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PERILS OF SOCIALISM.

HC Deb 21 March 1928 vol 215 cc397-465

Sir HARRY BRITTAIN I beg to move, “That this House, recognising the grave dissensions which exist amongst the Socialist party and within the party itself on vital issues of public policy, considers that the formation of a Socialist government would be a source of danger to the nation.” When I had the good fortune, for the first time draw any place whatsoever in the Ballot, after many years' trying. I thought that the least I could do was to endeavour to put down a Motion which would be of interest to all parties of the House, and, apparently, from the cheers with which it has been received, I have succeeded in doing that. A complaint was made last week that, although we had considerable luck in the Ballot, the Motions brought forward by Members of the Tory party had lacked vigour. In the specific word used was "pep"; and I have done my humble best to supply the want. This Motion is strongly worded; and it is meant to be. I am naturally dealing only with the political outlook of hon. Members opposite, because for the greater number of them I do entertain the highest personal regard; and I am quite sure that they are as sincere in their convictions as I hope I am in mine. But these convictions, in the opinion of most hon. Members on this side of the House, are so confused and so divergent, so full of menace to the trade and credit of this country, that we are entitled to regard the possible advent of a Socialist Government to power as well as to office as a danger to the nation.

Socialists believe, or would have us believe, that they are going to be returned to power next year, although I am bound to say that they are not quite so confident as they were before the results of the recent by-elections. It is fair to assume, therefore, that they have decided what they are going to do and what particular form of blessings they are going to pour on this country. It is not only those who differ from them who are asking these questions, but also their own followers in the country are getting tired of gazing at the Promised Land, which never seems to get nearer, and of waiting for a taste of that milk and honey which they have been promised again and again, and sick and tired wandering across the wilderness, which is apparently covered with very bad patches. In view of this Debate, I have been perusing somewhat more carefully than usual some of their own literature. I found a very interesting article in a recent issue of the "New Leader" to this effect: “Labour is suffering from the lack of a clear concise programme which to fight and is likely to remain so unless they can be heartened by a definite sign that they are fighting for something more than vague phrases.” That is a little unkind to the Leader of the Opposition. Again, in the "Socialist Review" for this month, Mr. E. F. Wise, who is one of their ablest thinkers and to whom a large section of a page in the "Labour Who's Who" is devoted, writes: “The admitted slowing down of the Labour progress in these last few months is due to the lack of a clear and accepted programme for which the party could fight.” And then Mr. Wise complains that there has not been a clear statement issued, and that people are not quite satisfied that Labour can deliver the goods—they are not even sure that Socialism itself will work. Who can blame them? If Socialists can tell us what Socialism is, how in heaven's name can they say whether it will work or not? Not trusting entirely to the active politicians, I have done my best to get some guidance by outside research; but the task, I must say, is rather a difficult one. I have done my best to study the three stout volumes of the "Encyclopædia of the Labour Movement" and there I have come across this delicious definition of Socialism: “We are as far as ever from a satisfactory definition, but this is perhaps as much the strength of Socialism as its weakness.” This is really a typical Socialist argument; for, while appearing to possess some sort of deep significance, it is absolutely meaningless. I turn from

to Rapoport's "Dictionary of Socialism," and between pages 36 and 41—I commend these pages to hon. Members find no fewer than 40 definitions of Socialism. These definitions run from that of the highly respected Leader of Opposition to that of Comrade Bakunin of Russia. [HON. MEMBERS: "He is not a Russian!"] The Leader of the Opposition, at the end of his definition, winds up with this phrase: "It is an application of mutual aid to politics and economics." If I may humbly say so, that is the very triumph of obscurity. What form then is this Socialism to take it to take the form of the Socialism of the Labour party, when it is evolved? Is it the Socialism of the Independent Labour party? Is it to be State Socialism, guild Socialism, Christian Socialism, or the Socialism of the Union of Republics? Is it to be any of these forms, or is it to be all of them? Hon. Members must not forget that the brand well as the hour of introduction are both uncertain. We on this side of the House must not forget that the right hon. Gentleman the Member for Burnley (Mr. A. Henderson), whom we all look upon with the deepest respect, says "Anyone who reads the constitution of the Labour party will find that it is a Socialist party." There are some hon. Members in this House, and many people outside, who seem to show a great distaste at being called Socialists. "Socialism in our time" is like a red rag to a bull to some of them. They are afraid of it, but, on the other hand, there are many hon. Members opposite who whole-heartedly welcome that idea and that phrase. Let me take statements from three of their accepted leading men. The Leader of the Opposition in "Forward" says: "I deplore the cry 'Socialism in our time' for several reasons, but especially for this, that it will postpone our success until the Greek Kalends." His statement requires no further comment. Then the right hon. Member for Colne Valley (Mr. Snowden), for whom everyone in this House has the deepest personal respect, writes: "Gradualism is the only possible way to substantial and permanent progress towards Socialism." On the other hand, what is the opinion of one of the most eloquent speakers of the Socialist party and the potential leader of their party, the hon. Member for Bridgeton (Mr. Maxton)? In his presidential address to the Independent Labour Party at Leicester, he made use of this sentence, which is very illuminating: "The Independent Labour party in my view is right when it says that we want Socialism in our time. We see on the one hand the pathway of reformism or gradualism as it is called to-day, one which makes a tremendous appeal to our sanity, one which we can accept when we are sitting comfortably before our fire with our carpet slippers on and our suppers just eaten. But it does not do when we walk through the East End of our constituencies." We take it, I suppose, that the two right hon. Gentlemen are merely armchair Socialists. All that I can suggest is that there must have been a very deep and a very comfortable armchair that drew from the right hon. Member for Seaham (Mr. Webb) that somewhat soporific slogan, "the inevitability of gradualness," which he presented to his dismayed followers at an annual conference of the party some years ago. Really it is time that we had some definition of what Socialism is to be and what Socialists mean by the word. We all remember that good old moss-covered resolution which year after year used to be dug out and re-dug out at Labour conferences, and which concerned "the nationalisation of the means of production, distribution and exchange." But Socialists themselves are tired of that definition. It now raises no enthusiasm in their ranks. Mr. Wise, whom I have previously quoted, has recently stated that it now makes the elector not only impatient but almost blasphemous. In fine, hon. Members opposite have not decided, and they cannot decide, what they are going to do or how they are going to do it. In other words, we are entitled to ask the question, are hon. Gentlemen opposite a party at all? With the exception of the attempt to put themselves in office, are they agreed on any policy whatsoever, constructive or otherwise? [Interruption.]

If hon. Members do not agree with what I am saying let us take a few tests. I could suggest dozens, but I do not to take up too much time. Let us, as the first test, take the recent troubles in China. We all remember what happened there. There was a call from our own people, a call from some 15,000 British men, women and children who were in Shanghai and other Treaty ports, who were doing legitimate trading, the result of which legitimate trading meant much for the employment of labour in this country. All right thinking people here feared that they were in dire trouble and distress. The Government did the only thing that any self-respecting Government could do—it sent out troops.

look after its own people. With regard to that, what was the opinion of the hon. Member for Dumbarton Burghs Kirkwood)? In a speech which he made at Belfast he said: "It was the same typo of mind that sent the Black and to massacre the Irish who now hold sway in London, and they were just itching to treat the Chinese in the same Let me tell Mr. Baldwin and his Government that before they are through with this affair, we Socialists will hav working classes in Great Britain on the side of the Chinese." And the hon. Member added this: "They all knew perfectly well that they wore on the eve of war, and that at any time they might read that their fellow-countryme butchered thousands of Chinese." Not a few hon. Members supported the hon. Member for Dumbarton Burghs. did we get from the Opposition Front Bench? From certain Members we got., as we would expect to get, a state that, no matter what Government was in power, it was the duty of that Government to defend its own nationals. notwithstanding those statements from the Front Bench, when our forces were on the way, their recall was dema by the Socialist party and left and right voted for it. There was only one man who refused to toe the line, Dr. Ha Guest. Where is he now? [Interruption.] If hon. Members are proud of the action they took they are welcome to pride.

Mr. SPEAKER Hon. Members must remember that this is one of the Private Members' days. Surely Private Men in the House ought to see that proper consideration is given to a speaker.

4.0 p.m.

Sir H. BRITAIN I am trying my best not to be abusive. I admit that this is a difficult subject, because we take e divergent views about it. I am doing my very best to state what I feel very strongly, as the views of myself and, I believe, of most of my hon. Friends here, and I do not want in any way to hurt the feelings of those who find po opponents among their friends. If in my blunt Yorkshire fashion I have put things too abruptly, let it be understo I do not mean to hurt anyone. But I do mean everything I shall say and have said. As a second point, think the H on all sides and at all angles is agreed as to the immense importance to this country of the subject of trade. It is r important to this country than to any other country in the world, for in this small island one person in three is dependent for the necessities of life and for food on what we get from overseas. We cannot afford to make experiments as can great agricultural countries abroad. At the moment we rejoice on this side to see that both ca and labour are doing what they can to help forward peace in industry. I welcome, as we all welcome, the statem my good friend the right hon. Member for Derby (Mr. T. H. Thomas), who, incidentally, leaves this afternoon fo Gold Coast. I am sure that every Member of the House wishes him a safe voyage and a happy return and a succ visit. The right hon. Member stated this: "There is no short road to a solution of the troubles and problems of the In mutual good will is the hest opportunity of meeting them." I am certain that every hon. Member on this side c House will support a sentiment of that kind. I wish intensely that we could work together on what is one of the r outstanding problems that we have to tackle to-day. But is the party opposite in favour of peace in industry, or is desirous of smashing British trade as we know it to-day and destroying the work of centuries? Do hon. Member opposite agree with the hon. Member for the Forest of Dean (Mr. Purcell) who occupied for some time the hono position of President of the International Federation of Trade Unions. This is what that hon. Member stated: "O mutual task is to unite for the destruction of capitalism." Do we take it, then, that if and when the Socialist party achieve office, or power, or both, they will east into the melting-pot the trade and commerce of this great countr There is one other point on which I would like to illustrate the divergence of opinion of hon. Members opposite, that is with regard to another subject, also of outstanding importance—the subject of the living wage. The hon. Member for Bridgeton, to whom I have just referred as a potential leader of the party, in a speech made at Ayr st that "As things were now, less than £4 a week was not a living wage." Every Member on all sides would like, of course, to see the very best wages possible paid in this country, and you know it is true. But this statement was t

much for the financial conscience of one of the very ablest Members you possess—the right hon. Member for C Valley. [HON. MEMBERS: "We know all that!"] It is worth while rubbing it in again and again.

Mr. SPEAKER The hon. Member is now forgetting to address the Chair.

Sir H. BRITAIN I beg your pardon, Mr. Speaker. I found some hon. Members opposite so interesting that I was away. The right hon. Gentleman, in explaining at some length and very interestingly exactly what this suggestion would cost the country, concluded by saying: "If the Labour Government established a legal minimum wage of week, the week after there would be no wages at all for anybody." That is the sound horse-sense we would expect from the right hon. Gentleman.

Mr. MAXTON Would the hon. Gentleman point out exactly where the contradiction lies between my statement and that of my right hon. Friend?

Sir H. BRITAIN I think the difference lies in this, that if the hon. Gentleman's proposal were carried into effect, the country would be bankrupt inside a week. If the Socialist leaders came into power with the wing to which the hon. Member belongs, this ill-balanced, visionary finance would be a danger which we would have to face. And the other wing of the party opposite is working hard; we will give them full credit for that. Day in and day out they spare no pains to advance their cause, and if they make good, what would happen to the moderate leaders we see to-day? We know well that they would find themselves in the position occupied by Gilbert's hero, the Duke of Plaza Tenorio, and we all know how humiliating and difficult it is to lead from behind. While all that was taking place, where would this poor old country be? It would be possible to enumerate many more of these instances. I will take another one. I shall be followed by those far more capable than myself in carrying out these comparisons. I should like to conclude with this. Perhaps the most disquieting phase in this matter is the line which has been consistently taken by a large section of hon. Members opposite with regard to the defensive forces of the country. In 1924, when the Opposition were in office, an Amendment was put down by their own supporters to reduce the Army from 157,500 to 7,500. The hon. Member for Shoreditch (Mr. Thurtle) who seconded said: "I am prepared to admit that this Amendment means the abolition of the Army."—[OFFICIAL REPORT, 17th March, 1924; col. 131, Vol. 171.] That is not in accordance with our ideas as to the safety of this realm. But it might not be against the rules to get rid of a few tiresome people in this country, because the hon. Member for Tradeston (Mr. T. Henderson) said: "He would be prepared to shoot and kill, if necessary, in order to uphold the principle of government by the people." A very pleasant prospect for the future! In 1925, on the Air Force Vote of 36,000 personnel, the hon. Member for Shoreditch moved to reduce that number by 35,000, to arraign, as he said, the waste and futility of all armaments, and 26 Socialists and one Communist voted for the Amendment. A similar Amendment was put down in 1927 by the hon. Member for Brightside (Mr. Ponsonby). A stalwart of the Front Bench, the hon. Member for Bow and Bromley (Mr. Lansbury) has done what he can to reduce the Navy by 100,000 men. These attempts to cripple our Fighting Services are typical of what we might expect should the Socialist party come into power. If it had its way, this country would be defenceless. We should be at the mercy of all who cared to attack us. We should be powerless to maintain this great Empire, which has taken so many centuries to build up. It would mean the decline and fall of the British Empire, and that fall would be irretrievable. Have we not then every right to look upon the possible advent of the Socialists with suspicion and alarm? Can we trust those who, within their own ranks, are continually criticising, condemning and exposing their many and varied sections? Without a policy, without a plan, at war with each other, without order and discipline, they aspire to control the affairs of this great nation. In my opinion, it would be a national disaster if they ever succeeded in getting this opportunity.

Captain CUNNINGHAM REID I beg to second the Motion.

I associate myself entirely with the able speech which we have just heard from my hon. Friend. There can be no more discouraging to a certain section of a political Opposition than the prosperity of the country. To them, any improvement in the national life is not only a menace, but something that must be belittled, and, if possible, frustrated especially when they know that their own principles are mainly specious, and that their policy to a large extent is unworkable. Then their only chance of power lies in the maxim that the greater the discontent the greater the demand for a change. I trust that the official Opposition will not for one moment consider that I am referring to them. It would be most unfair to condemn them without first having given one's reasons, and without first having examined their records.

Lieut. - Commander KENWORTHY On a point of Order. May I ask whether it is in order for an hon. Member to refer to his speech to this House?

Mr. SPEAKER I did not observe that the hon. and gallant Member was reading his speech. All Members do not refer to their speech so frequently as the hon. and gallant Member for Central Hull (Lieut.- Commander Kenworthy), and he may deny to more modest Members the assistance of notes.

Captain REID I was saying that it would not be fair to make such an accusation without first having examined their record. They have stated on many platforms throughout the country that they are the only party in this country who represents the real interests of the workers. [HON. MEMBERS: "Hear, hear!"] I am glad that hon. Members opposite agree with that. That being so, I presume that they will agree with me when I say that the general strike which they organised a short while ago—[An HON. MEMBER: "It was not a strike; it was a lock-out !"]—was somewhat of a mistake on their part. I do not think that with any stretch of imagination they could claim that that strike was intended to help the workers of this country. Anyhow, I will leave it at that for the moment. After all, we are all human, and inclined to make mistakes. I will pass on to an examination of their record before that time, and go back to the interesting period when they were the Government of this country. A growing number of people throughout Great Britain are realising that Empire development more than anything else in the future is likely to help the workers of this country. That being so, I am somewhat at a loss to understand why, when hon. Gentlemen opposite were in office, they curtailed Empire development at every turn. It has been proved, and I think proved conclusively, that Imperial Preference tends to the advantage of the workers of Great Britain. Is it not somewhat strange, therefore, that they refused when they were in office any extension of Imperial Preference?

Then I come to the safeguarding and the McKenna duties. It has been shown indisputably by returns and figures that these duties have proved of immense use to the industries of this country. Therefore, I think I am at liberty to ask at the first opportunity, they repealed those particular duties? Next is the question of Protection. I do not think that anyone doubts that the party opposite is against Protection; yet I would like to know how they reconcile their claim to be the only party in this country that protects the workers, with the fact that they do not attempt to protect the workers? After all, that is what Protection amounts to. Is it not rather a significant fact that the Socialist party in this country is the only Socialist party in the world which has not adopted Protection and put it in the forefront of its programme? Could the reason for that possibly be that many years ago the Conservative party adopted it before them? There is a political school of thought which advocates, when in Opposition, being against everything that is likely to be of advantage to the workers, on the assumption that if they are successful they will create discontent and so prove that Capitalism is a failure. Of course, I am casting no aspersions. Nevertheless, I have great pleasure in seconding

this Motion which ends with the words, "That the formation of a Socialist Government would be a source of danger to the nation."

Mr. WILLIAM GRAHAM I beg to move, in line 1, to leave out from the word "House" to the end of the Question to add instead thereof the words: "is of opinion that, in view of the widespread change in industry in the direction of the syndicate, combine, and trust, side by side with material insecurity affecting large numbers of the people, there is a sound foundation for the fear of an economic system based upon the principles of public ownership and control." A year or two ago the House of Commons had one of its most important discussions when my right hon. Friend the Member for the Colne Valley (Mr. Snowden) tabled a definitely Socialist Motion and, from that time onwards, a large section of the Press and practically all our opponents in this country ceased to describe our movement as the Labour movement and started to call it the Socialist movement. For my part, I welcomed that name because it established a clear distinction between the economic principles of hon. Members opposite and the principles in which we on this side believe. There is no doubt that it is entirely in the public interest that a distinction of that kind should be drawn in what I would call the fundamentals of our public controversy. I do not take the slightest objection to the form in which the two hon. Members have presented their case. The hon. Member for Acton (Sir H. Brittain) had a breezy and even obstreperous passage. The Seconder was brief, but we on this side waited in vain, first for any definition of Socialism, and, in second place, for any reference whatever to the industrial problems of the time. There was no analysis of the industrial system. There was no recognition of the great change which has taken place in the industrial system under the auspices of hon. Gentlemen opposite and their predecessors. There was a collection of newspaper headings—if I say so without offence—and some remarks about the views of leaders and prospective leaders. Then there was a reference to the perils of something which had not been defined, and when a thing is not defined it is rather difficult to work up any belief that it will be a peril in any shape or form.

Let us try to get down to the cold facts of the situation. I recognise that to do so will not be nearly as entertaining as the spectacular matter of my hon. Friend opposite who introduced the Motion. On paper, the Government and its supporters, and also, to an appreciable extent the Liberal party in this country, are telling us that it will be dangerous if we embark to any extent upon Socialist principles in the conduct of our industry and commerce. Let us see how that argument is applicable to the facts. It is quite true that, within the limits of the existing system, with all its modifications, certain improvements in the condition of the people have taken place. Progress of a kind has been made. The last analysis for the year 1924, by two eminent economists, showed that quite a considerable section of the British people had maintained their economic positions even as compared with pre-War days—a subject perhaps worthy of some debate. We, on this side of the House, are familiar with the ramifications of building societies and the co-operative movement and a number of other enterprises, which, with the trade unions, have contributed to some extent to the security of the people.

That is all common ground, but when we have made allowance for that progress two great facts remain. The first is that a large section of the British people is still exposed to widespread and recurrent material insecurity. The second is that all this development, admittedly, does not solve the problem of ownership in industry, and it is only when we approach ownership—and that is the essence of the Socialist case—that we are dealing with fundamentals at all. Every thing else is, so far, mere debate on the surface of affairs. The Government and hon. Members opposite are not Socialist. They are opposed to public ownership and control. They are theoretically in favour of free competition and individualism, as some of the humorists of the time describe it. Let us take three examples within comparatively recent times and seek to understand among ourselves exactly what has happened. In the past 25, 30 or 50 years there has been a widespread development of municipal activity, There has also been a considerable extension of State enterprise in various directions—much of it promoted before the war, some of it encouraged by wartime conditions.

but, in any case, on a larger scale than that with which we were familiar 14 or 15 years ago. If hon. Members stand absolutely true to the individualist principle, it is plain that they must view all developments of that kind with distrust, but the fact remains that in their own legislation considerable extension along those lines has taken place. They do not propose, I understand, to go back upon it.

Accordingly, there is a grave unreality, or lack of reality, in their description as "a peril" of something which they themselves have been driven to recognise and enforce. It is perfectly idle to say that public ownership is a danger to the community—as I have often heard it said—when we know that hundreds of millions of capital in this country are owned and controlled already upon those lines. I do not make more of that part of the case this afternoon because it is familiar ground and is perhaps not to the same extent as other aspects of the question a subject of acute controversy to the State. I pass to a second sphere of far greater importance. Hon. Members who believe in purely private enterprise must be impressed by the remarkable degree to which they themselves have regulated and controlled industry within recent years. I need only give three illustrations. It is true that the form of private ownership remains, or, let us say, in bondage—the economic bondage—in which it works. The first instance is that of the Railways Act of 1921. Then you had a situation covering £1,300,000,000 of British capital which was profoundly affected by War conditions. It was not a Socialist upstairs in Committee or on the Floor of this House, but an individualist—afterwards President of the Federation of British Industries—who told Parliament that we could not face post-War transport problems in Britain with 100 or more so-called competing railway undertakings. So he amalgamated them. He formed great geographical trusts with substantially this amount of capital, and he did more than that. He proceeded to hedge in these amalgamations with various forms of control embodied in a direction to the Rates Tribunal so to fix the rates and charges as to standardise the return on this block of capital in terms of the year 1913.

I well remember the arguments which were led by the then representative of the City of London, who was chairman of one of the largest railway companies. If he did not actually describe the Bill as an extreme form of regulation and quasi-Socialism, he certainly used words to that effect. But all I am seeking to prove at the moment is that, on the question of purely private enterprise and control, in regard to one of the largest undertakings in this country, hon. Members themselves, with all their anti-Socialist notions and views against regulation have been driven far along the road of regulation. In point of fact, since that time, traders have said that they would have been better with a bus-like form of public ownership of the railways than they are within the terms of the Act of 1921 with only the right of appearance before the Rates Tribunal, hedged in by conditions which I have just indicated. There is one great objection on the principle of perfectly private control and I am not ignoring the fact that, long before that date, railways were regulated to some extent. The purpose of this part of the argument will be seen later.

We now come to certain very interesting circumstances regarding electricity as another illustration. Both in 1919 and 1926 a strongly anti-Socialist Government was in office in this country. The first proposal concerning electricity of 1919, was to set up compulsory areas with powers, the details of which I need not recall, for the purpose of regulating the production and distribution of electricity as a great industrial essential in Great Britain. That Measure was modified beyond recognition during the Committee stage and emerged very largely as a voluntary or permissive scheme. Several years passed, and in 1926 there was provided, at the hands of three or four individualists—not Socialists—the most striking condemnation of a privately-run system, with an admixture of regulation, that has probably ever been penned in this country applied to a great industry. These gentlemen said, in effect, that we had wasted large blocks of capital owing to the manner in which we had allowed this industry to proceed and that we would be driven to drastic regulation and control. In due course, this Government—not a Socialist Government—introduced the Act of 1926, in which they set up a Central Electricity Authority regulating production over by fixing

greater part of the field and proposing a guarantee of £33,300,000 at the hands of the taxpayers of Great Britain grid iron and central system of transmission.

That is the broad outline of the Measure which was then introduced. But what did we find? We found that about thirds of the field was already occupied by the municipalities, and our case was that you could then quite easily made it a purely public enterprise. But the Government were anxious to cling to anti-Socialist practice, as far as could, and so they left the country with a mixture of public ownership and public regulation, and a certain block capital, held in economic bondage of a very real kind, in the hands of a limited number of private owners. I suggest that that can never be a solution of any important part of the industrial problem. But I mention that as another illustration to show the complete lack of reality in the Motion which the hon. Member has proposed. Here, in electricity, you recognise an important aspect of Socialism. You did not say so when you were promoting that B the House of Commons. You regulated it or brought it so far into contact with the rest of the field, in our judgment a way which left it open to grave criticism and which I have no doubt some succeeding Government, under happy auspices, will be compelled to amend.

The third illustration I will give is one chosen also under the auspices of this anti-Socialist Administration. Broadcasting began in Great Britain as an enterprise leased out to the British Broadcasting Company. It is quite that from the very start a development of that kind lent itself to public regulation—that is beyond all dispute—because when a Committee was appointed in 1925 to consider the future of this system, which Committee was presided by a Conservative Member of the House of Lords and included only one Socialist—and could, therefore, be trusted to present a perfectly impartial Report—that Committee reported unanimously in favour of the termination of the lease and the establishment of a purely public corporation in this great and developing service. The highest tribute was paid to the pioneer work that the British Broadcasting Company undertook; and the £70,000 of capital subscribed by those men was returned with an acknowledgment of thanks, that being a sum which was exactly what they had put into the undertaking in its pioneer days.

In due course, under the auspices of the Postmaster-General—who will not be accused of any particular love for socialism, and who has from time to time delivered speeches which, in my judgment, exceed in violence anything I have ever heard on a Labour platform—two agreements were presented to the House of Commons, and I had to the time that there were no two agreements ever submitted to this Assembly which represented so complete a presentation of the case, in a constructive form, of public ownership or Socialism in a great essential service. He set up five Commissioners, making them trustees and stewards for the public; he regulated the terms of the agreement under which they were to work; he gave them a certain amount of elasticity, which is exactly what we propose in a democratic scheme of public ownership; and, at the end of the day, eliminating all question of private profit, the annual surplus goes back to the National Exchequer or to the taxpayers of Great Britain.

I should have thought hon. Members opposite, if they were in favour of private ownership and control, would have drawn the line at a development like that, and would have said that it would undeniably be used by the Socialists when they came into office and power later with a working majority, as a model for some of the transition, at least to public ownership and control which they have in mind. But, of course, hon. Members opposite and the Government of the day, in this and other connections, were driven along the line either of complete public ownership or at least public control. There was no means of escape, and that is, of course, further proof of the absence of reality in the Motion which seeks to warn the country against the perils of the very thing which hon. Members opposite themselves have been compelled so far to encourage.

I come in the next place to another very interesting field, and with this part of the analysis I must conclude. Some 40 or 50 years ago, certainly over by far the greater part of last century, you had something resembling free competition in this country, but who in this House, in any part of this House, denies the literally amazing extent which that free competition has now been modified? Take any branch of industry and commerce that we like. Take, we please, retail trade. There, on paper, we have the small shopkeepers competing one against another in their individual establishments. But go behind the scenes, and we find that they are regulated as regards price by trade associations, that a large number of them are in the pockets of wholesale houses, that, in point of fact, they do not get their supplies unless they undertake to sell at a certain price; and if any hon. Member opposite wishes to have an example of that extreme regulation, let him go to a body like the Proprietary Articles Trade Association, and he will find that any chemist or shopkeeper who undercuts to the very slightest extent will be automatically deprived of access to the supplies until he too comes into line with the price level or the price list which they make.

So, of course, in innumerable other industries that one could name. The truth is that you have the paper appearance of competition. You have a little scramble for trade in a locality on a geographical basis, but when you get down to the fundamentals of the problem, you have no real competition as affecting the consumer at all, because these industries are regulated, body, soul and spirit, I had almost said, but perhaps more accurately from top to bottom. Then, as regards these retail trades, we see them in the City of London and all over the country passing into chains of stores, in which the names remain over the shops, but with only managers inside, supplied with prices, told to work to that schedule, and, if they do not succeed, no doubt speedily replaced by others. But what is the use of hon. Member opposite, in a department of industry or trade like that, speaking about perfectly free competition and its advantage to the consumers of this country, when they know as a matter of fact that to an appreciable extent that has altogether disappeared?

Let us examine the problem at rather closer quarters. All of us have been impressed by the growth of syndicates, combines, and trusts, to which development we make reference in our Amendment. Ages ago—it seems ages ago though it is only 20 or 30 years ago—on all our platforms we were directing attention to the growth of combines in the soap trade, cotton thread, and other important commodities of that kind. They have made, of course, remarkable progress within recent years. You have now a wide field covered, in iron and steel, the interlocking directorships everywhere, and trusts in newspapers, in practically all important commodities, and not commodities which are normally run on a public utility basis at all, but in commodities which we should say off-hand commend themselves to free competition. Even there this development has taken place, and side by side with it you have enormous changes in the organised production of articles like chemicals and in steel and many others which could be named.

A short time ago, the right hon. Member for Carmarthen (Sir A. Mond), who took the leading part in opposing the right hon. Friend's Motion on Socialism a year or two ago, was at the head of a vast combine in chemicals covering £56,000,000, for what purpose? For the purpose of promoting competition? Not at all; for the purpose of getting rid of competition, for the express purpose, as he said in a public speech, of meeting the difficulty from America on the one side, but more important, the competition of Germany and certain other European countries on the other. Here was this enthusiastic individualist and anti-Socialist, who joined the Conservative party for the express purpose of saving the country from the perils to which the hon. Member has drawn attention in his Motion, engaged in this spectacular attack on Socialism even while he is crucifying competition behind the scenes, because he is driven to that course of action, as other important industrialists have been.

Small wonder that the Socialists can afford to smile at the economic futility of hon. Friends opposite. They, not we, are just as much in the bondage of this system, and all that we are asking them to do, from this side of the

House, is not to go on in this unreal atmosphere, but to face the cold facts of the situation. And not so long ago the "Economist," a newspaper which will not be accused of Socialist bias, analysing, for the express purpose of bringing the facts home to the British people, the proposals of four countries in Europe to combine in a great international organisation, again for the express purpose of regulating prices to the individual and getting rid of this wasteful competition, to use the phrase that is constantly employed by the opponents of the Socialist movement—a remarkable development in our industrial system. All these things are, I trust, perfectly plain, but, of course, we have gone back to that in recent times, and we have the full-blown trust operation itself, but before we arrive at that, may I remind the House of illustrations which are occurring every day?

Coal is in no ordinary economic plight. When the Bill was under consideration in this House a year ago, we pleaded strongly from these benches that the situation was then such that we must have compulsory amalgamation of the collieries at the very least. We stand for public ownership, but I am waiving that in debate for the moment. What happened? You did that in electricity, you did that in railways, but you leave it undone in the fundamental commerce on which both depend, and the result is that, very soon afterwards, you have these colliery owners in South Wales, Yorkshire, and now in Scotland, entering into price agreements and something like quota arrangements, for the express purpose, and so far at the expense of the home consumer, of subsidising their export trade. They say, "What has to be done with this price-cutting and all its dangers." But I had understood that price-cutting was for the service of the consumer and one of the principles of competition! If hon. Members opposite believe in the competitive system, may I ask them one simple question? Why do not they let it compete? It is an extraordinary thing that we see them on the platform defending it with all the enthusiasm in their power, but behind the scenes getting rid of it at every stage.

The last point is this: We have arrived at the combine and the syndicate and the trust, it is true, but we have not seen that great movement developed to the same extent as we have it in the United States of America, though it is making very rapid progress in this country. I am going to ask hon. Members opposite, and in all parts of the House, Do you imagine for a moment that that is the last word in ownership in industry? Some time ago, the right hon. Member for Spen Valley (Sir J. Simon), discussing this point in an anti-Socialist speech, said that Liberalism would seek to regulate the trust, and I could not help remembering the long line of anti-trust legislation in the United States of America. Take these Acts of Parliament, and is it not true that the industrial interests have succeeded in driving the coach and four through practically all the anti-trust legislation which was ever devised? Here and there it has interfered with them or modified their activities a very little, but they have invariably got round a difficulty of that kind, and you have had vast trust enterprises, great blocks of capital capable of influencing public opinion and setting the economic practice of millions of people, in which you have not got the people directly represented for the purpose of presenting their views and legitimately protecting their interests.

What we say to hon. Members is this, that the choice in this country to-day is not between free competition on the one hand and public ownership and control on the other. The choice is between some form of constructive and democratic public ownership and great trust operation and control. That is the choice which the people of this country have to make. We move our Amendment because we believe it is consistent with economic truth. We believe that hon. Members opposite are economically, so to speak, living in a world which has largely passed away. And we are satisfied that when the people of this country appreciate the real issue, our victory will be emphatic and complete.

Mr. SAKLATVALA I would ask the house to be patient for only a short time, in order to permit me to place my point of view, which I believe to be the only possible point of view, for any genuine form of Socialism. The right hon. Gentleman the Member for Central Edinburgh (Mr. W. Graham) rightly charged the hon. Member for Acton (Sir

Brittain) the Mover of the Motion with not defining Socialism, and with not making clear what it was that he was attacking. The Mover did refer to the fact that, in one of the responsible Labour publications, he found the reproduction of about 40 different definitions of Socialism. Misunderstanding has been created by the right hon. Member for Central Edinburgh by the instances which he gave of some activities of industries which are under what is called public or municipal control, as if they could be a substitute for Socialism. Socialism and Capitalism are two entirely antagonistic forms. It is possible for Capitalism to extend and expand ownership from one individual to several individuals, as in the case of limited liability companies. It is equally possible to extend that ownership, partnership to the citizens of a whole borough, town or city, as the case may be, in owning something through a municipal council. It may be equally possible, without at all disturbing the capitalist character of society, and without coming near Socialism, to extend the ownership of any particular enterprise to all the citizens of a country or a region. The instances given of the way in which the Post Office is run were——

Mr. MAXTON On a point of Order. Are we to understand that any permanent change has taken place in the leadership of the party opposite?

Mr. SPEAKER I am not responsible for matters of that kind.

Mr. SAKLATVALA I beg the House not to be misled into thinking that the ownership of the postal service, or a system of tramlines or transport, or the Broadcasting Corporation has any real bearing on genuine Socialism. It is merely an enlargement of the number of shareholders. Let me take, for illustration, the Post Office. It is the height of absurdity to say that the Post Office system, within a capitalist country and a capitalist form of society, is a Socialist organisation. It is nothing of the sort.

Mr. W. THORNE Is it private enterprise?

5.0 p.m.

Mr. SAKLATVALA It is private enterprise as it is; it is not a Socialist organisation in any shape or form. The only difference is that the shareholders are all the citizens of the nation, but it is a capitalist form and system. When the Post Office wants to erect buildings, it goes to a profiteering contractor. That is not Socialism. It fills the pocket of private profiteers. If it wants mail vans, it again goes to private profiteers. If it wants pillar boxes, it goes to another private company. If the Post Office wants postage stamps, it goes to a private company and buys the paper and the printing contract. There is no Socialism about a post office in a capitalist country. There is certainly the compensation that the shareholders are so expanded that everybody within the State stands to lose or gain by its losses or profits. That is the difference, but that is not Socialism. The poor postmen working in the Post Office are no better off than men working for a private corporation or company. It is entirely wrong and misleading to say that this is a form of Socialism. This is where we differ in the Communist movement from the so-called Socialist movement, which looks at these forms of capitalism as Socialism. Though they have a Socialist form, they have a capitalist soul. The poor postmen have no voice in the control of the Post Office. Instead of a board of directors appointed by shareholders, it has a board appointed by the State.

There may be a little difference between private enterprise owned by a few individuals in a nation and an enterprise owned by all the individuals in a nation, but it is misleading today that that private ownership by all the persons in a State makes it a Socialist organisation. It is far from being a Socialist organisation. I read last Sunday an article in the Mover of the Motion did not mention, though he was very copious in his references to literature. The article was the "Sunday Graphic," and it was by the right hon. Gentleman the Leader of the Opposition, who launched a severe

attack on Communism and Communist methods, and tried to speak of Socialism in terms of Capitalism, or in terms that would confuse everybody and lead to no clear issue at all. What was the gist of that article? What is the real problem before the country as between Socialism and Capitalism? It is not merely the question of extending the ownership to a larger number of shareholders: it is a question of overthrowing the system of private ownership and introducing public ownership. It would become criminal for an individual to own land or houses or places of industry. Such a society would be quite a different society. If such a society were introduced, it is futile and absurd to argue that the whole of the social structure of the nation would quietly remain what it was and that the relationship of man to man within the State would continue to be what it was. It is deceptive even to put forward such a proposition, and I do not suggest, especially to my comrades within the Labour movement who aspire to be Socialists generally, to take the example of the Post Office or of the Broadcasting Corporation or of municipal tramways; the capitalist state of affairs has not been altered by merely widening the ownership. The position of the workers within these industries is absolutely the position of workers who are under the dictation of somebody not appointed by themselves. It is the capitalist system.

The right hon. Gentleman the Member for Central Edinburgh gave many points for serious thought with regard to the justification of Socialism, but there again I want my Socialist comrades to understand that competition by itself has never been the object of capitalism. The object of capitalism has been the increase of the profits of the individuals in an industry. Competition has been used as a means to achieve that object. For example, somebody for a time is making a profit in a particular industry; another individual or corporation enters into competition, not for the benefit of the consumer but out of a sportsmanlike spirit to oblige the world by producing a cheaper article, but to make a higher profit. Competition in itself has never been the object of capitalism and individual ownership. It is a means which is used at certain times only. When the opposite takes place, when unregulated and uncontrolled competition endangers the profits of a particular corporation or several corporations or individuals, quite justifiably and without any inconsistency, the capitalist controllers of these industries combine to get rid of that instrument of competition in order to secure the ultimate motive, namely, the safeguarding of their profits. The mere abolition of the element of competition is not the victory of Socialism at all. It is still another power at the disposal of private capitalism, either to use that competition or to submerge that competition, to reach the main objective, namely, the increase of the individual's profits. From those points of view, I submit that within this capitalist country there never has been an experiment in Socialism at all, and to people who have a right conception of Socialism it is a mistaken notion to imagine for a moment that Socialism can be introduced alongside capitalism, side by side, and gradually, and so on and so on. Such a thing would never happen; such a thing cannot happen. The right hon. Gentleman the Member for Central Edinburgh gave us an example drawn from the coal industry to which I would specially direct the attention of the genuine Socialists, not only here but all over the country. Is it really satisfying to the Socialist conscience to say that the coal industry of this country ought to be so pooled together and controlled as to secure for it a certain trade in somebody else's country, doing this by measures and tactics which will create unemployment amongst the coal miners in Poland, Germany, Belgium, or elsewhere? Such a proceeding would not be Socialism, but merely industrial nationalisation. To put under State control a particular national industry, with the same objects as the capitalist-owned and controlled industries, does not bring us any nearer the attainment of Socialism.

If we were to apply the real principles of Socialism to the coal mines, the first consideration would be to secure control of the miners themselves over their own industry. The first consideration of the miners who took charge of the British coal industry would be the welfare of the miners in the coal industry in Poland, in Belgium, in Japan, in Africa, and elsewhere, and the first Socialist step would not be to pool the British coal but to pool the world's coal and arrive at such a position that all miners in all parts of the world would be employed and all the coal produced would be of some use to all the nations of the world. The nationalisation of the coal industry in one country

not take us nearer Socialism, but may even strengthen the Capitalist atmosphere and the Capitalist structure of s in which this sort of nationalisation is practised.

To come back to the argument used by the right hon. Leader of the Opposition in last Sunday's "Sunday Graphic" his futile attack upon Communism. What does the right hon. Leader of the Opposition mean to say? I have no hesitation in saying that he is not in a position to say what he wants to say. [Horn. MEMBERS: "Why?"] Because he has to attack the Communist party, because he has got to attack the one country which has achieved Socialism, he has also to keep up the appearance of preaching Socialism.

Mr. W. THORNE Which country is that?

Mr. LAMB Will the hon. Member say which country has achieved Socialism?

Mr. SAKLATVALA If you have patience you will have the whole story. We as a nation, and all other nations, are concerned not merely with the theory of Socialism but with the practice of Socialism; we are concerned not with expressions of pious hopes of what Socialism will do and what public ownership will lead to, but, as practical politicians, we are in duty bound to say how it is to come about. The right hon. Leader of the Opposition says in his notorious article in the "Sunday Graphic" that it will come by the democratic will of the majority of the people, learning lessons in Socialism. That is exactly the charge of the Communist party against the right hon. Leader of the Opposition, that instead of educating the electorate, and instead of telling them to adhere to Socialism, year after year he and his party are receding from and going against Socialism. There was a time when the Labour party and the Communist party had not such divergencies and such differences of opinion.

Mr. MONTAGUE When was that?

Mr. SAKLATVALA You will get the full story by and by. [Interruption.] I am putting this without any passion or personality. There is no doubt that that divergence between the Communists and Socialist groups, though Communism and Socialism are identical——

Mr. W. THORNE Not on your life.

Mr. SAKLATVALA My comrade here says, "Not on your life," but I think the recently published labour encyclopedia will show that it is so. There is no difference between Communism and Socialism—take any ordinary dictionary and see. There is certainly an ever-growing difference and divergence between the Communist party in Great Britain and the Socialist party. I admit it quite candidly, and I do not suggest for a moment that in that ever-growing difference there are always the faultless party—we may be committing our errors and our individual faults. But the general picture is this, that since the revolution in Russia the Communist party are standing firm by one and the same programme. The Labour party are not adding anything to that, and the divergence does not occur because we want something more year after year but because the Socialist party want less and less Socialism year after year. At one time the Labour party of this country were agreeable to forming the Council of British Workers and Soldiers. At that time the Communists were also agreeable to that proposition, and there was no difference of opinion between the two. To-day the fault is that the Communist party still demand that this country should be placed under the control of a council of workers and soldiers, and the Labour party does not want what it once wanted. The Council of Action was established by the Labour party in this country. There was no divergence between the Communist party and the Labour party on that subject in those days. There is divergence today. To-day, the Communist party says that during the Chinese Expedition, during the Simon Commission, during the hundred and one struggles of the workers, there ought to

been councils of action all over the country amongst the working-class organisations. [Laughter.] My Labour Friends laugh at it. They did not laugh at it in 1921, and to-day they want to go away from the only method—the only method—which will introduce Socialism, and then allow the people to imagine that Socialism is to come in some unknown and mysterious way.

There is the question of the War Debts. There was a time when I, as a member of the Independent Labour party, learned my lesson, within the Independent Labour party, that the whole of the War Debt of this country is blood money, is the result of undue profiteering during the War, which every Communist and Socialist should repudiate. When that was the cry of the Labour party, the Communists and the Labour party stood together—nearer than they are now. Then the Labour party receded from that position, through the exigencies of Parliamentary vote catching, and brought it down to disallowing half the Debt instead of the whole of it. Then they came to the Capital Levy. They found the Communist party would be satisfied with it, but the divergence occurred not because the Communist party said, "Capital Levy of a half is not sufficient, make it three-quarters," but because the Labour party withdrew from the Capital Levy. To-day our objection is that when the country is appealed to, democratic support is sought not for Socialism, but for subterfuges and substitutes for Socialism.

The Surtax! I know it is rather a sore point. I have been bred and brought up in a capitalist business life myself, and I know the Surtax is never going to be a reality. If you impose the Surtax to-day, I can vouch for it that at least one has got their plans ready in the City of London to have dummy shareholders in Buenos Aires, Calcutta and Hong Kong in whose names large numbers of shares will stand, and there will not be many capitalist mugs who will hold all the shares to stand in their own name. [Interruption.] It is so. We do not quarrel with the right hon. Member for Aberavon (Mr. Ramsay MacDonald) when he is seriously appealing to democratic methods, but we quarrel with him because he is depriving the working class of the opportunity of learning Socialism and voting for Socialism. He is making it criminal now to have in the programme anything that is genuine Socialism. That is why, in the Amendment which I had hoped to move, but which I am not permitted to move, I point out that apart from the impracticability of the Surtax there is no Socialism in the Surtax. The principle of the Surtax is "I will take 2s. in the pound out of unearned profit, and I will then permit you to make 20s. of unearned profit." It is worse than the gambling business in which the Government have become shareholders. The Government will become shareholders in the unearned income of people who do not work and who exploit the working class, living as parasites upon them. The Labour party will say "I will square my conscience if you give me 2s. out of 20s., and I will call it Socialism."

Mr. MONTAGUE We do not call it Socialism.

Mr. SAKLATVALA Then comes the living wage. We would certainly agree that the living wage would be a great cry within a capitalist organisation inside a capitalist society, but it could only be useful to Socialism if it were used as a battle cry leading up to an industrial revolution in the end. [Interruption.] Certainly. I quite agree with the hon. Member for Bridgeton (Mr. Maxton). I do not for a moment blame him. He believes that, he says that and he means that. The living wage is not Socialism. How can a living wage be produced within a capitalist society? A living wage within a capitalist society cannot be produced as long as there is international competition. Lancashire cannot afford to pay £4 a week to spinners when capitalists can erect cotton factories in Shanghai and get people to work at 6d. a day of 10 hours. In such cases Protection is no good at all. The people who sent out a Chinese expedition to Shaanxi took away every protection from the Lancashire workers, and now no protection is possible. At the jute mills in Dundee the workers are not earning half a living wage, but how can you help that happening when the same financiers are erecting jute mills in Calcutta, and paying miserably low wages to their workers. If you wish to establish a permanent living wage, it can only be done by applying similar conditions of labour all over the world.

that cannot be achieved by Great Britain nationalising her cotton and jute industry. Supposing you nationalised the jute industry in this country and it was not nationalised in Calcutta?

Mr. MAXTON The hon. Member knows that I am interested in this point. Will he tell me whether it is not the case in Russia M. Stalin does believe that a Socialist country can maintain itself and its conditions inside a capitalist

Mr. SAKLATVALA Not as the hon. Member puts it. The people of Russia want jute bags, and how are you going to safeguard the living wage in the jute trade under your present system? All you can do is to shut down the jute mills whether they are nationalised or not. The only way in which the human interest can be safeguarded is by a common understanding and the adoption of a uniform standard and hours of labour. We want to establish a uniform standard and hours for jute workers in America, Germany, Italy, Spain, and all other countries. It is obvious that in any genuine Socialist system what is required is the control of the workers in the industry so that an understanding is arrived at with the workers in the same industry in other countries. It is no use trying to evade that issue. The beginning of Socialism is not possible without a Socialist revolution. It is all very well to say that a capitalist world may exist and a Socialist state may exist and flourish within that world, but we are not concerned with that.

Mr. MAXTON I was merely putting the point that that was the view of M. Stalin, who, when dealing with the present administration of Russia, said that a Socialist State can maintain itself in the midst of a capitalist world.

Mr. SAKLATVALA The word I quarrel about is "maintain" instead of "struggle." His point is that a Socialist State under those conditions cannot maintain itself at the full height of its prosperity. The point raised is whether militancy is to play its full part in attacking the neighbouring industrial countries, especially Poland and Germany, and that seemed to some to be an absolutely unavoidable condition of the existence of a Socialist Russia. The point is: Can the Soviet Republic accomplish its object without those military expeditions, and find sufficient elements at their disposal to maintain the struggle in spite of the attacks of surrounding capitalist countries?

Mr. MAXTON And maintain themselves as a State.

Mr. SAKLATVALA M. Stalin's argument is that, deplorable as the industrial development of Russia is at the present time, the needs and requirements of the people of Russia make them dependent upon other countries for manufactured articles which cannot be supplied in Russia, and owing to the backwardness and the apathy of the working-class in other countries that have not yet developed as far as a Socialist revolution. The teachings of Zinovieff and Trotsky to prove the necessity of attacking Poland and Germany in order to incorporate the neighbouring countries in the Soviet Republic. There is still a sufficient modicum of industrial activity left within the Soviet Republic which can be built upon by some form of compromise with the capitalist countries and machinery could be adopted to keep the Socialist struggle until Socialism is properly understood as something that can be introduced only through a Socialist revolution, and no humbug. It is no use trying to deceive ourselves on that point.

The workers in Great Britain should realise that God has not created man to be ruled dictatorially and autocratically by another man. Through self-determination and mutual consent we should elect somebody to rule who is not a Socialist boss, but a helper and adviser. If that is our essential belief, how can the people of this country believe that God has created the British Labour party to rule the Indians and the Africans in the way that they are being ruled? The leaders of the Labour movement say to the Indians and the Chinese, "We are ruling you; we are sending Communist to your countries because you are less experienced and we are more experienced, and we want to be kind to you and tell you how you should live your lives." That is exactly what the capitalist masters and bosses are saying to the workers in this country. They say to them, "We are more experienced in directing industry than you are, and we

an Army, a Navy, and an Air Force to protect you, because you are less experienced than we are." Socialism believes that that sort of incapacity is not inherent in human nature. How can the Labour party say that they are preaching Socialism and collecting the majority of voices in favour of Socialism when they are pursuing such a policy as I described? The Labour party supports expeditions to China, the Colonies, and the Gold Coast; in fact, one member of the Labour party has gone to visit one of those countries. How can those things go on? [An HON. MEMBER: "Come over to this side!"] An hon. Member opposite invites me to come over to the other side of the House, but, if I take seriously, I am sure he would be sorry for it. The hon. Member who invites me should read the first few lines of Amendment.

Mr. W. THORNS I invite you to read the last lines as well.

Mr. SAKLATVALA I believe in Socialism, because in my view all the devices adopted in the development of individual life through individual ownership and capitalist control have ceased to produce any good for the workers. It has caused much degradation of human life and character within capitalist countries, and it is still more degrading and crushing as far as human life is concerned in the countries which have been conquered for the benefit of the capitalists. For those reasons, I do not believe in Tory politics, because there is no genuine Socialism at the back of Conservatism. Capitalism and individual control only create misery and do more harm than good. We hear a lot of people talking about their hard-earned wealth and savings, but what does it all mean? The capitalist society today is unjust. Consider the case of an honest man doing well, educating his children in a first-class institution and maintaining his wife in a luxurious manner. That man gets run over by a motor car and becomes incapacitated. Under the present state of society, that man will be forced immediately to sell up his home and withdraw his children from the university, and his family is crushed once and for all. That form of society is so unjust and cruel that I understand the justification of that man having savings in the bank, so that, when he meets with an accident, there is enough in the bank to enable his family to go on.

I will give another illustration. Take the case of an acknowledged criminal. Your present state of society says, "We will punish him because he is dangerous to society," and you lock him up in a prison; but you take care that three times a day he is fed, you take care that once a week he is medically examined, you take care that he has open-air exercise once or twice a day, you take care of many things, realising your liability to human life, even though it be that of an acknowledged criminal; and yet you disown all responsibility and liability to the innocent wife and children of the same man, and throw them on the scrap-heap to starve—you are no longer responsible for the women and children who have not been criminals and have committed no fault. In these circumstances, that wife and those children would certainly be happier if, out of the stolen property, some provision were set aside for them.

We have seen that there have been some rich criminals lately, and, when they have gone into prison, their wives and children have never had to go to the Board of Guardians or be locked up in workhouses; they were amply provided for. I wish that every burglar would steal, and first amply provide for his wife. [Interruption.] I quite see the point. I urge this House and the country to realise that the very first principle of Socialism, the very first principle of a Communist State, the essential and fundamental principle, is that the State first assumes full liability and responsibility for the honourable and comfortable maintenance of all men, women and children as long as they honestly carry out their task; and, as long as society as a whole relieves the burden of these accidental catastrophes from individuals, that State is morally justified in denying the right of private ownership and private saving, which are no longer needed, and for which there is no moral justification. Therefore, I take it that, if Socialism, genuine and in good faith, is ever to be introduced, it can only be introduced with the immediate deprivation of the right of any individual to possess or own private land, private houses, places of industry, and, above all, human labour.

That being so, we know what will happen. It is our nature to struggle against that. We do not give up our own Parliamentary position so easily, we do not give up our little individual advantages which we create around us, and we are not under the delusion that a large, powerful, resourceful well organised class of capitalists, with its agents in all parts of the world, is going to say, "From tomorrow morning we deliver up our possessions." I do not say that that is impossible. It is not impossible, but it is very unlikely. It is not the Communist mind, it is not the Communist mentality, it is not the Socialist creed, but it is the individual capitalist greed that makes a revolution inevitable. On that account we say, without any delusion, that those who demand Socialism, if they are true to their convictions, first demand it by making it unlawful for any man to possess any private property. If they sincerely mean to make it unlawful, then they must be prepared to back up their legislative effort by a Socialist revolution. And that is not [HON. MEMBERS: "Time !"]

I apologise to the House for the length of time I am taking up in a short Debate, but I just want to make one important point. It is no use imagining that we shall suddenly have tomorrow morning a state of society in which there will be no private ownership, in which all industries will be nationalised, and in which the social structure will yet remain the same, so that a clerk will walk into the office and take his cap off as his master passes by and hide round the corner. We cannot for a moment imagine that the policy of private ownership, and of power in the hands of one individual, say, "You obey me, or I starve you and your wife and children," will remain; and, with that power gone, it is a complete delusion on the part of anyone to say that society will still remain as it is, because we shall have destroyed individual ownership through the ballot-box, and there is not the slightest doubt that there is going to be a complete revolution from that moment in the relationship of man towards man.

You may consider that the Russians were mad in reorganising their Army and turning it into a Red Army instead of a capitalist Army; but the Red Army, its construction, its principles and its formation, the equal rights of the soldiers, their political votes, their right to select their own officers and to dismiss their own officers, the right to pay their own officers —[Interruption]—do not you want me on your side now?—the right to pay their own officers the same as are paid to the ordinary man who risks his life, all these things are absolutely unavoidable consequences of establishing Socialism, and it is no use for a Socialist party to say that, because we are going to alter the law through the ballot-box, therefore there is no need for the workers to be prepared for a Socialist revolution, there will not be a complete reversal of the present discipline of the Army, and it will not be followed by a complete destruction of what you call the British Empire. Of course, it means the destruction of the British Empire. Of course, in all the Colonies and in India and China, with the assistance of the workers, there will be the formation of the workers' organisations in those countries; there will be the overthrow of the zemindars, the landlords, the mandarins, the mineowners, and that class in those countries. There is not the slightest doubt that, if you mean to pursue Socialism, you will have to pursue it by the first step of declaring capitalism and individual ownership to be illegal.

The second step will be the inevitable Socialist revolution, not because a revolution is dear to the heart of the Communist or the Socialist, but because it is inevitable in the final struggle of those who possess individual property. There is not the slightest doubt that there will be a complete reversal of what you call law, order and discipline. In the offices, within factories, within the Army, within the police, within the Navy, within the Colonies and the relations between this country to the Colonies and the conquered countries, everywhere the workers will organise themselves into their own organisation, the peasants will organise themselves into their own organisation. and they will not only say, "The land is possessed by the nation, and the Postmaster-General is ruling us," but the postmen and the miners and the railwaymen will say, "We have no Postmaster-General except the one that we appoint, and, if he goes on delivering obnoxious speeches, and recommends private enterprise in the Post Office, we will dismiss him within 24 hours

That is the system, that is the control, that is Socialism. Whether the Labour leaders foresee that such a thing will scare away the voters or not, we say that the teachings and the lessons of the Labour party were responsible for what happened in Russia, and that the events of 1917 in Russia would have been impossible but for the great fraternal backing and support which the British working-class organisations gave to their suffering Russian comrades from 1902 right up to 1917. The Russian revolution would have been impossible but for that, and we say, similarly, that the present pact, no contract, no wishy-washy phraseology in Parliament, is going to keep the workers of Britain in this present slavery. The example and progress of the Socialist movement in Russia and the neighbouring countries——

Mr. MacLAREN And in Battersea!

Mr. SAKLATVALA And in Battersea, in spite of the Labour party's attempts now to drive Battersea out of existence, those very examples will create a genuine Socialist movement and a genuine Socialist revolution even in this country.

Sir GEORGE HAMILTON I am sure that the House must feel very grateful to my hon. Friend the Member for Ayr (Sir H. Brittain) for having introduced this Motion. I do not think we could have had a better example of what this Motion states, namely, that the party opposite are divided among themselves on vital issues, than the last few speeches from their benches. The hon. Member for North Battersea, (Mr. Saklatvala) has given us an interesting lecture on the subject of what I think we might call international syndicalism, while the right hon. Gentleman the Member for Central Edinburgh (Mr. W. Graham) made such a charming Tory speech that I almost felt that I was listening to the speeches usually delivered by Lord Banbury when he had a seat in this House. I can only say that I agree in all details with the right hon. Gentleman's criticism of my own party. What this Motion really means is that the party opposite are so divided as not even to know among themselves what their principles are, or what their policy is, therefore, if by any chance they did resume the Government of this country, it would be a grave danger to the State. The right hon. Gentleman the Member for Central Edinburgh does not, I am sure, agree with the right hon. Gentleman the Member for Shettleton (Mr. Wheatley), and yet they were both in the same Government not so very long ago. The right hon. Gentleman the Member for Shettleton, speaking quite recently, used these words: "There were only a few thousand British in China altogether. Very few of them were members of the working class." He used those words in opposing the sending out by the Government of a body of troops to defend the lives and property of our British fellow-subjects. I suppose that my right hon. Friend opposite supported the policy of his Leader, and advocated that we should hand over our position in China to Mr. Chen, who would immediately put the matter right and save our fellow-subjects. Of course, as we all know, Mr. Chen, within a very few weeks of the recommendation of the Leader of the Opposition, had to fly to Russia, where, I believe, he still remains.

I do not wish to delay the House, for I know that there are many on both sides who want to speak on this subject, but I might possibly amuse some of my hon. Friends to hear a statement which was made, at the conclusion of the by-election in Ilford, by the Socialist candidate, a very charming young fellow with an Oxford education. He said he was disappointed at the result of the election, but the Socialists always had two good friends working for them, the midwife and the undertaker. I did not quite follow what he meant at the moment, but I have analysed it since, and I suppose his theory is that when a baby is born into the world it starts life as a Socialist, perhaps when it cuts its first teeth it becomes a follower of the right hon. Gentleman the Member for Carnarvon Boroughs (Mr. Lloyd George), and when it cuts its wisdom teeth, apparently, it becomes a good Conservative, and remains a good Conservative until the undertaker ends its fortunes. I think we can take great comfort from that, that at any rate as people get older they get wiser, and as they get wiser they become sound, good Conservatives.

Mr. J. JONES All sound and no good!

Sir G. HAMILTON The hon. Member is always very noisy, and certainly makes plenty of sound in this House. I great pleasure in supporting the Motion, and I feel sure the speeches we have heard from the other side, especial speech of the hon. Member for North Battersea. will do a great deal of good in the country.

6.0 p.m.

Mr. SEXTON The hon. Member who moved the Motion gave notice that he was going to call attention to the perils of Socialism. I listened patiently to his speech and the whole of it was devoted to pointing out that, as far as the Socialist party was concerned, there were no perils. The isolated case he produced is the case of China. If he had paused to consider he would have found that the initial cause of the trouble in China was not the peril of Socialism but the peril of capitalism in China itself. I was in thorough disagreement with the speech of the hon. Member for North Battersea but he struck a true note when he said the real cause of all the trouble in China was not the perils of Socialism but the perils of the capitalist system. I listened with such patience as the circumstances would permit to the hon. Member's speech. If he could convince the proletariat that they could bring about exactly what he desires without firing a shot surely it would appeal to him that that was the best, cheapest, safest and most humane way of doing it. I, for one, would very much regret to see the example of Russia followed by this country. You may be all right to spout revolution and blood and thunder, but you have to think of the price Russia paid for it, the oceans of blood they waded through and the disease and the poverty that are in Russia still. I agree with the hon. Member in one point. You cannot create an oasis of Socialism in the world-wide desert of private enterprise. I do not quarrel with him there. I only quarrel with his method of bringing it about. We have had two speeches in two different veins of thought. We have Socialism as we want to get it on this side, and Socialism as imagined from the other side. The hon. Member who has just spoken wanted to know what really we meant by Socialism. Perhaps it would help if I paraphrased the statement of a colleague of mine on the Front Bench, who, when the question was put to him replied, "Socialism is all right; it is some of the Socialists who are wrong," and we have an example behind me tonight.

The hon. Member for Acton (Sir H. Brittain) fears the perils of Socialism. Where has he been living? I headed a deputation 20 years ago to the father of the Minister of Health in my capacity of President of the Trade Union Congress, and we pleaded with him to consider the principle of creating an old age pension at 70 of 6s. a week, but he held up his hands in holy horror at our presumption in putting such a proposition to him. Now there are pensioners of 6s. [...] of 10s. and 20s., not only to old pensioners but to widows and orphans. An hon. Member opposite asked "What is Socialism?" We may rightly ask to-day, what is Conservatism? The old-fashioned Conservatism that we once knew is gradually disappearing, owing to the pioneer work of my right hon. Friend the Member for Seaham (Mr. Webb) and his contemporaries. It is owing to the Fabian Essays and tracts. The perils of which we are afraid are the perils of so-called private enterprise. I could take the hon. Member to Liverpool and show him a picture of the triumph of the innocents in the Walker Art Gallery. The slaughter of the innocents is going on daily in the reeking slums behind its frame created by the perils of private enterprise to-day. I will give an example of the perils of private enterprise. You say to a man, "Do you want a job?" "Yes." "Very well, I will give you a job in my workshop." You employ him and pay him enough to keep him alive while he is working. The factories are filled with boots, cloth, shirts, food and everything necessary for life. As soon as they are filled, the artificial law of supply and demand says "There is no demand for the commodities you have produced, and therefore you must go out of work." There are no laws of supply and demand. There is the artificial law created by the capitalist system and there is the natural law created by the demand of those who cannot afford to pay. The man who filled the factory has been paid enough to keep him alive while he was filling it and then he is told there is no demand for the commodities he has created.

gets the sack, while there is many a man without a second shirt to his back. There is no demand for food yet people are starving.

That is the peril we see and it is a peril which Socialism, as I understand it, would remove, not by wading through of blood but by a peaceful revolution at the ballot box. We can thus do it more quickly and with less danger and greater satisfaction to the human race. The hon. Member for North Battersea tells us the example of Russia is one we ought to follow. God [...]bid! I do not want to detain the House, but I thought that it was necessary that I should make this protest, not so much because of the colossal ignorance on the part of hon. Members opposite but because of the speech we have had from the hon. Member for North Battersea. I entirely dissociate myself, as, I am sure, will any sane Socialist on this side of the House will dissociate himself, from the tornado of grotesque nonsense that was blown by the hon. Member for North Battersea. Call that Socialism! If I thought that that was the kind of Socialism we were after and the way we ought to get it, I should cross the Floor of the House to-morrow. [An HON. MEMBER: "Cross over!"] I do not think so. I have spent my life in Socialism, and I say that a system which denies a man, fit, healthy and sound, work whereby he may not only live but live in comfort, work which will enable him to be an asset to his community instead of a liability as he is today—that kind of system is a greater peril than anything I know. The sooner it is removed the better. Sane Socialism desires to remove that state of things and to give every man willing to work the opportunity of doing so.

Viscountess ASTOR We have had, I think, a most interesting and instructive afternoon. It has been interesting because we have had two very brilliant speeches from entirely different points of view. There is no better speaker in the House of Commons than the right hon. Gentleman the Member for Central Edinburgh (Mr. W. Graham), and there is no one who puts the case of the progressive Unionist party as well as the right hon. Member. He has shown us that the Government are putting into practice collective co-operation, gradualism. He pointed out in a most interesting way that we were practising what he believed in. Our case is not against the right hon. Member for Central Edinburgh against other Members of the Socialist party who are preaching what they do not believe in. That is really our case; it has been put quite clearly this afternoon. Everybody knows that individualism has gone. It is just as mad as an abstract idea as Socialism; Socialism is an abstract idea, and is mad. We are gradually working ourselves out of the capitalist state into the co-operative commonwealth of capital and labour. That is what the two leaders on the Front Bench believe in, and I believe that there are many hon. Members on this side of the House who have complete confidence in them. But we have not confidence in the objects for which they fight in the constituencies.

I am not frightened of the peril of Socialism as practised by the right hon. Member for Colne Valley (Mr. Snow) and by the right hon. Member for Central Edinburgh. I do not believe that they would wreck the country, unless they tried to carry out what most of their back bench men have promised the people in the country. [An HON. MEMBER: "What about the Conservative party?"] I agree. An hon. Member says, "What about the Conservative party?" Of course, it is not what it was. No party is what it was. Life is a gradual evolution. We are getting better. An hon. Member has said that the trouble about Socialism is the bad Socialism, and that is the trouble about Capitalism, the bad capitalism. I do not think that we on this side of the House want to defend the bad capitalist any more than the Members opposite would defend the bad Socialist. I, like many other Members, have a longing desire for the world to be better; not to protect what I or any other person has got, but to make this capitalist system give even more to the people than it has done already. Everybody who studies the question realises that the great mass of the people have obtained under capitalism what they would have never obtained under any other system in the world. When hon. Members opposite talk about what capitalism is and where it started—that I cannot accept. One hon. Member says how it started. It probably started with the monkeys putting something aside for the winter—a policy of self-

preservation. It is not what the right hon. Gentleman opposite would give us which frightens us. It is the danger Socialistic promises.

When we have to fight elections we do not hear about Gradual Socialism but about the perils and evils of capitalism. It is very distressing, after one has heard speeches from the Front Bench opposite, to go down to the constituency and hear people say that what they have to do is to kill capitalism. That is not what the Front Bench believe. Of course, they do not believe it. They make men and women who are not thinking very much, believe it, and that is really the danger of Socialism. You try to make people believe that the system we have now is a danger and an evil when you, in your hearts, do not believe it. The hon. Member for North Battersea (Mr. Saklatvala) has a beautiful theory, but it is based on universal understanding and universal love. I ask the hon. Member, does he think that I get up in Soviet Russia and make a speech such as he has made in the House of Commons to-day? Universal understanding! Why, I would not be allowed to land, let alone speak.

Mr. SAKLATVALA I will undertake the safe transport of the hon. Lady to Russia, and also her safe and sound return from Russia, if she will repeat there what she says to-night.

Viscountess ASTOR But the hon. Member would not guarantee to get me elected to the Soviet in Russia. With the principles that I hold, I should never be allowed in that country of universal understanding. People holding views which they disagree are not allowed to speak or to be elected. It is a wonderful idea this universal understanding and brotherly love, but it does not really work. I believe in it from the bottom of my heart, but I do not believe that the Russians believe in it. I think; as St. Paul said, that God "hath made of one blood all nations of men." But we do not act up to it. We do not practise it. We have to get a little more understanding between us before we can act upon universal brotherhood of man. This Socialism which is being practised will have to be dropped. I do not go with Members on this side who do not wish to change anything. Everyone knows that they are just as much out-of-date as Members on the other side who want to change everything. The danger of this preaching is that Socialism is not a religion. That is what I am up against. It is not a religion. It is an economic theory which most of the people who preach it do not believe in. That is really what it is. It does make it awfully hard, this cry of "Kill capitalism" which we know we do not want to kill capitalism. Capitalism is a good thing. [An HON. MEMBER: "What is it?"] What is it? That is what I want to know.

Mr. MacLAREN Capitalism, as generally interpreted, means a state of society in which some people exploit the labour of someone else.

Viscountess ASTOR Does the hon. Member think that George Bernard Shaw is a capitalist? He has exploited his labour and made a fortune by so doing. [Interruption.] Capital to one person means one thing, and to another person another thing. You cannot define capitalism. You are not born with capitalism. That will not work with women. We have children, and we know our children. I have sons, and if you put one in Timbuctoo, he would rule the natives and everybody else. He has the power and ability, and is what you call a capitalist.

Mr. MacLAREN Because he has got a good start.

Viscountess ASTOR Quite right; he has got a good start because he has had good parents.

Mr. MAXTON I hope the Noble Lady does not intend what she implies, to condemn all the parents of everybody

Viscountess ASTOR Not in the least. You cannot guarantee the children or the parents and you cannot guarantee, stock, rich or poor,, high or low, man or woman. Those who have a higher moral sense than their neighbours and up to it, give their children a far better start than the parents who have not this moral sense are able to give to the children. These are not so much economic questions as moral questions. But to get back to capitalism, there may be another child who is a dreamer and has to be looked after. He does not possess what the world calls capital but he has something equally essential to the world. You cannot define capital. You never have defined it. You go to the back streets and tell men and women that capital is at the root of all our troubles. Well, stop doing it! I am not talking from the point of view of party but from the point of view of the welfare of this country. Some say that it absolutely depends upon industry but, the right hon. Gentleman the Member for Central Edinburgh and hon. Members know no matter under what Government we live, unless we have co-operation between capital and labour we shall not obtain what we desire for the vast majority of the people of the country. I am interested in trying to see whether sections of the people cannot work out a system under capitalism in which we can give an even higher rate of living to the great masses. The hon. Member for North Battersea says we cannot. What I judge countries by is the status of the women in them, and the women in what we call capitalist countries have attained a far higher standard of living than any other women in the world. That is the basis on which I judge.

How are the women and children in those capitalist countries treated, compared with the non-capitalist countries? It is perfectly true that the British Empire has something to teach the rest of the world, and it is doing it. I do not think the women of India have anything to say against British women. They are most grateful to the English women, the American women and the other women who have gone out there to try to lift their sisters into a higher grade. All that has been done under what we are pleased to call the capitalist system. I dislike shams, whether they are in my party or in any other party. I want to fight shams. I know there are a great many about and always will be. All of us, in our hearts, have a good deal of what the world may call "sham" and we want to get rid of it. It is not right to try to divide society up into two classes, those who are to be exploited and those who are not. Hon. Members opposite are trying to do that. They would not win elections unless they[...] it. It is a very easy thing to tell people what you are going to do when you get into power.

The trouble about the capitalist system, as of any other system, is a fundamental one, and that is, the question of power. The one thing that men cannot stand is power. It is the abuse of power which causes bad capitalists. It is the abuse of power that is the ugly thing. Hon. Members opposite ought to attack that where it is wrong and seek to set it right, but they are not doing that merely by preaching class hatred. I know what it means. I have had it hurled at my head that I belong to another class, that I am trying to exploit the workers, that Socialism is religion, and so on. The old Socialists started out with a great ideal, but, like all things, the moment a movement becomes too large and is taken up by too many people it tends to become a sordid thing.

So far from Socialism being a religion now, the Socialism which is preached in the country to-day is a sordid thing which is raising class hatred and jealousy. What I am frightened about is not what hon. Members opposite will do when they come to power, but the effect which their preaching is having upon the people. It is that I protest against. Thank God that women have the vote. You may fool the men by telling them all these things. We know too well, and I have said it often in this House, that the evils of all society come from the evils in the human heart, and what I complain about against Communists, for instance, is that they are trying to do on an economic basis what can only be done by the preaching of our Lord being put into practice.

Mr. MONTAGUE The noble Lady has said that it is a difficult thing to define capitalism. It is not a difficult thing to define capitalism, if you know what you are talking about. Capitalism has nothing to do with monkeys or nuts.

Capitalism is a system of society which depends upon the investment of private wealth for industrial purposes. It means a system of exploiting those whom the possessors of wealth are able to employ, and re-investing the proceeds of the exploitation. The historical development of a system of that kind divides society into two classes. Whether like it or not, whether it is ethical or not, it is an historical and scientific fact that there are two classes of society who, by the fructification of private possessions in a capitalistic form, become monopolists of the means of production, and those, on the other hand, who have nothing but their labour power to sell, and must always sell it under the present system at something less than its value. That is the distinction which marks off capitalistic society from serf or slave society. It leads to two classes, which are represented under present conditions by a division of national income which allows half of that income to go to 2,250,000 income drawers, and the other half to go to 17,750,000 income drawers.

In her definition of the capitalist system the hon. Member for the Sutton Division of Plymouth (Viscountess Astor) said that her own sons and the sons of other people possess talent and ability. One would imagine that talent and ability are always rewarded in capitalism. It is not talent, but the instinct of appropriation which is rewarded under a capitalistic system. The possession of talent will not lead you very far unless you have some power, as the hon. Member said, some class power, some privileged power over the means of producing wealth. The only possible way in which you can make profit is by exploiting the labour of the people who produce the wealth. There is only one method of wealth production, and that is by the exertion of human labour power, which includes talent, so far as it is used for productive purposes, and which includes every kind of ability. To-day, the people who are richest in society are people of ability; if they are people of ability they are not people who use their abilities in a productive or constructive sense at all. These are some of our objections to the present system.

To-day, we are discussing Socialism, but the discussion of Socialism does not mean only the condemnation of capitalism. We are on the defensive, and we are entitled to accept the challenge and to explain what we mean by Socialism. We have heard a great deal about Socialism to-day from the hon. Member for Acton (Sir H. Brittain), the hon. Member for North Battersea (Mr. Saklatvala), but what we heard from them is not Socialism, but syndicalism, Communism, anarchism, China, Timbuctoo; every part of the world; every subject on the face of the earth but Socialism. I am not prepared to admit that Socialism means what the hon. Member for North Battersea says it means. It certainly does not mean that the miners have the right to control and run the industry of mining in this country. That is not Socialism. Socialism does not mean the letter boxes for the postman, or the bath buns for the pastry cooks. That may be Communism, but it is not Socialism.

Major the Marquess of TITCHFIELD Mr. Cook says it is.

Mr. MONTAGUE I do not know whether Mr. Cook says so or not. What he says, now is that the people of vision are the sort of people who produced the Liberal industrial report, which is about the usual place where these revolutionary-minded people get to in the long run.

Mr. SAKLATVALA May I draw the attention of the hon. Member to the fact that I never said, nor does any Communist say, that the coal belongs to the miners or the bath buns belong to the bakers. I said that the conditions in the mines must be settled and controlled by the miners, and the condition of the workers in industry must be settled by those who know the difficulties best, and can control them.

Mr. MONTAGUE I want to occupy my time in dealing with a subject in which I am very much interested, namely Socialism, and not merely in contending with the hon. Member for North Battersea. Even if we accept what he says now that is not Socialism. Socialism has nothing to do with the people of particular industries determining the e

conditions of their employment. Everything depends upon what is socially desirable and what is socially effective is quite conceivable that in many sections of industry it would be disastrous and highly dangerous to have that of anarchistic sub-division in regard to responsibility and organisation that is exemplified in what the hon. Member North Battersea has said.

When the right hon. Member for Central Edinburgh (Mr. W. Graham) was referring to communal activities, as in public enterprise, municipal enterprise, the Post Office service, and so on, he was not explaining Socialism. He is not to pretend to be explaining Socialism, and for the hon. Member for North Battersea to say that he was putting forward as Socialism is entirely to misrepresent the position. Obviously, the Post Office under a capitalist State, on capitalistic lines, financially and otherwise, cannot possibly be Socialism. The right hon. Member for Central Edinburgh does not say it is Socialism. He says that it is an illustration of the inevitable tendencies of capitalism towards collectivist construction, and what is shown in public enterprise and in municipal enterprise is shown as capitalism itself. The old idea of individualism, of a decentralised individual control in industry, has practically broken down, and to-day we see not only national trustification, but international trustification. The Socialist movement predicted that many years ago. What we stated then was that a new system of society, inevitably, must be born out of the new conditions which capitalism itself brings about. Those conditions have been brought about.

We cannot go back to the old individualistic conceptions. We have to go forward on a more scientific organisation of society, nationally and internationally. Capitalism to-day is seeking to socialise itself for its own benefit and the benefit of the capitalistic class; but it will not succeed in doing that, for the simple reason that so long as you have a capitalistic society, you cannot possibly pay in the form of wages under your capitalistic system of society enough to enable the people to buy back what they are capable of producing. Because of that fact you can never take advantage of the full development of scientific power for industry and natural resources. That is where Socialism becomes inevitable. Socialism does not mean putting the present system into a Government strait jacket. So far as the transition from capitalism into Socialism is concerned—the hon. Member for North Battersea will not agree with me here, because he is a revolutionist, and I do not believe in revolution; I believe in evolution—it is an evolutionary development, and with that evolutionary development you will obviously get many forms of collectivist development according to the circumstances and conditions of separate industries.

Nationalisation is not Socialism, but a constructive step towards Socialism. Obviously, nationalisation can only efficiently be applied to those industries which are national in their character. It would be folly to talk about nationalising the milk supply or the local tram service. It would be folly, because it would be much more efficiently managed those things upon local lines. You have another form of constructive collectivist development in the local authority running social and industrial services of one kind and another.

Mr. BLUNDELL Is it not stated in the Labour agricultural policy that the milk supply is now ripe for nationalisation?

Mr. MONTAGUE That question is perfectly reasonable, but I do not want the hon. Member to misunderstand me. When I was speaking of the milk supply, I was referring particularly to its retail distribution. Certainly there is, from the agricultural point of view, necessity for a national policy and for national organisation in regard to the milk supply, and that is part of the Labour programme. There are other forms of industry which would not be so efficiently managed upon nationalised or even upon municipalised lines. You have, for instance, the great co-operative societies. Those co-operative societies are as much capitalism as nationalisation is capitalism. They are simply a development of joint stock company enterprise, and they cannot be anything else so long as we have a financial structure which we call capitalism; but the value of the co-operative movement is that you have in that movement an organisation which

structure which can most easily and efficiently be turned over into the complete Socialist form of control that we desire in the ideals that we are striving for. In the co-operative movement you have a larger amount of autonomy than in the movement you are right away from State control, and from what is called bureaucracy—there is a lot of noise talked about bureaucracy—and you are right away from the local administration which is represented by trams and the rest of municipal services. You have more autonomy, more local and decentralised control. That is another illustration of what would happen under Socialism. It is not a cast-iron system.

The hon. Member who moved the Motion spoke of guild Socialism, and wanted to know whether we stood for guild Socialism or some other kind of Socialism. He does not understand the philosophy of Socialism at all or he would not ask that question. Whether there will be guild Socialism in any form of industry will depend entirely upon the common sense of the people. But we are not concerned about that. What we are concerned about is that to-day's system does allow poverty which is unnecessary among the vast bulk of the people, and if you organised your production scientifically and upon effective lines you would abolish poverty completely. You can organise the labour of the people and the sources of production in such a way as to produce all that any reasonable person can enjoy, without enslaving any other people.

Viscountess ASTOR Do you think, if you could abolish poverty, that you would also abolish sickness and immorality?

Mr. MONTAGUE I am afraid I have already taken up more time than I ought in answering various interruptions. The hon. Member asks whether it would abolish immorality and sickness. That again shows the unscientific way of looking at the subject. I am not concerned with bringing Socialism about; what I am concerned with is an easy transition for what I regard as inevitable. Make no mistake about it, Socialism, whether you like it or not, is coming, and so far as immorality and sickness are concerned, the greater part is the result of the capitalist system.

Viscountess ASTOR Rich people are sick and immoral.

An HON. MEMBER Indigestion!

Mr. MONTAGUE The sickness of rich people is very often the result of their intemperance, and I do not use the word "intemperance" as being confined to alcoholic stimulants. But that is not the point. If you want to understand Socialism surely it is desirable to find out the historical basis of Socialism. We look back—it may be academic but it is very necessary—into the evolution of society. The capitalist system came into existence as the perfect and natural development of the evolution of society, and capitalism will transform itself into Socialism by similar natural and evolutionary processes. These processes are going on under capitalism itself to-day. The transformation will correct this, to take the collectivist structure of capitalist society, which is becoming more and more collectivist as time goes on, and get into it the principle of democracy, government by the people, for the people, as much in our industry as in our political life.

Mr. AUSTIN HOPKINSON I do not want to intervene for more than a brief interval. I was disappointed with the speech to which we have just listened, because the hon. Member promised that he would give us a definition of Socialism, and he never did except to a certain extent by implication. I ask him to interrupt me if I misstate his views on this subject, when I say I gather from him he believes that Socialism is the belief that the material position of the vast bulk of the people would be better if the capitalist resources of industry were controlled democratically instead of as they are at present. If that is not the case, perhaps he will interrupt me.

Mr. MONTAGUE Not to contradict the hon. Member so much as to say that the term "capitalist resources" is rather ambiguous. I prefer to say that I believe in the "democratic ownership of the means of production." Then I know I am talking about.

Mr. HOPKINSON I used the expression "capital resources," because I thought it was plainer than "means of production." "Means of production" involves some very nebulous factors in-deed. For instance, it involves certain qualities and details of character in the people concerned. In a Debate of this sort, we are not entitled to go into metaphysics, and we shall do well to confine ourselves to the consideration of material capital resources, that is, those means of production which are material things and which can be weighed and measured. The hon. Member forward the view that the prosperity of the people would be greater if the control of these capital resources were decided democratically. Those who call themselves individualists take the contrary view. We believe that the material welfare of the people is best secured by leaving the control of the capital resources in the hands of those who make income into capital. Let me explain myself in this way. Some of us have certain qualities: they may not be very high qualities, but they are undoubtedly very useful qualities in a civilised community. We have the quality that we can make profits, and we have the further quality that we have a natural tendency to look forward to to-morrow's supply of the good things of life before we decide what is to be the standard of our living to-day. Capitalists have that temperament; that is the temperament of the man who sets aside the seed corn for next year's sowing before deciding what is to be eaten during the current year.

Unhappily, as things are constituted at present, that particular quality is comparatively rare. We know as a matter of experience, although it will not be so in the future, that the bulk of the people, even in a nation with so old a civilisation as ours, are far more inclined to look after to-day's standard of living than to think of what is going to be the standard of living a year or even 10 years hence. Therefore, I claim that we who have capital are useful to our fellow-citizens in the present constitution of society.

So far as democratic ownership of capital resources is concerned I agree with hon. Members opposite to this extent that I do not think it matters two-pence who call themselves the owners of capital. What really matters is who controls the capital. Let me say, if the House will forgive a personal allusion, that in my own case I have introduced democratic ownership of capital, but I preserve most carefully the autocratic control of capital myself, and for this reason, that those who I employ are, in the main, people who have not got the capitalist temperament and, therefore, if they were to make the ultimate decision as to what proportion of the joint product of our labours was to be given out in raising the standard of living and what proportion was to be reserved as the basis of an improved standard of living next year or 10 years hence, they admit to me that on a popular democratic vote they are much afraid that the proportion given out to raise to-day's standard of living might, unfortunately, be such as to risk the standard of living to-morrow or next year.

Mr. MONTAGUE May I point out that the amount that is set aside is £250,000,000 a year out of a total national income of £4,000,000,000? Is not there something left over to give a decent standard of life to the people who work for it?

Mr. HOPKINSON The fact is this, that owing to the action of successive Governments of all parties during the last generation the amount of fresh capital available is distinctly reduced, and I only hope the return of the right hon. Member for Colne Valley (Mr. Snowden) to the Treasury will at any rate remedy this. I myself, having no dependants, and, being therefore, a free agent, was perfectly willing to introduce democratic control; but those whom I employ and who would be the democratic controllers of capital in my own business, are very averse from my taking any step, because they know perfectly well that although at first the democratic vote would be exercised wisely, yet

or later somebody would come along and say, "Here you are, year by year putting by to meet a rainy day which never come. Would it not be much nicer to have a really good time now and trust to luck for the future?" What I think, that so long as the capitalist temperament is the temperament of the minority and not the majority in our country so long is it the absolute bounden duty of us who have that temperament to prevent by every means in our power control of capital being placed in the hands of the majority.

Mr. J. JONES I am going to carry out a promise, Sir, which you gave me an opportunity of making, and I will try as brief as possible. I have been a member of the Socialist movement since I was a boy of 17, and I have been very interested at the speeches which have been made in support of the Motion this afternoon. The hon. Member for (Sir H. Brittain) has evidently spent a great deal of time reading some of the open-air speeches delivered by supporters of the Tory party in recent elections. Instead of getting an argument against Socialism we got a re-hash of all the things Socialists are supposed to have said and written during the last 50 years. It may be interesting to go to the British Museum picking out antiquities, but when you come to the House of Commons to discuss a Motion of this character you ought to get something more than that from Members who are supposed to represent intellectual constituencies in the West End of London. It would not matter so much down my way, because we are not supposed to be clever enough to do anything except work for the hon. Member opposite. As he was born with a superior amount of knowledge and ability, being careful in the choice of his parents, capitalism is all right.

We are not talking about handing over the industries of the country to men employed by particular employers. Socialism does not suggest that the industries of the nation shall be worked in watertight compartments. The main principle is socialism in economics, that is, that the wealth of the nation should be recognised to be the property of the people of the nation and that as far as organisation and control is concerned it shall be democratically recognised so that all the people have an equal right to share not merely in the political government of the nation but also in its economic relationships. There has been a complete travesty of the case this afternoon. Nobody doubts the good-heartedness of the hon. Member opposite. We know their hearts are bigger than ours, because their purses are larger. They can afford to be kind to everyone; we can afford to be kind only to a few. But that is not the way to solve social problems. Mr. Russell said that conscience money is the money which the rich man pays for the robbery of the poor. I say to the hon. Member opposite, "It is time that you ceased giving charity and gave us justice. Then you can keep the charity for yourself for you will want it."

What is the situation to-day? I cannot make a speech like that of the right hon. Member for Central Edinburgh (Mr. Graham). He has covered the whole of the economic ground. The big fish have eaten up the little fish and the little fish are eating mud now. Why are we Members of this House being continually asked to assist some bodies of capitalists who are in distress? They are coming every day and asking Parliament to safeguard them. Against what? Against themselves. They are all robbing each other as best they can. It is an international game of "Beggars my neighbour," the capitalists of Germany trying to "do" the capitalists of England, and vice versa. And Parliament is being asked to safeguard them. The only people who cannot be protected in Great Britain to-day are the workers. They can go on as they are. The miners can remain in their juice, and every other section of the working classes has not sufficient political power, can be left out in the cold. Hon. Members opposite say, "Capitalism is good for us. We hope it will last our time. Let us have peace in industry in our time, O Lord!"

They will never have peace in industry under capitalism. They cannot have it, because they are perpetually reproducing a poverty problem greater than before. What is the problem to-day? How to get rid of the goods that they produce. People who were our customers have now become our competitors to a large extent; people who used to buy goods from us now produce those goods for themselves: All the tariff barriers and all the safeguarding will not

any difference, even to the extent of a jingle on a tombstone. Who makes the work and who takes it? We know who makes it, and who takes it. The people who talk about their capacity in industry, are they the people who control industry? To-day industry is controlled largely—as to 75 per cent.—by financiers, who know as much about industry as a Connemara pig does about astronomy. The real control of industry is in the hands of the great financiers. The "Big Five," the great banks, have more to do with industry than any of the hon. Gentlemen opposite. They control financial arrangements; they lay down the conditions under which industry shall be conducted. Then hon. Members come and talk about the brain power of the Lord Tom Noddies and others. It makes me sick to hear about the brain power of these people. Some of us here are only common or garden people. We are not here because of the fullness of our purses. We have reached here because we have some brains.

Hon. Members talk about the Empire and all its grandeur. The Mover of the Motion talked of the Empire disappearing. We do not want to see it disappear; we want to see it really happier. You cannot call it a great Empire which we ought to be proud when hundreds of millions of its population are living under conditions that are a disgrace to civilisation. People in Egypt and in India, are living lives that human beings ought not to live. I ask hon. Members opposite, What are you doing now? You great patriots are using the cheap and degraded labour of India and Egypt to degrade the condition of our own workers in this country. Capitalism is digging its own grave by its own economic evolution and development. In the language of one of our great leaders, we are not out to control men in the interests of kings; we are out to control kings in the interests of men. That is what we want to do—to control the material means of existence so that we may break down the barrier of economic poverty. It is not merely economic poverty; it is the mental and spiritual poverty of our people that has to be broken down.

The Noble Lady the Member for Sutton (Viscountess Astor) has told us not to preach the class war. We have never preached the class war. The class war is a historic fact. Read the history of any great country. What has always been the trouble? The poverty of the great mass of the people as against the wealth of a small class of the people. It is an eternal struggle. For the first time in the history of the world, a conscious effort is now being made to alter that state of things. To-day the workers have some education and they have some little power. They have the vote. Capitalism has always given something to save a lot. Whenever the workers become discontented and made their power felt, the capitalists said, "What can we give them to keep them quiet?" It is all very-clever; the British governing classes are the cleverest in the world.

Mr. MAXTON Not just now.

Mr. JONES Not the present Government. The governing classes in this country in the past were the cleverest in the world, because they always knew how long to maintain resistance and know the psychological moment at which to give a bit. That is the history of British politics. To-day new issues are coming to the front. We have got accustomed to "One man, one vote." To-day the cry is, "One man one dinner, and every man a dinner and no man two dinners and every man has had one." It is an economic problem. We want a fair deal and a square deal for the workers, and in my opinion that can be got only under Socialism. We are fighting the battle every time we get a chance. At every election the issue will be placed before the people. I am pleased that this Motion has been moved to-day. We are not ashamed of our Socialism. We know well that in fullness of time victory is on our side, because the economic factors are working in our direction.

7.0 p.m.

The SOLICITOR-GENERAL (Sir Thomas Inskip) It has already been said that this Debate has been interesting. In respect, however, the Debate seems to have been disappointing. We have not had any authoritative exposition of

Socialism really means in practice. The hon. Member for West Islington (Mr. Montague) described himself as an evolutionist and not a revolutionist. The evolutionists have been given prominence this afternoon as the exponent of Socialism. The right hon. Gentleman the Member for Central Edinburgh (Mr. W. Graham) has gifts of expository moderation behind which Socialism will no doubt be preached in the constituencies, but with a very different and very different tendency. Perhaps we should not be surprised that one whom I may describe as a Socialist with courage of his convictions, the hon. Member for North Battersea (Mr. Saklatvala), was not selected to explain what Socialism really means. [HON. MEMBERS: "He is not a Socialist!"] I have described him, I think fairly, as a Socialist with the courage of his convictions. But if we do not understand on this side what Socialism really means in practice it can hardly be said that it is the fault of hon. Members who have moved this Motion, but is the fault of hon. Members opposite who fail in Debate after Debate to put into practical terms what Socialism will mean in application.

The Amendment which has been moved is the most curiously half-hearted presentation of Socialism that the House has ever seen. If I understand aright, the right hon. Member for Central Edinburgh asked the House to affirm this proposition: "Whatever you may say of Socialism, trusts and syndicates are bad, and Socialism can hardly be any worse, and so you need not be afraid of it." If the Amendment does not mean that, I do not know what it does mean. It says that: "In view of the widespread change in industry in the direction of syndicate, combine and trust, side by side with material insecurity affecting large numbers of the people, there is no foundation for the fear of an economic system based upon the principles of public ownership and control." I should have thought that an economic system based upon the principles of public ownership would have been advocated by hon. Members opposite, whether syndicates or trusts were in sight or not, but the political faith of hon. Members opposite appears to depend on the fact that syndicates and trusts are now becoming a permanent feature of our economic system. Then the Amendment to the fact that large numbers of our population have to face what is described as material insecurity. I did hope for an exposition from the benches opposite of the way in which the application of Socialism would have increased the security of these great numbers of our population. Material insecurity, if that means the condition of things with respect to the hon. Member for Silvertown (Mr. J. Jones) referred to, is the result not of this system or of that system of government but of the lack of employment, which depends upon the amount of orders which this country can receive from someone. If hon. Members opposite would explain why a civil servant is a better commercial traveller than someone who is in industry for what he can get out of it, then we should perhaps have some reason for believing that the material condition of the people would be improved by the application of the Socialist principle.

What is wanted, as everyone knows, whether Socialist or individualist, is an increase in the industrial prosperity of this country, and not merely for its own sake a change in the economic system. If the change in the economic system will increase trade, then no doubt the material prosperity of the people of this country will increase, but until hon. Members opposite have made an effort to show that the application of Socialism will increase the orders that come to this country, both from within our own shores and from other parts of the world, they have not moved a single step towards the establishment of the proposition that poverty will be any the less when Socialism has become a principle of our system. The right hon. Member for Central Edinburgh said that he had waited in vain for a definition of Socialism from the hon. Gentleman who moved the Motion. I also waited for a definition of Socialism when the hon. Member for Central Edinburgh rose to speak. I thought that at any rate, as he is more acquainted with Socialism, he would have been able to tell us something which my hon. Friend who moved the Motion was not qualified to tell us. "Socialism," said the right hon. Gentleman, "is not something that you can be afraid of, or that you can describe as a peril until you have defined it." I might retort to the right hon. Gentleman that Socialism is not a blessing that you can praise until you can define it. Yet hon. Members opposite are always holding up Socialism to us as being the Mecca of our hopes without being able to tell us where it is, how it is built, or what happens when its principle is applied.

Mr. MAXTON Can you tell us that about Conservatism?

The SOLICITOR-GENERAL Yes, when we have a Debate on Conservatism. and, before I have finished, I shall tell you a little about what Conservatism has to say in regard to public control and individual enterprise. Another remarkable feature about the right hon. Gentleman's speech was that he had so little to say about public ownership. He will find that at the end of his speech he said that, although public ownership was, of course, important, he preferred to say nothing about it in this Debate and proposed to confine himself to a discussion on public control.

Mr. W. GRAHAM indicated dissent.

The SOLICITOR-GENERAL I misunderstood the right hon. Gentleman. At any rate, I am right in this, that almost the whole of his speech was taken up by a discussion of the advantages of public control and very little with public ownership. He still shakes his head. Those who were in the House will confirm what I said. He did not tell us at all about the extent to which public ownership is to be put into practice. He did not tell us anything about the terms of acquisition which will alone enable public ownership to be applied, or about the disposition or the enjoyment of forms of property which, I suppose, will be nationalised. He did not say a word about the class of person who will enjoy the occupation of the land that has been acquired and which will be the subject of public ownership, and not a word as to the conditions upon which people will be allowed to enjoy the occupation of the land.

Mr. MAXTON It was not our Motion.

The SOLICITOR-GENERAL It was not your Motion, but it was your Amendment. What we had at least expected to hear was an exposition of the reasons for telling us that "There is no foundation for the fear of an economic system based upon the principles of public ownership and control." We expected, at least, to hear, what public ownership means, and when it is going to be put into force.

Mr. W. THORNE All in the course of one afternoon?

The SOLICITOR-GENERAL At any rate, in the course of one speech. This House and all political parties have been waiting ever since the General Election to hear the Labour party pin themselves down to some policy. Sometimes we are told public ownership is going to be brought about by a policy of confiscation, and I believe the hon. Member on the back benches rather favours that view of the problem.

Mr. MAXTON My views are the same as Churchill's.

The SOLICITOR-GENERAL The right hon. Gentleman who spoke this afternoon is, I believe, in practical agreement with the hon. Member behind him. It really is astonishing that, in a discussion on the blessings which may follow from the adoption of the system of public ownership, it is impossible to understand the conditions under which public ownership will be brought about. If you confiscate the property of the nation I can quite understand making a large profit out of its use, but if you pay fair terms for it to the existing owners the problem is a different one. As the right hon. Gentleman has not been good enough to tell us about his idea of the terms of acquisition, I am afraid we shall not be able to get down to the rock-bottom of the argument as to whether the system is advantageous or not. Perhaps in his next effort he will be able to give us some illumination on this question. We can assume that what is generally said about public ownership represents the views of the Socialist party, namely, when you have industry in the possession of the nation, when you have what is called public ownership, you have a sense of service and a prevention of the exploitation of individuals which is alone possible under that system. I

at all sure that hon. Members can point to an instance where that has been found to be true in practice, but I do not propose to go into such illustrations as we have had of Socialism in practical working. Most hon. Members are familiar with the experiments that were tried both within and without the Empire. I prefer merely to mention one or two reasons for thinking public ownership will not work in practice. How would Parliament grapple with the question of the control of the industries but of the officials who control the industries? We are accustomed to lament the inadequacy of the time and effort expended on the finances of this country under a capitalist system. How is this House going to find the time and opportunity to examine the accounts of the officials who run the publicly-owned industries of this country? Are we going to relegate the control of these industries to officials or committees of officials? Is that their idea of public ownership? I hear hon. Members opposite say, "Very nice," but do they tell what the alternative is?

Apart from the difficulties of the management of these industries, who is going to enjoy what I may call the spoils of ownership? [Interruption.] When hon. Members opposite have done licking their lips I will proceed with the discussion of the destination of the spoils of ownership. There will be two classes of people in the country. There will be those who are engaged in the administration or practical operation of these industries, and there will be those who are not. I do not suppose that even the Socialists imagine that from infancy to old age every person for every hour of his life is to be engaged in a public Department at a wage or salary. I do not attempt such a ridiculous conception of the Socialist mentality as that. There will be two classes, one class employed in the industry by the Government and another class that is not employed. We know perfectly well that the efforts of the people who are employed in the industry will be continuously directed to the improvement of their own lot within the industry, that attempt after attempt will be made for the advance of the emoluments which they enjoy from the State. There will be exactly the same manifestation of individual and group selfishness in these industries under conditions of public ownership as we have now. The hon. Members opposite have not yet shown that you are going to have any less selfishness under public ownership than you have at the present time. Let me give an illustration that has come to my notice within the last few hours. I am sorry not to see the hon. Member for Bow and Bromley (Mr. Lansbury) here. This is a family affair, the gentleman bears the same name and is, I suppose, a member of the family. This gentleman has recently resigned his membership of the executive of the Union of Post Office Workers and joined another less political union in the same industry, and his reasons are most illuminating: "Events have proved that the theory of a common standard of economic well-being for postal workers does not function in practice, the interplay of grades is too strong a force to be subjugated to an ideal. The final analysis of any problem reveals that grade interests are the predominant factors in any industry. Anybody who cared to make an examination of the prospects of this system. We know perfectly well that in every one of those State-owned industries the workers would regard themselves as the persons primarily entitled to enjoy a substantial part of the fruits of those industries. [HON. MEMBERS: "Naturally"] Naturally, but what about the people who are supposed to enjoy the rest of the fruits? You cannot speak about a popularly-owned industry and regard it as the peculiar possession of the people who are employed in it. Everybody who has given a moment's thought to it is perfectly well aware that there will be manifestations of the same selfishness and competition within the industry as under the present system.

Mr. W. THORNE Rubbish!

The SOLICITOR-GENERAL The hon. Member says "Rubbish!" I say everybody who has given a moment's thought to it.

Mr. THORNE Everyone on this side of the House knows the cause of selfishness.

The SOLICITOR-GENERAL The Noble Lady the Member for the Sutton Division of Plymouth (Viscountess As was quite right when she said that selfishness is not a monopoly of capitalism.

Mr. THORNE It is only a matter of degree.

The SOLICITOR-GENERAL There is another disadvantage connected with the suggestion which hon. Members opposite advocate, which is familiar even to those who are concerned with the administration of some of our State-owned public services to-day. The creation of a vast electorate in the public service is quite certain to have its reactions in political life. You cannot have a very large proportion of the nation engaged in these industries without expecting to bring pressure to bear upon the Government of the day. There is one thing from which in this country we have been secure, and that has been any improper influence, any log-rolling influences in political matters. [Interruption.] I am speaking of the Government I know best. Hon. Members speak of another Government.

Mr. SNOWDEN That remark certainly carries a very vile imputation. Will the hon. and learned Member make it that no such imputation is meant?

The SOLICITOR-GENERAL The right hon. Gentleman knows perfectly well that I made no insinuation against Government, until hon. Members behind him suggested, by their interruptions, that our Government was corrupt. Really, the right hon. Gentleman must not complain when I defend myself and my friends. He knows perfectly well that I have not made any suggestion of corruption against him or his friends. If hon. Members opposite would correct themselves the right hon. Gentleman would not find room for interjections. The right hon. Gentleman the Member for Central Edinburgh devoted himself very largely to a discussion of the advantages of public control and I wish to say a word upon that subject. Public control associated with public ownership is one thing. Public control dissociated from public ownership is another thing. The illustrations which the right hon. Gentleman gave were illustrations of public control not connected with public ownership. He instanced the case of the Railways Act of 1921. I should have thought that that was an illustration of public control in perfect consistency with Conservative principles, and not an illustration of public ownership, which is a Socialist doctrine. Similarly with the Electricity Bill of two Sessions ago. That was not an example of Socialism, but was a barrier against Socialism.

So thin did the material grow which the right hon. Gentleman had at his disposal for illustrating the advantages of public control that his third instance was that of broadcasting. Does he suggest that that is an industry, or a fair example of the application of public control to our industrial system? At the best, it can be described as a public service—sheltered industry. But the right hon. Gentleman knows perfectly well that the discussion of these illustrations of public control dissociated from public ownership are really not relevant, that public control is only important in Socialism when it is connected with what is called public ownership. Let me try to make plain the position of hon. Members of the Conservative party in this connection. We believe in public control when there are dangers which threaten the State. An illustration of the application of the public control in which we believe is the Trade Union Act which we passed recently. Hon. Members opposite will not find us reluctant to control anything, if it is in the interest of the State to do so. Nobody who is acquainted with the social legislation of this generation can say that the Conservative party have not been prepared to use their powers of control, whenever any influence or any group of persons has sought to interfere with the proper freedom of the individual.

The Factory Acts which this country has passed are exercises of the power of public control in relation to individuals and there is all the difference in the world between such public control as that of which I have been speaking, and public control in the minds of hon. Members opposite associated with public ownership. The fact is that the public control of which we are thinking and which we practise is the balanced adjustment of the conflicting claims of

different members and portions of the community. You must predicate a certain power of public control in the State you are to prevent a condition of things which might eventually burst into civil war in our own country. In public control we do believe, and if I may refer to the Liberal party and its history I believe I am right in saying that at that time at any rate, they believed in the naked and unfettered exploitation of humanity in industry. I am glad to think they have long departed from that position. They now believe in public control in relation to industry, and in the protection of individuals and communities. We neither believe in the unfettered exploitation of humanity nor in the suppression of the natural aspirations which colour and give zest to life. Hon. Members opposite, on the other hand, do stand for that suppression. They stand for an inhibition upon the use of the powers and the talents which have been implanted in man for his own advancement. [HON. MEMBERS: "Oh!"] If hon. Members dispute that proposition, they know perfectly well that the truth of it depends upon what I ventured to deal with at the beginning of my speech, namely the extent to which they are going to put public ownership into operation.

If hon. Members opposite tell me they are not going to extend public ownership beyond the control of municipal services and that sort of thing, then nobody has suggested that that would be a peril to the State, and they should recognise that Conservatives would apply it just as readily and gladly as they would. But the public ownership which they are always speaking of is the public ownership discussed by the right hon. Gentleman the Member for the Valley in a memorable Debate two or three Sessions ago—public ownership of all our industries. [HON. MEMBERS: "Hear, hear!"] Hon. Members cheer it. If they advocate public ownership of all our industries, let them say so. If they do not advocate public ownership of all our industries, equally let them say so. Until we have had an explanation from them of what they understand by their own policy, we prefer, as Conservatives, to maintain that middle position which has been characteristic of the party during a generation. The right hon. Gentleman opposite ended his speech with a challenge to us to submit in due time this question to the electorate and expressed himself as confident of the decision which would be given by the people of this country upon it. I accept the challenge; and I am confident that if the proposal of hon. Members opposite is to suppress the traditional British spirit of adventure, and to substitute for State ownership of all our industries, then that proposal would mean the end of the supremacy of the Imperial rule and the destruction of that great position which has been won by the enterprise and spirit of adventure to which I have referred.

Mr. MAXTON This Debate I understood was to expose the great divisions which existed in the ranks of the Socialist party, and, incidentally, to show the peril that would come to the State if the people returned a Socialist Government to power and if that Government put Socialist principles into operation in the public affairs of the country. The hon. learned Gentleman who has just spoken was the most entertaining of the speakers. He put some "punch" into it. He showed some "vim" and some feeling, and, frankly, I have not much use for a Debate that has not a fair amount of personal feeling behind it. But I wish to point out that while the Opposition have a duty to criticise the existing Government, and to lay down the alternative principles upon which they would operate, the Government who are managing the affairs of the country have to produce the goods. The hon. and learned Gentleman however stood in the Box, making that speech, as if everything in this country outside the House of Commons was in perfect order. He did not say so, but that was the implication; and other right hon. Gentlemen, day after day, stand up there and suggest that because they can point to this little weakness in Socialist theory, or that failure to apply Socialist theory to some fantastic future situation which they visualise for themselves, that therefore they have done their whole duty to the country, while there are over 1,000,000 people unemployed. [An HON. MEMBER: "How many are employed?"] Surely the function of the State is to use all the available service of the people who are willing to serve. Right hon. Gentlemen opposite and their Friends have found the capitalist system incapable of employing the services of the people who are willing to work, and also incapable of supplying the needs of daily life to many people. But an h

Member opposite is satisfied because a fraction of the people are employed. It seems to be suggested that this fact shows a marvellously high percentage of success for capitalism.

I do not think hon. Members opposite have shown any serious divisions of opinion among the spokesmen on this side of the House. I know exactly what are the differences between myself and certain right hon. Gentlemen on the Opposition Bench. There is no difference in this respect however. Every one of us agrees that the basis of a decent social system consists of the public ownership of land, of transport, of finance, of coal and power—those four things which enter into every industry. [HON. MEMBERS: "What is left?"] I will tell hon. Members. There is not much left out of which you can make money without working. We say these four things ought to be publicly owned and controlled for the benefit of all the people of this country, and that implies this other element in Socialism which has not been dealt with by many of my hon. Friends on this side—that there will have to be a narrowing of that tremendous gulf which separates the unemployed man or the unemployed girl, valued by hon. Members opposite at 8s. a week, from the Super-tax payer whom they value at several hundreds of pounds per week. Socialism includes that in its general conception. That gulf will have to be narrowed to vanishing point, and finally will have to go altogether. The Noble Lady the Member for Sutton (Viscountess Astor) tries to suggest that the material differences existing between one end of the social scale and the other are due to moral differences. Rubbish! Utter rubbish!

Viscountess ASTOR No, no. That is not quite fair.

Mr. MAXTON I definitely questioned the Noble Lady when she made the remark, and she pointed out that the success of her children was due to the high moral character of their parents. She suggested that the girl in poverty in the slums was there because of inferior capacity or inferior morale. It is not true.

Sir H. BRITAIN rose in his place, and claimed to move, "That the Question be now put."

Mr. SPEAKER I think the House is prepared to come to a decision.

Question put, "That the words proposed to be left out stand part of the Question."

The House divided: Ayes, 228; Noes, 107.

Division No. 53.]	AYES.	[7.30 p.m.
Acland-Troyte, Lieut.-Colonel	Drewe, C.	Little, Dr. E. Graham
Albery, Irving James	Eden, Captain Anthony	Locker-Lampson, G. (Wood Green)
Alexander, Sir Win. (Glasgow, Cent'l)	Edwards, J. Hugh (Accrington)	Loder, J. de V.
Amery, Rt. Hon. Leopold C. M. S.	England, Colonel A.	Long, Major Eric
Applin, Colonel R. V. K.	Erskine, Lord (Somerset, Weston-s.-M.)	Lougher, Lewis
Ashley, Lt.-Col. Rt. Hon. Wilfrid W.	Evans, Captain A. (Cardiff, South)	Lynn, Sir R. J.
Astbury, Lieut.-Commander F. W.	Everard, W. Lindsay	MacAndrew, Major Charles Glen
Astor, Maj. Hn. John J. (Kent, Dover)	Fairfax, Captain J. G.	Macdonald, Sir Murdoch (Inverness)
Astor, Viscountess	Fanshawe, Captain G. D.	Macdonald, R. (Glasgow, Catcart)
Atkinson, C.	Fenby, T. D.	McDonnell, Colonel Hon. Angus
Balniel, Lord	Forestier-Walker, Sir L.	MacIntyre, Ian
Banks, Reginald Mitchell	Forrest, W.	McLean, Major A.
Barclay-Harvey, C. M.	Foster, Sir Harry S.	Macmillan, Captain H.
Beckett, Sir Gervase (Leeds, N.)	Fraser, Captain Ian	Macnaghten, Hon. Sir Malcolm
Bellairs, Commander Carlyon	Fremantle, Lieut.-Colonel Francis E.	Macquisten, F. A.
Benn, Sir A. S. (Plymouth, Drake)	Gadie, Lieut.-Col. Anthony	MacRobert, Alexander M.
Berry, Sir George	Galbraith, J. F. W.	Maltland, Sir Arthur D. Steel-

Bethel, A.	Ganzoni, Sir John	Makins, Brigadier-General E.
Birchall, Major J. Dearman	Gates, Percy	Manningham-Buller, Sir Mervyn
Bird, Sir R. B. (Wolverhampton, W.)	Goff, Sir Park	Margesson, Captain D.
Blundell, F. N.	Cower, Sir Robert	Marriott, Sir J. A. R.
Boothby, R. J. G.	Grant, sir J. A.	Mason, Colonel Glyn K.
Bourne, Captain Robert Croft	Grattan-Doyle, Sir N.	Meyer, Sir Frank
Bowyer, Captain G. E. W.	Greene, W. P. Crawford	Milne, J. S. Wardlaw-
Braithwalte, Major A. N.	Gretton, Colonel Rt. Hon. John	Mitchell, S. (Lanark, Lanark)
Brass, Captain W.	Griffith, F. Kingsley	Morrison-Bell, Sir Arthur Clive
Brassey, Sir Leonard	Guinness, Rt. Hon. Walter E.	Nelson, Sir Frank
Briscoe, Richard George	Gunston, Captain D. W.	Neville, Sir Reginald J.
Brocklebank, C. E. R.	Hacking, Douglas H.	Nuttall, Ellis
Brown, Col. D. C. (N'th'I'd., Hexham)	Hall, Capt. W. D' A. (Brecon & Rad.)	Oakley, T.
Brewn, Brig.-Gen.H.C.(Berks, Newb'y)	Hamilton, Sir George	Owen, Major G.
Burman, J. B.	Hammersley, S. S.	Pennefather, Sir John
Burton, Colonel H. W.	Hanbury, C.	Penny, Frederick George
Butler, Sir Geoffrey	Hannon, Patrick Joseph Henry	Perring, Sir William George
Caine, Gordon Hall	Harland, A.	Peto, G. (Somerset, Frome)
Carver, Major W. H.	Harney, E. A.	Pilcher, G.
Cautley, Sir Henry S.	Harrison, G. J. C.	Pilditch, Sir Philip
Cecil, Rt. Hon. Sir Evelyn (Aston)	Hartington, Marquess of	Power, Sir John Cecil
Chapman, Sir S.	Harvey, G. (Lambeth, Kennington)	Preston, William
Charteris, Brigadier-General J.	Harvey, Major S. E. (Devon, Totnes)	Price, Major C. W. M.
Chilcott, Sir Warden	Haslam, Henry C.	Raine, Sir Walter
Churchill, Rt. Hon. Winston spencer	Headlam, Lieut.-Colonel C. M.	Ramsden, E.
Churchman, Sir Arthur C.	Henderson, Capt. R.R. (Oxf'd, Henley)	Rawson, Sir Cooper
Clarry, Reginald George	Henderson, Lieut.-Col. Sir Vivian	Rice, Sir Frederick
Clayton, G. C.	Henn, Sir Sydney H.	Roberts, E. H. G. (Flint)
Cobb, Sir Cyril	Hennessy, Major Sir G. H. J.	Ruggles-Brise, Lieut.-Colonel E. A.
Conway, Sir W Martin	Hills, Major John Waller	Runciman, Hilda (Cornwall, St. Ives)
Cope, Major William	Hilton. Cecil	Runciman, Rt. Hon. Walter
Courtauld, Major J. S.	Holt. Capt. H. P.	Russell, Alexander West (Tynemouth)
Cowan, D. M. (Scottish Universities)	Hopkins, J. W. W.	Samuel, A. M. (Surrey, Farnham)
Cowan, Sir Wm. Henry (Islington, N.)	Hopkinson, A. (Lancaster, Mossley)	Samuel, Samuel (W'dsworth, Putney)
Craig, Capt. Rt. Hon. C. C. (Antrim)	Hore-Bellsha, Leslie	Sandeman, N. Stewart
Crawfurd, H. E.	Hudson, Capt A. U. M.(Hackney,N.)	Sanders. Sir Robert A.
Croft, Brigadier-General Sir H.	Hudson, R. S. (Cumberl'nd, Whiteh'n)	Sanderson, Sir Frank
Crookshank, Col. C. de W. (Berwick)	Hume, Sir G. H.	Shelfield, Sir Berkeley
Crookshank, Cpt H.(Lindsey,Galnsbro)	Huntingfield, Lord	Shepperson, E. W.
Culverwell, C. T. (Bristol, West)	Hurd, Percy A.	Sinclair, Major Sir A. (Caithness)
Cunliffe. Sir Herbert	Hunt, Gerald B.	Skelton, A. N.
Curzon, Captain Viscount	Inskip, Sir Thomas Walker H.	Smith. R. W. (Aberd'n & Kinc'dine.C.)
Dalkeith. Earl of	Jackson. Sir H. (Wandsworth, Cen'l)	Smithers, Waldron
Davidson, Major-General Sir John H.	Junes, Henry Haydn (Merioneth)	Spender-Clay, Colonel H.
Davles, Sir Thomas (Cirencester)	Kennedy, A. R. (Preston)	Stanley, Lord (Fylde)
Davles, Dr. Vernon	King, Commodore Henry Douglas	Steel, Major Samuel Strang
Dawson, Sir Philip	Kinloch-Cooke, Sir Clement	Stott, Lieut.-Colonel W. H.
Dixey, A. C.	Lamb. J. Q.	Strauss, E. A.
Streatfeild, Captain S. R.	Ward, Lt.-Col. A.L. (Kingston-on-Hull)	Wilson, R. R. (Stafford, Lichfield)
Stuart, Crichton-, Lord C.	Warrender, Sir Victor	Winby, Colonel L. P.
Sugden, Sir Wilfrid	Watson, Rt. Hon. W. (Carlisle)	Windsor-Clive, Lieut.-Colonel George

Tasker, R. Inlgo.	Watts, Dr. T.	Winterton, Rt. Hon. Earl
Thompson, Luke (Sutherland)	Wells, S. R.	Womersley, W. J.
Thompson, F. C. (Aberdeen, South)	White, Lieut.-Col. Sir G. Dairympie	Wood, E. (Chest'r, Stalyb'ge & Hyde)
Tinne, J. A.	Wiggins, William Martin	Wood, Sir S. Hill- (High Peak)
Titchfield, Major the Marquess of	Williams, A. M. (Cornwall, Northern)	Wragg, Herbert
Tomlinson, R. P.	Williams, Com. C. (Devon, Torquay)	Yerburgh, Major Robert D. T.
Vaughan-Morgan, Col. K. p.	Williams, C. P. (Denbigh, Wrexham)	
Waddington, R.	Williams, Herbert G. (Reading)	TELLERS FOR THE AYES.—
Wallace. Captain D. E.	Wilson, Sir C. H. (Leeds, Central)	Sir Harry Brittain and Captain Reid
NOES.		
Adamson, W. M. (Staff., Cannock)	Grundy, T. W.	Potts, John S.
Alexander, A. V. (Sheffield, Hillsbro')	Hall, F. (York, W.R., Normanton)	Richardson, R. (Houghton-le-Spring)
Ammon, Charles George	Hall, G. H. (Merthyr Tydvil)	Riley, Ben
Baker, j. (Wolverhampton, Bilston)	Hardie, George D.	Ritson, J.
Baker, Walter	Hayday, Arthur	Roberts, Rt. Hon. F. O. (W.Bromwich)
Barker, G. (Monmoutn, Abertillery)	Hayes, John Henry	Robinson, W. C. (Yorks,W,H.,Eliand)
Barnes, A.	Henderson, Right Hon. A. (Burnley)	Saklatvala, Shapurji
Barr. J.	Hirst, G. H.	Salter, Dr. Alfred
Batey, Joseph	Hirst, W. (Bradford, South)	Scrymgeour, E.
Beckett, John (Gateshead)	Jenkins, W. (Glamorgan, Neath)	Scurr, John
Bowerman, Rt. Hon. Charles W.	John, William (Rhondda, West)	Sexton, James
Broad, F. A.	Jones, J. J. (West Ham, Silvertown)	Shaw, Rt. Hon. Thomas (Preston)
Bromfield, William	Jones, Morgan (Caerphilly)	Shepherd, Arthur Lewis
Bromley, J.	Jones, T. I. Mardy (Pontypridd)	Short, Alfred (Wednesbury)
Brown, James (Ayr and Bute)	Kennedy, T.	Smith, H. B. Lees- (Keighley)
Charleton, H. C	Kenworthy, Lt.-Com. Hon. Joseph M.	Smith, Rennle (Penistone)
Cluse, W. S.	Lawrence, Susan	Snell, Harry
Clynes, Rt. Hon. John R.	Lawson, John James	Snowden, Rt. Hon. Philip
Compton, Joseph	Lindley, F. W.	Stamford, T. W.
Connolly, M.	Lowth, T.	Stewart. J. (St. Rollox)
Cove, W. G.	Lunn, William	Thorne, W. (West Ham, Plaistow)
Dalton, Hugh	Mac Donald, Rt. Hon.J, R.(Aberavon)	Tinker, John Joseph
Davies, Rhys John (Westthoughton)	Mackinder, W.	Trevelyan, Rt. Hon. C. P.
Day, Harry	Maclean, Nell (Glasgow, Govan)	Varley, Frank B.
Dennison, R.	MacNeill-Weir, L.	Walsh, Rt. Hon. Stephen
Duncan, C.	Malone, C. L'Estrange (N'thampton)	Watts-Morgan, Lt.-Col. D. (Rhondda)
Dunnlco, H.	March, S.	Webb, Rt. Hon. Sidney
Gardner, J. p.	Maxton, James	Wellock, Wilfred
Gibbins, Joseph	Montague, Frederick	Welsh. J. C.
Gillett, George M.	Morrison, R. C. (Tottenham, N.)	Wheatley, Rt. Hon. J.
Gosling, Harry	Murnin, H.	Wilkinson, Ellen C.
Graham, Rt. Hon. Wm. (Edln., Cent.)	Naylor, T. E.	Williams, Dr. J. H. (Lianetly)
Greenall. T.	Oliver, George Harold	Wright, W.
Greenwood, A. (Nelson and Colne)	Patin, John Henry	
Grenfell, D. R. (Glamorgan)	Paling, W.	TELLERS FOR THE NOES.—
Griffiths, T. (Monmouth, Pontypool)	Parkinson, John Allen (Wigan)	Mr. Charles Edwards and Mr. Whiteley
Groves, T.	Pethick-Lawrence, F. W.	

Main Question again proposed.

Mr. HARDIE rose—

It being after Half-past Seven of the Clock. the, Debate stood adjourned.