoted to Russia and Poland—though the latter is overweighted to my mind by the economic theories of Rosa Luxembourg.

Professor Cole has indeed been betrayed a little—rather surprisingly—by received opinion, into giving too much space to the waning of Marxist thought. Of course he is, as ever, clear and patient—but how much did, or does, it count apart from the growth of the Bolshevik orthodoxy? More important, surely, was, say, J. A. Hobson, keeping his eye firmly on the economic and social institutions of his time—as Marx, after all, had done in his best days, and as we should be doing today. We are told that Hobson "was not, at this stage, a Socialist. He was a Radical. . . ." Perhaps this means that we are to hear more of him later?

Whether we are or not, a writer like Hobson raises a question. Professor Cole has given much space to Hertzka who was not, in any ordinary sense, a socialist. Should this example not have made him pause and then, perhaps, go further? Can the history of socialism or the history of socialist thought be written without more account of three things: the detailed circumstances of each thinker or leader, the contributions of non-socialist thinkers (Max Weber is mentioned only once in these volumes, the same is true of Pareto, while an influential lightweight like Mallock doesn't appear), and, lastly, the dialectic of controversy between socialists and their opponents.

Again one might ask for rather more description of individual characters and greater boldness in imputing their motives. Professor Cole's plain style, limited in vocabulary and utilitarian in outline, is capable as his account of Robert Blatchford shows, of giving us a man in all his essentials. Is his general restraint in doing so a consequence of some doubt as to the role of the individual in shaping events and even ideas? I find this hard to believe, but I am sure that the absence of such portraits is a pity. In Britain it means, alas, that students will form their judgments from such a source as Mrs. Webb who had not even the merit of being consistently wrong in her condemnations.

Much more could be said. I hope, at least that I have made it clear that this is something very rare even in this age of large books, of Carr, of Runciman, or, for a different taste, of Toynbee. We have here an essential and irreplaceable work of reference on important matters in an important period, so written that even German revisionism or Canadian politics are interesting and informed by an understanding which only one who has lived what he describes could have achieved.

DONALD G. MACRAE.

A SHORT HISTORY OF THE ITALIAN PEOPLE. By JANET PENROSE TREVELYAN. Revised edition with an epilogue by D. MACK SMITH. (Allen and Unwin. 435 pp. 32s.)

MRS. TREVELYAN's *Short History of the Italian People* was first published in 1920; work on it began in 1907. In the earlier revised editions the author carried her survey up to the year 1929 and to this Mr. Mack Smith has added an epilogue on the fascist period and its aftermath. The whole work now runs a spirited non-stop course from Diocletian to de Gasperi (though the latter does not appear in person). Professor G. M. Trevelyan, in a foreword, advises the reader that his wife's book is a political, not a social, history. The warning is needful, for the title, to a modern reader, is a little misleading. While the peculiar genius and no less peculiar plight of the Italic peoples throughout the centuries are always present in the author's imagination, the Italian people as such are not collectively the subject of this tale. Mrs. Trevelyan's narrative unfolds with great verve and style—there is not a dull page in the book—but it is "the brilliance of the incidents, the richness and variety of the human types" which take her fancy rather than the relentless forging of the chain of historic cause and effect. This is at times rather dimly perceived beyond the kaleidoscope of personalities, but it is refreshing and no doubt salutary to look again at history primarily in terms of personality; the angle from which it was first revealed to us in the textbooks of our youth. Thirty years ago the schoolchild discovered history as a series of events, sometimes of immense portent, principally determined by the apparently casual oscillations of power between the strong and the weak. It was a tale of high and low deeds in which the doers often acted under the pressure of circumstances, but always in obedience to the fatal impulse of their temperament. Here in Mrs. Trevelyan's story we are back again with the great administrators, the centralizing (or decentralizing) bureaucrats whose work is all too often undone by worthless successors. Sometimes the successors are dissolute wastrels, the "feather-brained" sons of great rulers. Sometimes they are greedy and over-ambitious or, alternatively, too unworldly. Were we not brought up to despise "monkish" kings?

Often the characters are brought in (or led off) the stage with an appropriate adjective, like "the great-hearted Theodosius". In the earlier chapters particularly, some of the minor characters have delightful labels. "The adroit Liutprand" intrigues us no less than "the well-meaning Honorius" and both are outdone by "the she-woolf Irene". Some are referred to by their racial characteristics: "the tall barbarian", "the rude Goth", and, later, "the easy-going Venetian", while in the eighteenth century we have "the witty and amiable" Benedict XIV or "the debauched but amiable" Gian Gastone. It is a glorious pageant which moves unflaggingly through the centuries, taking the fall of empires and the birth of nations at the same cheerful pace.

Written before the second world conflict came to trouble our consciences and confront us with disturbing analogies between our own times and the last days of the doomed cultures of the past, this book is a minor classic of the great optimistic liberal historiography which conceived progress as a pre-ordained and continuous process of evolution towards parliamentary democracy, or, since in this case we are dealing with Italy and the author has no illusions about post-Cavour parliamentarism as interpreted by Crispi and

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Giolitti, to the momentary flowering of the next best thing, the medieval Communes. Mrs. Trevelyan writes of the final expulsion of the Goths: "So they vanished across the Alps, those unconquerable men, and it seemed as though the best hope of Italy vanished with them. Historians of all ages have indulged in fond speculations as to the probable fate of Italy if the Gothic dynasty had taken root and flourished, and many have pictured her saved from all the degradations and misery of the Dark Ages. Yet even were it conceivable that the proud nobles of Rome could have submitted permanently to barbarian rule, or that Arian and Catholic could have become welded into a single commonwealth, or that Justinian could have recognized the virtues of his foes, should we not willingly give all the seven dark centuries for the Campanile of Giotto, or the Campo of Siena? And it needed the misgovernment of those seven centuries to produce the vigorous growth, the independence, the wickedness and glory of the *Cities*, those eternal protests against the barbarian under whatever name he came. If Italy had passed too easily from the despotism of the emperors to the protection of a Gothic overlord, she might never have developed that spirit of local self-reliance and pugnacity which produced Florence, Perugia, Pisa and the cities of the Lombard Plain. So although we may regret the extinction of the Ostrogoths as a *race*—for they could not but have strengthened the stock with which they mingled—the extinction of their dynasty is a less melancholy matter, for it was the first step in the long process by which the medieval cities were made."

Who of us, after Hiroshima, would dare to subscribe to such a philosophy of history? Or, holding it, how could we blame Stalin for having asked too dear a price of the peoples he welded into a great power, forcing the pace of their industrial revolution? But taken in its own historical context this book is an admirably balanced, lucid, and rational tale told, at all events in the later chapters, from a firmly grasped and perfectly admissible point of view; the point of view that the Popes have been the chief enemies of Italian democracy. The appraisal of fascism in 1929 is excusably more generous than the after judgment of 1955 and has led to a few minor contradictions between Mrs. Trevelyan's last chapter and the epilogue. Mrs. Trevelyan rightly sees the Duce as a re-evocation of the old Capitano del Popolo ideal, but she supposes that his regime had the same virtues which in an earlier chapter she somewhat arbitrarily attributes to the *Signorie*. As the result of fascist terrorism, she writes, the current of Italian life was divided and "*the undoubted progress which Fascist energy and courage brought to the country* was crossed by the shadow of deep domestic rancour". Mr. Mack Smith has no such illusions. He reports the bankruptcy of fascist economy under which "there was a real decline in the standard of living of the people".

NINETTA JUCKER.

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TREASURY CONTROL. By SAMUEL H. BEER. (Oxford: Clarendon Press. 138 pp. 15s.)

THE announcement of 19th July 1956 that the Deputy Secretary at the Treasury responsible for economic affairs is to be raised to the rank of joint Permanent Secretary is the culmination of one of the developments which this admirable work by Professor Beer describes. Sir Edward Bridges in his Stamp Memorial Lecture in 1950 had already shown how comprehensive has become the meaning of Treasury control. It is clearly desirable that the entire work of central economic direction and planning should be concentrated at the Treasury, where it can be readily linked with the older function of financial control. The Chancellor of the Exchequer has in fact become the Minister of Economic Affairs since that brief-lived office was combined with his when Sir Stafford Cripps moved to the Treasury. It is a good thing too that the official answerable for both should be exclusively responsible to the Chancellor.

The Treasury is unique among departments in having at its head not one but two principal Cabinet Ministers. It is in fact two departments as the appointment of joint Permanent Secretaries brings nearer to recognition. Sir Norman Brook, in whom are now joined the secretaryship of the Cabinet and the headship of the home Civil Service, becomes the chief adviser of the First Lord of the Treasury. The Prime Minister's general responsibility for the machinery of government as a whole is thus reflected in him at the official level all the more clearly because he has been relieved of the financial and economic work belonging to the Treasury, regarded as the department of the Chancellor of the Exchequer and Minister of Economic Affairs.

It is exclusively with this last that Professor Beer deals. So perceptive is his approach and so wise and balanced his account that it would be good if he could be persuaded to perform the same service for that other Treasury—of the Prime Minister. He gives one of the most concise and satisfactory descriptions yet written of the system by which financial control operates and of how this has grown. But his study of the methods that have developed for the co-ordination of economic policy is peculiarly illuminating.

"Officials in Economic Affairs, as well as in Supply, work closely with department officials. . . . Their task is 'winning acceptance of policy' rather than 'enforcing policy', for they do not in fact have the power of the 'monocratic bureaucrat' or the joint staff. The officials with whom they deal are not subordinates but equals, representing other 'great departments of state' operating under the system of 'Cabinet democracy'." He speaks of the movement away from quantitative planning after 1947 and describes the actual process as "adequate to co-ordinate policy and to guide a limited degree of economic planning". These are the old Treasury methods of 'civil service democracy' applied in this new field. When responsibility for it moved, with the central economic planning staff, from the Lord President's Office by way of the Ministry of Economic Affairs, over into the Treasury, its processes were evidently much influenced by the atmosphere of its new home.

To the question who co-ordinates the co-ordinators Professor Beer answers: the collegiate spirit and professional standards. "No formal arrangement of committees or staffs could quite free British Government of its dependence for co-ordination upon the common rooms and lunch tables of

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the clubs of Pall Mall, nor would any unifying set of directives take the place of the strong corporate life of the higher civil service." Of the correctness of that judgment there can at least be none of the doubt which still attaches to the power and efficacy of the directive organization. The spirit of caution and compromise must sometimes give place to that of leadership and inventiveness. The upgrading implied by the changes announced in July should do something to help in this way through the increase of authority.

H. R. G. GREAVES.

THE CIVIL SERVICE IN BRITAIN AND FRANCE. Edited by W. A. ROBSON. (Hogarth Press. 191 pp. 21s.)

PROFESSOR ROBSON'S book originally appeared as a number of essays in THE POLITICAL QUARTERLY which dealt with the Trevelyan-Northcote Report of 1854, the foundation report on which the modern civil service has been created. It has now appeared in a fuller form with essays by the Head of the Civil Service, the Earl Attlee, the Chairman of the Commission for the Civil Service, and Members of Parliament like Mr. Davies and Mr. Creech Jones who have helped to supervise the service in its foreign and Commonwealth developments.

Sir John Woods writes an agreeable commentary on Treasury control, and the detailed organizations within the service are discussed by Sir Thomas Padmore of the Treasury on Civil Service Establishments, and by Mr. Douglas Houghton, M.P. on Whitley Councils. There is also an essay on the civil service in France, but it is peculiarly difficult to make any specific comment on the organization and popularity of this structure of government in other countries.

But Professor Robson has sat back and considered two or three foundation factors. In recent years there has been a very large development in the organization of government for the welfare state and in addition there has been a growing resentment against the bureaucrat.

An expectant mother in Germany holds the belief that when her son is born he will sit on one side of an administrative counter and on the other side the rest of Germany will queue up for him and be told "Nein". It is very doubtful whether the expectant mother in England hopes for her son a job in the civil service.

Bureaucracy is not confined to governmental institutions. Some regard it as synonymous with large-scale organizations, it includes banks, insurance companies, industrial associations including trade unions, hospitals and universities. It is now indispensable to modern government, it is a levelling force, with objective methods of recruitment and appointment on merit, administering on the basis of rules and precedents, aiming at consistency in its treatment of the public. But it is the significant instrument of the final authority in the state, and it is therefore essential that its selection should be drawn from the claimants which have the widest force in the state. A tyranny chooses its own bureaucrats. The Trevelyan-Northcote Report laid it down that the upper ranks of the bureaucracy must be chosen from persons who have had the best education—and should be chosen by a central board of

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examiners. It is alleged that the higher ranks are frequently filled from candidates from Oxford or Cambridge. If this is correct, the proper procedure is to ensure that the persons likely to be needed for the higher ranks of a large bureaucracy should be enabled to go to the universities. Of every hundred new recruits to the administrative class, fifty have been direct entrants by open competition and forty-three have been promoted from the general or departmental classes. It is significant that in departments which draw upon the executive classes for appointment to the administrative class, there is no difference in work, or in any sense of personal dignity, between the direct competitive entrants and the others. It is one of the successes of the civil service that inside a department, there is a complete sodality. Here perhaps is the answer to the criticism of a member of the House of Lords who said that it is only by buying and selling in an open market that true manliness can be achieved, and that civil servants lead their unexciting lives in mediocre surroundings.

But despite the changes of the Trevelyan Report, and the need for the contemporary organization of the large-scale civil service, it was a wise civil servant who said that there would not be any serious trouble about the civil service either from parliament or the public so long as the public were encouraged to smile at the bureaucracy instead of bowing before them. Our own service is linked closely with our parliamentary system. No civil servant acts on his own; at every stage, of instruction or defence, he is responsible to the minister, who by the appropriate procedure, can be brought to account before parliament.

But side by side with the improvements noticed by Professor Robson and his colleagues, we have begun to evolve the structure of the corporation, often choosing its own members, and only remotely regulated by the minister. Perhaps linked with this is the relative failure of the civil service to recruit to itself the independent scientist. Possibly, as the operations of the state extend to more and more economic subjects, we shall have to learn the method of the statutory corporation. But whatever is the form which parliament decrees, some sense of responsibility will have to be found, and perhaps it will be discussed in the long tradition of the civil service—of whom it was written about the I.C.S. men who made India: "When we ask whether there must always be a 'governing class', to whom power is to be entrusted, it may help to recall the origins and training of these men. What was their secret? Pride of race? Sense of duty? Sound schooling? All these things were present. And yet the quality that strikes me most is a certain unaffected readiness to be themselves. Goethe noted it in our countrymen—'It lies, he said, in the courage they had to be that which Nature made them'." It is here, in the long empiric treatment that the answer will be found, rather than in some special school for civil servants.

WILFRID EADY.

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CONTEMPORARY CAPITALISM. By JOHN STRACHEY. (Gollancz. 362 pp. 25s.)

MR. JOHN STRACHEY has run through a good many sets of opinions in his time, from his narrow escape from entanglement in Sir Oswald Mosley's "New Party" in the days of the second MacDonald Government in 1930-31, through his partnership with Mr. Victor Gollancz and Harold Laski in the Left Book Club and his association with the communists in the ensuing years, to his reputable tenure of high rank in the Attlee Government after 1945 and to his present appearance as the would-be theorist of democratic socialism. Inevitably a writer who has said so many different things at successive stages of his career lays himself open to the notion that what he thinks today he may no longer stand by tomorrow or the day after, and invites critical scrutiny of the basis of his present opinions. Let me say at once that from such a scrutiny the present volume comes out very well. It is an honest and thoughtful attempt to understand the working of what Mr. Strachey calls "last stage capitalism"—by which he means a kind of capitalism dominated by "oligopoly", in which the key business decisions rest in the hands of the persons at the head of a small number of vast concerns able largely to control both the market and the course of investment. The transition to oligopoly in the leading capitalist countries, he holds, has radically altered the character of capitalism and has destroyed all rational possibility of regarding it as a self-acting system, capable of maintaining itself by its own "laws" without state intervention, and certain to lead to disaster unless its working can be effectively controlled by democratic processes on behalf of the 90 per cent of the population he repeatedly contrasts with the 10 per cent at most whose interests are bound up with its survival. Mr. Strachey argues cogently that the new form of capitalism has, fully as much as earlier forms, an inherent tendency towards increasing economic inequality and exploitation which would have already involved its collapse had not this tendency been increasingly checked and arrested by the success of the democratic forces in exacting concessions on behalf of the mass of the people—of the workers and the farmers in particular—not only by social legislation and taxation of the rich, but also by altering the climate of opinion through the growing strength of trade unionism and other democratic forces and by compelling the states concerned to undertake the task of economic regulation by seeking to control the level of investment in order to maintain full employment. Mr. Strachey sees the struggle for socialism in terms of a development of these processes of democratic control through both political and other forms of social action, with capitalist collapse and revolution as the alternative if the democrats fail to exert enough pressure to prevent capitalism from plunging to ruin as a consequence of its very success in resisting democratic pressure.

This general argument of the book is cogent. In the present volume it is expounded only in part—the economic part—and the reader is promised further volumes in which the case will be set forth in other aspects which the author regards as equally significant. It is a part of his contention that it is a profound mistake to accord exclusive primacy in social determination to the economic factors, and that what is needed is a more general, sociological theory in which proper account must be taken of other factors—for example of psychological and anthropological forces. For convenience of exposition, however, the various aspects need to be considered separately before they

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can be brought together; and in this volume we are given the first instalment of what is clearly intended to be a *magnum opus* on the grand scale.

This being the broad intention, it is a pity that the opening volume has so many, and in some instances glaring, secondary lapses. It is, for example, to be regretted that Mr. Strachey, who sets out to be realistic, contrives to present so entirely unrealistic a picture of the earlier stages of capitalism before it entered on its oligopolistic period and particularly of the conditions that preceded the industrial revolution in Europe. One would almost suppose from what he tells his readers that up to the late eighteenth century there existed only independent peasants and craftsmen exchanging or consuming their respective products, subject only to exploitation by feudal landlords, and that there had been no stage of commercial capitalism and next to no wage-earners until the cotton factories were set up in Lancashire late in the eighteenth century. No doubt, Mr. Strachey knows better; but it happens to suit his argument not only to leave out these stages, but to write as if they had never been.

It is also a pity that Mr. Strachey did not take more pains in reading his proofs, so as to avoid mis-spellings of proper names (Buckarin, MacCulloch, for example—and R. L. S. Crossman), wrong dates (1935 for 1955, 1798 for 1789, and so on), and sentences with broken backs, or even saying the opposite of what he clearly means (p. 80 footnote). Nor should he have allowed some of his figures to stray into the wrong column on p. 136. Nor again should he have let himself make such obvious slips as speaking of the *repeal* of the Trade Disputes Act in 1906. Most of the slips do not much affect his argument; but they are annoying and cannot but throw some doubt on his accuracy in more important respects.

It would, however, be grossly unfair to treat these and similar slips as more than minor blemishes on a most interesting study. More serious are the evidences of plain ignorance which leads Mr. Strachey to attribute to both Marx and Keynes, whose work he rightly regards as of paramount importance, an exclusive claim to the role of pioneers in matters in which, however important their respective contributions were, they had many significant predecessors. The claim made for Marx as *the* pioneer in the field of sociological exploration could hardly have been made by anyone who had read, or even heard much about, either Saint Simon or Comte; and Sismondi, long before either Marx or Keynes, had advanced a theory of capitalist crisis which had much in common with Marx's theory, while J. A. Hobson surely deserves some credit as a predecessor of Keynes in exposing the tendency of capitalism towards over-saving and under-consumption. Yet these contributions, not to mention others, are simply ignored; and the consequence is that the reader is given rather a caricature than a fair picture of orthodox nineteenth-century economic doctrines, and that Marx is wholly credited with being the first to conceive the notion of a general science of man and of society. These aberrations must, I feel, be the result of sheer ignorance. They do not prevent Mr. Strachey from showing himself a most acute critic of the writers he has studied—Marx and Keynes in particular. He expounds excellently Marx's disastrous error in advancing his theory of "increasing misery" and the falsity of the arguments with which his followers have tried to explain it away; and he rightly points out to what an extent involvement in this theory has made communists incapable of understanding the actual development of

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western capitalism in more recent times and has reinforced their false view of the state as a simple ruling-class agency and their misunderstanding of the significance of "bourgeois" and social democracy.

Mr. Strachey is equally successful in his account both of the Keynesian revolution in economic thought and of Keynes's own limitations which prevented him from realizing how far-reaching that revolution really was, and from taking sides firmly with the forces of democracy for its furtherance. I think he tends, like many other socialists, to over-estimate the efficiency of the Keynesian proposals in coping with a serious international slump; but that is a matter of opinion too complex to be argued here.

In conclusion, I need only say that this book deserves to be taken seriously as a real contribution to democratic socialist thinking. Its faults are incidental: its merit is in its central theme. The last hundred pages or so are by far the best; for by then Mr. Strachey has got past the sections where his limitations matter, and his greater sureness of touch reacts favourably on his style, which rises at the close to passages of real eloquence.

G. D. H. COLE.

SERVANT OF THE COUNTY. By MARGARET COLE. (Dennis Dobson. 200 pp. 15s.)

THERE are today a number of good books on London government already in existence, either descriptive, historical, analytical, or critical. Mrs. Cole is aware of this and has tried to write a book of a somewhat different kind, one which will tell us "what it is like to be a Councillor, what Councils are really supposed to be doing and how, in practice, they get it done (or leave it undone)". She has not fully succeeded in doing this for the simple reason that it is impossible for a serving alderman belonging to one of the great parties to be frank about matters which implicate that party. Mrs. Cole could scarcely tell us what she really thinks and feels about the leadership of the Labour Party on the London County Council; about party policy; about the meetings of party groups which precede committee meetings; or even about the aldermanic institution in its present form. She does not discuss any of these highly important matters, but she has nevertheless, managed to write an interesting and sometimes illuminating account of that vast and remarkable municipal organization whose headquarters are at London County Hall.

The book opens with a lively picture of the Education Committee in public session, followed by a curiously lifeless chapter on a public sitting of the Council, consisting mainly of description of the physical geography of the council chamber and the procedure of the Council. Then comes a disquisition on the absurd boundaries of the County of London and the historical events which produced the present array of areas and authorities. How the author can reconcile the implications of this chapter with her apparent readiness in Chapter XII to resist any kind of reform is not clear. "I cannot contemplate with any equanimity", she writes on page 145, "either the carving up of London County into two, three, four, or a dozen chunks of town, or, alternatively, its supersession by a single all-purpose authority, whether elected directly or made up of delegates, for whatever the High Powers may decide

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to be the proper boundaries for a 'London Region', I would rather have the devil I know, with all his cumbrousness, than new monsters."

"So far I plead guilty to being as conservative as any member of any local authority, but I would plead that this is not pure blind conservatism. Local loyalties . . . and local pride, are not things to be lightly thrown away in obedience to preconceived ideas of what is rational and tidy." This is indeed the language of pure conservatism; and if Mrs. Cole's views are typical of those of Labour members of the L.C.C., it suggests that the Labour Party has been in power for so long on the L.C.C. that it has ceased to be interested in reform.

The second part of the book contains some good chapters on the Committees of the Council, on the position of the chairmen and clerks of committees, on the relations of councillors and officers, on financial control, on the establishment work at County Hall, on relations with Government departments, on the opportunities which are open to councillors to serve on the governing bodies of schools, hospitals, technical colleges and other institutions. Mrs. Cole gives us a knowledgeable and well-balanced view of municipal administration. She understands the need for rules and regulations, and does not indulge in the facile denunciation of minutes and records which is so easy if one is not faced with the need to devise alternative methods of ensuring consistency and responsibility. My only criticism of these chapters is her use of the term "voluntary bureaucrat" to describe the members of the Council. Surely the proper nomenclature is to reserve the word bureaucrat for the salaried officers, and to describe the councillors and aldermen as the elected representatives. This distinction is found throughout our entire system of government, and it is fundamental.

In the third and final part of the book Mrs. Cole has some interesting remarks to make about bureaucracy both in local government and in the Civil Service. In the concluding chapter she makes the surprising statement that the calibre of present-day members of the L.C.C. is equal to that of members of Parliament, and the leading members of professions and universities staffs. She also ridicules the idea that the quality of the Council was higher in the past than it is now, although she admits that the burden of unpaid work falling on councillors and aldermen is so heavy that comparatively few people can afford to serve on the Council. I fear that Alderman Mrs. Cole is either seeing her colleagues through rose-tinted spectacles or she is discounting the past too heavily. A list of some of the distinguished men who were elected to the first Council in 1889 is given on page 41. They included Lord Rosebery, Sir John Benn, Sir Thomas Farrar, Frederick Harrison, Alfred Hoare, Sir John Lubbock, the Earl of Meath, G. W. E. Russell, Lord Burnham, and others. When Sidney Webb was a member of the Council the quality was still remarkably high. It appears to me to have been much less high in recent years for precisely the reasons which Mrs. Cole gives, together with the fact that there are very few people today with independent means.

Enough has been said to show that *Servant of the County* is a provocative and useful addition to the literature of local government.

W. A. ROBSON.

THE POLITICAL QUARTERLY

MEMOIRS OF MICHAEL KAROLYI. FAITH WITHOUT ILLUSION. *Translated from the Hungarian by CATHERINE KAROLYI. With an Introduction by A. J. P. Taylor. (Cape. 392 pp. 35s.)*

It was the Comte-de Saint-Simon, who postulated that anyone desirous of making a substantial advance in philosophy (in the widest sense of the term) "must pass through all classes of society, and personally place himself in the most varied social positions". Count Michael Karolyi, resembling Saint-Simon in origin and outlook, certainly lived up to this postulate, and whatever he may or may not have learned from his own chequered career, his honest and unassuming memoirs should prove highly instructive to the open-minded student of European history and political philosophy. His was indeed a very varied life with staggering contrasts between ups and downs, but what must always be remembered about him is that his material losses were for the most part due to intentional and genuine sacrifices. If the Marxist theory, in its cruder form, proclaims that everyone in the last analysis acts according to the economic interests of his class, Michael Karolyi, as Upton Sinclair has pointed out, was the living refutation of this theory. Here if anywhere was a man who rose above the narrow interests of his class, and gave away his tremendous inherited wealth for the sake of social justice as he understood it. This much ought to be beyond dispute, and yet even Karolyi's motives have been questioned by unscrupulous political opponents who spread the rumour that he had originally turned revolutionary in order to shake off his debts, and that, after 1945, he desired to curry favour with the communists in order to recover his property. Anyone who like the present reviewer has had the privilege of personal acquaintance with Karolyi knows that these allegations are untrue. Michael Karolyi's memoirs, so ably translated by his wife Catherine (*née* Andrassy), might be read side by side with that other great autobiography written in exile, Stefan Zweig's *The World of Yesterday*. Between them they contrive, in their initial chapters, to conjure up the atmosphere of pre-1914 Austria-Hungary. While Zweig's attention is focused mainly on Vienna, Karolyi deals chiefly with the somewhat exotic city of Budapest. Both Zweig and Karolyi give realistic descriptions of the eclipse of that central and south-eastern Europe of the past, but whereas the man of letters concentrates on the cultural repercussions, Karolyi—man of action as well as of reflection—is more interested in the political story. His conclusion (like that of Zweig) is sad: "Looking back, we know now that the moral values of the nineteenth century started to disintegrate after the first world war, as well as the standards and principals of political behaviour, and have never recovered since." To summarize the Karolyi story in the framework of a review would be impossible. All one can do is to pick out, almost at random, some of the highlights from the saga of that brave man who might be called the Don Quixote of Hungarian social democracy. Here they are: The telling description of Hungary's obsolete and frivolous feudalism; the pen-portrait of the last Habsburg emperor; the description of the attitude, in 1918-19, of the anti-democratic French officers, General Franchet D'Esperay and Colonel Vix; Karolyi's account of his own shortlived premiership and of the insuperable obstacles he encountered; his refutation of the oft-repeated calumny that he had helped the communist Bela Kun to seize power; his strictures on bread-and-butter socialism; the pathetic Odyssey of the extreme

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left-wing *émigré* who never joined the Communist Party but found himself proscribed or, to say the least, treated as an undesirable alien wherever he turned; his frank pictures of the United States, Mexico, and Soviet Russia; the story of his escape into the abstract world of chess. Finally, after twenty-six years of banishment, his triumphant return to Hungary, followed, some three years later, by the bitter experience of his second emigration and arrival in Paris on the opening day of the Rajk trial. All in all one of the great human documents of our time, composed during the very last years of this crowded life that ended in the spring of 1955, a few days after Karolyi's eightieth birthday.

H. G. SCHENK.

SOVIET ATTITUDES TOWARD AUTHORITY. By MARGARET MEAD. (Tavistock Publications. 148 pp. 21s.)

THIS is an English republication of a study which appeared some years ago in the United States. The study is in the nature of an experiment: it is an attempt to apply the methods of the anthropologist, working in the field, to the examination of a society in which such field work is impossible. In place of interviews and direct observation of different groups inside Russia, Miss Mead has had to use an analysis of data contained in published works, in the press, in literature, and in the testimony of former Soviet citizens now living in the west. The material has been analysed and digested under various headings by a team of experts on Soviet society. The report itself has been written by the distinguished anthropologist who directed the labours of the team, but who does not herself claim to be expert on any aspect of Russian history or institutions. As Miss Mead says, "this was a pilot project". The question which it raises in the reader's mind is: has the experiment succeeded? Is it indeed possible for the synthesizing activity of a trained scientist to provide a substitute for those imponderables, instinct, reasoning, and judgment, with which the expert in his own field distils into tentative conclusions the meditation of his active lifetime? This book will perhaps do little to convince us that the experiment has succeeded, or that the anthropological field method can be applied with advantage to printed materials. In spite of the vast amount of work which has gone into its preparation, Miss Mead's report lacks life—it remains cold, rather anatomical, and not quite real. One has an uncomfortable feeling that any one of the individual members of the team could have made a better job, at any rate of his or her own material, than has Miss Mead. (The brilliant writings on Soviet literature by one of the team, for example, Mrs. Schwarz, are well known to all readers of the Russian *émigré* press; while Mr. Haimson's excellent summary of his conclusions on party and non-party organization in industry, published by Miss Mead as an appendix, immediately illustrates the difference in handling of Soviet material by a specialist.)

This is not to say that this essay is without value. There are some conclusions of interest: for example, "that a loss of leadership personnel and an increase in apathy in the general population are two strong possible weaknesses of the Soviet authority system". Of course, these weaknesses are fairly apparent to all who regularly study the Soviet press, Soviet literature, and other sources of information on the Soviet Union. Nevertheless, it is comforting to find this congruence between the intuitive hit and miss guesswork of the amateur and the stainless steel scalpel methods of Miss Mead.

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JOHN MURRAY

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GERMANY'S EASTERN NEIGHBOURS. By ELIZABETH WISKEMANN. (Oxford University Press. 309 pp. 30s.)

THE national feeling of the non-German and non-Slav groups in Eastern Europe is a great deal older than the nineteenth century. Under the Habsburgs, the Hohenzollerns, or the Tsars the larger groups were sufficiently self-conscious to regard alien rule as a form of oppression *per se*, with the result that the ruling nationalities did in fact oppress them; one may wonder, though, whether many of the smaller groups really felt the burden of oppression or resented the rule of others with anything more than the mild annoyance which English control today is apt to arouse in the Welsh. (The Slovaks, for instance, are commonly accused of having dragged their feet in the national movement which led to the creation of Czechoslovakia; it may simply have been that they felt less indignant about the Habsburgs than did their Protestant kinsmen.) In the end it was, however, nineteenth-century liberalism which erected the self-determination of peoples into a cardinal political principle and gave the makers of the Versailles treaties the chance of one of the most glorious games of frontier-drawing in history. Every identifiable group became entitled to claim some sort of recognition; "natural" and economic frontiers were largely ignored, and so fully was the whole settlement permeated with the spirit of nonconformist radicalism that on the whole the Protestant—or rather non-Catholic—groups got a better deal than the rest. It is a commonplace to blame the Versailles and associated treaties for the illogical political framework of Eastern Europe between the wars, though given the terms of reference under which the peacemakers had to work it would have been difficult to devise anything much less unsatisfactory from somebody's point of view.

After 1945 some of the remaining minority problems were solved in ruthless fashion by the wholesale transfer of populations, in which the German groups living in the non-German territories or in those which now became politically non-German were the principal, though not the only, victims. The same process led to a comprehensive reorganization of a large part of Eastern Europe in favour of the Slavs. As a result, an uncompromising and wholly illiberal logic has been imposed on the pattern of frontiers and the minorities of 1956 are far fewer in number than those of 1919. The price for this tidying-up has been the loss of political liberty throughout the region, and the creation of a new and potentially dangerous form of German irredentism.

Miss Wiskemann's book is concerned with this process in so far as it has affected the Germans. Apart from the loss of the eastern territories surrendered (perhaps one should say provisionally surrendered) to Poland and the Soviet Union, Germany has been obliged to absorb large numbers of people expelled both from the lost territories and from lands which were not German in 1939 even though they may have been so at earlier periods. At the same time correspondingly large numbers of Slavs have moved into the vacated lands, and the whole operation of expulsion and resettlement has constituted perhaps the biggest movement of population—certainly the biggest in Europe—of modern times. Fully living up to the reputation for careful and accurate research which her earlier books on similar subjects have earned her (see, for instance, her pre-war *Czechs and Germans*, another

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study carried out for Chatham House) Miss Wiskemann has analysed the story from its beginning up to 1955, and has managed to make a coherent and readable book out of a mass of intractable material. As anyone who has tried at any time in the post-war years to write about the new communist countries knows, it is extremely difficult to obtain material which is not more or less violently coloured; dispassionate research and dispassionate judgment are the most difficult things imaginable. On the whole, Miss Wiskemann has succeeded.

Her general conclusion is that, whatever the hardships and the economic dislocation the process of transfer caused in the years after the war, nothing much can or should be done about it now. The Oder-Neisse line she admits to be unsatisfactory, especially at its northern end, but (she says) "it is not more or less violently coloured; dispassionate research and dispassionate judgment are the most difficult things imaginable. On the whole, Miss Wiskemann has succeeded." Further south, there can be no question that Upper Silesia should revert to Germany, and "as for Lower Silesia, now that the Germans have been expelled . . . there is much more to be said for the western than the eastern Neisse as a frontier". The danger of German irredentism will become acute, she believes, only if there is a radical alteration in the present balance of power in the east, or if the Soviet Union decides to do a deal with the Germans in return for their general support; she plays down the latter possibility on the ground that "a new Russo-German *rapprochement* . . . is difficult to envisage because one cannot envisage its economic structure". Surely this is too optimistic a view; previous associations of Germany and Russia have not rested on an economic basis but on their obvious advantages in terms of power, and power is still a factor in world politics even though the atomic and hydrogen bombs have changed its forms.

In one sense Eastern Europe today is more stable than it has been for centuries, since national frontiers now correspond more closely to ethnic and linguistic boundaries, and the causes of immediate tension are thereby lessened. But it would be foolish to underestimate the explosive possibilities still latent in the area, especially if, when the present boom is over, economic difficulties revive the idea of the *Drang nach Osten* in the minds of dissatisfied West Germans.

T. E. M. McKITTERICK.

SHORTER NOTICES

EDWARD VII AND HIS CIRCLE. By VIRGINIA COWLES. (Hamilton. 378 pp. 25s.)

MISS COWLES has produced an extremely interesting book. She has taken a great deal of pains with the history, the near-history, and the gossip of her hero and his era. She writes with intelligence, judgment, and discretion. She has not made any historical discoveries, but she has brought together a large number of facts in such a way as to produce the picture of a man and a period. The book is not merely entertaining, it is of value to the student of society (both with a small and capital s) and of monarchy. Miss Cowles is in the main concerned to record (not without humour) rather than to judge, but the reader, as is so often the case when he reads the story of kings and queens, will probably marvel that the institution of monarchy can survive such monarchs as Queen Victoria and her son Edward VII.

UNITED NATIONS: WORLD ECONOMIC SURVEY, 1955. (H.M.S.O. 201 pp. 14s.); ECONOMIC DEVELOPMENT IN THE MIDDLE EAST, 1954 AND 1955. (H.M.S.O. 151 pp. 11s.); REVIEW OF ECONOMIC ACTIVITY IN AFRICA, 1954-1955. (H.M.S.O. 100 pp. 7s.)

THE reports on the Middle East and Africa are supplements to the general world survey for 1955, which is the eighth in the series published by the United Nations. The general survey is divided into two parts, the first dealing with economic growth during the ten years since the war, and the second with recent trends in industrial countries, primary producing countries, and centrally planned economies respectively. The Middle East survey deals first with agriculture, industry, and transport in the various countries. In Chapter 2 the petroleum industry is reviewed and in Chapter 3 foreign trade. Chapter 5 gives a valuable account of development programmes in Egypt, Iran, Iraq, Israel, Lebanon, Syria, and Turkey. The review of African economy is the first of its kind and contains valuable information. It consists of five chapters dealing with agriculture, mines and minerals, fuel and power, foreign trade, and investment.

YEARBOOK OF THE INTERNATIONAL SOCIALIST LABOUR MOVEMENT, 1956-1957. Edited by JULIUS BRAUNTHAL. (Lincoln-Prager. 528 pp. 63s.)

THIS yearbook is published under the auspices of the Socialist International and the Asian Socialist Conference; the editor is the secretary of the Socialist International. The information which it gives is confined to the history, structure, officers, membership, principles, and activities of these two organizations and of the organizations and parties affiliated to them. Within its limits it is a very useful reference book. Mr. Braunthal is an admirable editor.

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