

The Labour Party: Labour and the New Social Order (1918)

It behoves the Labour Party, in formulating its own programme for Reconstruction after the war, and in criticising the various preparations and plans that are being made by the present Government, to look at the problem as a whole. We have to make clear what it is that we wish to construct. It is important to emphasize the fact that, whatever may be the case with regard to other political parties, our detailed practical proposals proceed from definitely held principles.

The End of a Civilisation

We need to beware of patchwork. The view of the Labour Party is that what has to be reconstructed after the war is not this or that Government Department, or this or that piece of social machinery; but, so far as Britain is concerned, society itself. The individual worker, or for that matter the individual statesman, immersed in daily routine—like the individual soldier in a battle—easily fails to understand the magnitude and far-reaching importance of what is taking place around him. How does it fit together as a whole? How does it look from a distance? Count Okuma, one of the oldest, most experienced and ablest of the statesmen of Japan, watching the present conflict from the other side of the globe, declares it to be nothing less than the death of European civilisation. Just as in the past the civilisations of Babylon, Egypt, Greece, Carthage and the great Roman Empire have been successively destroyed, so, in the judgment of this detached observer, the civilisation of all Europe is even now receiving its death-blow. We of the Labour Party can so far agree in this estimate as to recognise, in the present world catastrophe, if not the death, in Europe, of civilisation itself, at any rate the culmination and collapse of a distinctive industrial civilisation, which the workers will not seek to reconstruct. At such times of crisis it is easier to slip into ruin than to progress into higher forms of organisation. That is the problem as it presents itself to the Labour Party to-day.

What this war is consuming is not merely the security, the homes, the livelihood and the lives of millions of innocent families, and an enormous proportion of all the accumulated wealth of the world, but also the very basis of the peculiar social order in which it has arisen. The individualist system of capitalist production, based on the private ownership and competitive administration of land and capital, with its reckless “profiteering” and wage-slavery; with its glorification of the unhampered struggle for the means of life and its hypocritical pretence of the “survival of the fittest”; with the monstrous inequality of circumstances which it produces and the degradation and brutalisation, both moral and spiritual, resulting therefrom, may, we hope, indeed have received a death-blow. With it must go the political system and ideas in which it naturally found expression. We of the Labour Party, whether in opposition or in due time called upon to form an Administration, will certainly lend no hand to its revival. On the contrary, we shall do our utmost to see that it is buried with the millions whom it has done to death. [...]

The Pillars of the House

We need not here recapitulate, one by one, the different items in the Labour Party's programme, which successive Party Conferences have adopted. These proposals, some of them in various publications worked out in practical detail, are often carelessly derided as impracticable, even by the politicians who steal them piecemeal from us! [...] The war, which has scared the old Political Parties right out of their dogmas, has taught every statesman and every Government official, to his enduring surprise, how very much more can be done along the lines that we have laid down than he had ever before thought possible. What we now promulgate as our policy, whether for opposition or for office, is not merely this or that specific reform, but a deliberately thought but, systematic, and comprehensive plan for that immediate social rebuilding which any Ministry, whether or not it desires to grapple with the problem, will be driven to undertake. The Four Pillars of the House that we propose to erect, resting upon the common foundation of the Democratic control of society in all its activities, may be termed, respectively:

- (a) The Universal Enforcement of the National Minimum;
- (b) The Democratic Control of Industry;
- (c) The Revolution in National Finance; and
- (d) The Surplus Wealth for the Common Good.

The Universal Enforcement of a National Minimum

The first principle of the Labour Party—in significant contrast with those of the Capitalist System, whether expressed by the Liberal or by the Conservative Party—is the securing to every member of the community, in good times and bad alike (and not only to the strong and able, the well-born or the fortunate), of all the requisites of healthy life and worthy citizenship. [...]

The Legislative Regulation of Employment

Thus it is that the Labour Party to-day stands for the universal application of the Policy of the National Minimum, to which (as embodied in the successive elaborations of the Factory, Mines, Railways, Shops, Merchant Shipping, and Truck Acts, the Public Health, Housing, and Education Acts and the Minimum Wage Act—all of them aiming at the enforcement of at least the prescribed Minimum of Leisure, Health, Education, and Subsistence) the spokesmen of Labour have already gained the support of the enlightened statesmen and economists of the world. All these laws purporting to protect against extreme Degradation of the Standard of Life need considerable improvement and extension, whilst their administration leaves much to be desired. [...]

Securing Employment for All

The Labour Party insists—as no other political party has thought fit to do—that what the soldiers and sailors will most seriously look to, is not the sum of money doled out to them, but the provision made for ensuring such of them as are not wholly disabled situations appropriate

to their capacities and desires, and that the obligation to find suitable employment in productive work for all these men and women rests upon the Government for the time being. [...] It is one of the foremost obligations of the Government to find, for every willing worker, whether by hand or by brain, productive work at Standard Rates.

It is accordingly the duty of the Government to adopt a policy of deliberately and systematically preventing the occurrence of unemployment, instead of (as heretofore) letting unemployment occur, and then seeking, vainly and expensively, to relieve the unemployed. It is now known that the Government can, if it chooses, arrange the public works and the orders of National Departments and Local Authorities in such a way as to maintain the aggregate demand for labour in the whole kingdom (including that of capitalist employers) approximately at a uniform level from year to year; [...].

Social Insurance against Unemployment

In so far as the Government fails to prevent Unemployment—whenever it finds it impossible to discover for any willing worker, man or woman, a suitable situation at the Standard Rate—the Labour Party holds that the Government must, in the interest of the community as a whole, provide him or her with adequate maintenance, either with such arrangements for honourable employment or with such useful training as may be found practicable, according to age, health and previous occupation. [...]

The Democratic Control of Industry

[...] Unlike the Conservative and Liberal Parties, the Labour Party insists on Democracy in industry as well as in government. It demands the progressive elimination from the control of industry of the private capitalist, individual or joint-stock; and the setting free of all who work, whether by hand or by brain, for the service of the community, and of the community only. And the Labour Party refuses absolutely to believe that the British people will permanently tolerate any reconstruction or perpetuation of the disorganisation, waste and inefficiency

involved in the abandonment of British industry to a jostling crowd of separate private employers, with their minds bent, not on the service of the community, but—by the very law of their being—only on the utmost possible profiteering. [...] What the Labour Party looks to is a genuinely scientific reorganisation of the nation's industry, no longer deflected by individual profiteering, on the basis of the Common Ownership of the Means of Production; the equitable sharing of the proceeds among all who participate in any capacity and only among these, and the adoption, in particular services and occupations, of those systems and methods of administration and control that may be found, in practice, best to promote, not profiteering, but the public interest.

Immediate Nationalisation

The Labour Party stands not merely for the principle of the Common Ownership of the nation's land, to be applied as suitable opportunities occur, but also, specifically, for the immediate Nationalisation of Railways, Mines and the production of Electrical Power. [...]

In quite another sphere the Labour Party sees the key to Temperance Reform in taking the entire manufacture and retailing of alcoholic drink out of the hands of those who find profit in promoting the utmost possible consumption. [...]

Local Government

The Labour Party is alive to the evils of centralisation and the drawbacks of bureaucracy. To counteract these disadvantages it intends that the fullest possible scope shall be given, in all branches of social reconstruction, to the democratically elected local governing bodies. [...] The Labour Party holds, moreover, that the municipalities and County Councils should not confine themselves to the necessarily costly services of education, sanitation, and police, and the functions to be taken over from the Boards of Guardians, nor yet rest content with acquiring control of the local water, gas, electricity, and tramways, but that they should greatly extend their enterprises in housing and town

planning, parks, and public libraries, the provision of music and the organisation of popular recreation, and also that they should be empowered to undertake, not only the retailing of coal, but also other services of common utility, particularly the local supply of milk, where this is not already fully and satisfactorily organized by a co-operative society. [...]

By far the most important function of the Local Authorities is the administration of Education. The first step to social reconstruction must be a genuine nationalisation of education, which shall get rid of all class distinctions and privileges, and bring effectively within the reach, not only of every boy and girl, but also of every adult citizen, all the training, physical, mental and moral, literary, technical, and artistic of which he is capable. [...]

Control of Capitalist Industry

Meanwhile, however, we ought not to throw away the valuable experience now gained by the Government in its assumption of the importation of wheat, wool, metals, and other commodities, and in its control of the shipping, woollen, leather, clothing, boot and shoe, milling, baking, butchering, and other industries. The Labour Party holds that, whatever may have been the shortcomings of this Government importation and control, it has demonstrably prevented a lot of "profiteering." Nor can it end immediately on the Declaration of Peace. The people will be extremely foolish if they ever allow their indispensable industries to slip back into the unfettered control of private capitalists, who are, actually at the instance of the Government itself, now rapidly combining, trade by trade, into monopolist Trusts, which may presently become as ruthless in their extortion as the worst American examples.

A Revolution in National Finance

In taxation, also, the interests of the professional and housekeeping classes are at one with those of the manual workers. Too long has our National Finance been regulated, contrary to the teaching of Political

Economy, according to the wishes of the possessing classes and the profits of the financiers. The colossal expenditure involved in the present war (of which, against the protest of the Labour Party, only a quarter has been raised by taxation, whilst three-quarters have been borrowed at onerous rates of interest, to be a burden on the nation's future) brings things to a crisis. [...] How are we to discharge a public debt that may well reach the almost incredible figure of 7,000 million pounds sterling, and at the same time raise an annual revenue which, for local as well as central government, must probably reach 1,000 millions a year? It is over this problem of taxation that the various political parties will be found to be most sharply divided.

The Labour Party stands for such a system of taxation as will yield all the necessary revenue to the Government without encroaching on the prescribed National Minimum Standard of Life of any family whatsoever; without hampering production or discouraging any useful personal effort, and with the nearest possible approximation to equality of sacrifice. We definitely repudiate all proposals for a Protective Tariff, in whatever specious guise they may be cloaked, as a device for burdening the consumer with unnecessarily enhanced prices, to the profit of the capitalist employer or landed proprietor, who avowedly expects his profit or rent to be increased thereby. [...]

For the raising of the greater part of the revenue now required the Labour Party looks to the direct taxation of the incomes above the necessary cost of family maintenance; and for the requisite effort to pay off the National Debt, to the direct taxation of private fortunes both during life and at death. The Income Tax and Super-tax ought at once to be thoroughly reformed in assessment and collection, in abatements and allowances and in graduation and differentiation, so as to levy the required total sum in such a way as to make the real sacrifice of all the taxpayers as nearly as possible equal. This would involve assessment by families instead of by individual persons, so that the burden is alleviated in proportion to the number of persons to be maintained. It would involve the raising of the present unduly low minimum income assessable to the tax, and the lightening of the present unfair burden on the great mass of professional and small trading classes by a new scale of graduation, rising from a penny in the pound on the smallest assessable income up to sixteen or even nineteen shil-

lings in the pound on the highest income of the millionaires. It would involve bringing into assessment the numerous windfalls of profit that now escape, and a further differentiation between essentially different kinds of income. The Excess Profits Tax might well be retained in an appropriate form. [...] At the same time, for the service and redemption of the National Debt, the Death Duties ought to be regraduated, much more strictly collected, and greatly increased. In this matter we need, in fact, completely to reverse our point of view, and to rearrange the whole taxation of Inheritance from the standpoint of asking what is the maximum amount that any rich man should be permitted at death to divert, by his will, from the National Exchequer, which should normally be the heir to all private riches in excess of a quite moderate amount by way of family provision. But all this will not suffice, [...] and the Labour Party stands for what is called the "Conscription of Wealth"—that is to say, for a special Capital Levy to pay off, if not the whole, a very substantial part of the entire National Debt—a Capital Levy chargeable like the Death Duties on all property, but (in order to secure approximate equality of sacrifice) with exemption of the smallest savings (say, up to £ 1,000), and for the rest at rates very steeply graduated, so as to take only a small contribution from the little people and a very much larger percentage from the millionaires. [...]

The Surplus for the Common Good

One main Pillar of the House that the Labour Party intends to build is the future appropriation of the Surplus, not to the enlargement of any individual fortune, but to the Common Good. It is from this constantly arising Surplus (to be secured, on the one hand, by Nationalisation and Municipalisation and, on the other, by the steeply graduated Taxation of Private Income and Riches) that will have to be found the new capital which the community day by day needs for the perpetual improvement and increase of its various enterprises, for which we shall decline to be dependent on the usury-exacting financiers. [...]

The Street of To-morrow

The House which the Labour Party intends to build, the four Pillars of which have now been described, does not stand alone in the world. Where will it be in the Street of To-morrow? If we repudiate, on the one hand, the Imperialism that seeks to dominate other races, or to impose our own will on other parts of the British Empire, so we disclaim equally any conception of a selfish and insular “non-interventionism,” unregarding of our special obligations to our fellow-citizens overseas; of the corporate duties of one nation to another; of the moral claims upon us of the non-adult races, and of our own indebtedness to the world of which we are part. We look for an ever-increasing intercourse, a constantly developing exchange of commodities, a steadily growing mutual understanding, and a continually expanding friendly co-operation among all the peoples of the world. With regard to that great Commonwealth of all races, all colours, all religions and all degrees of civilisation, that we call the British Empire, the Labour Party stands for its maintenance and its progressive development on the lines of Local Autonomy and “Home Rule All Round”; the fullest respect for the rights of each people, whatever its colour, to all the Democratic Self-Government of which it is capable, and to the proceeds of its own toil upon the resources of its own territorial home; and the closest possible co-operation among all the various members of what has become essentially not an Empire in the old sense, but a Britannic Alliance. [...]