

“Men occasionally stumble over the truth, but most of them pick themselves up and hurry off as if nothing ever happened.”

Winston Churchill

## CHAPTER THREE

### Churchill's as a Conservative<sup>37</sup>

Churchill had a two track career as far as political ideology was concerned. Contrary to poor revisionists who paint Churchill's every action as merely the movement of egotistical driven narcissism and machiavellian plotting, Churchill was a remarkably ingenious and dogmatic ideologue. Post 1914 Churchill was certainly something that would be labelled [with mouth foaming ridicule by our current media], as an orthodox conservative or big L liberal. Small government, low taxation rates, a constrained welfare state, individualism, earning and keeping profits, balanced public budgets, a strong military, realism in foreign policy, self interest in international affairs, support for Zionism and the United States, plus an affinity and care for some variety of controlled and accountable democratic pluralism would mark his beliefs. None of these are of course accepted in today's world.

There was as previously outlined a very small l 'liberal' Churchill suffused with socialist concepts of large statist interference in all matters economic and social. Elected after the Boer War in 1903 Churchill quickly fell in with the 'reforming liberal radicals' of Lloyd George and the Liberal party. Strong on defence, bullish on empire and committed to domestic reform the 1905-1914 years were Churchill's apogee of what we would today call 'liberalism' at least on the home front. Churchill would no doubt be ashamed and amazed at the size and power of the modern welfare or mommy-state and caustic of its immoral and importunate power on modern life. He certainly was no nanny-state supporter. Churchill's conservatism or more accurately his 'Orthodox liberalism', is self evident and important to remember in a world of cavilling 'compassionate conservatives', 'red Tories' or 'centrist Democrats'. These are merely euphemisms for big spenders, large government supporters and power seekers.

In the fall of 1922 a national election transpired which effectively destroyed the Liberal party and forced Churchill to make his way towards the Conservatives. Public disapproval and weariness with the coalition or 'national' government of Lloyd George

had reached new heights of fervent expression. Since 1916 George had sat upon the pinnacle of British public duty. However George's persistent womanising and remote, Olympian and not entirely trust-worthy character had defaced to some degree the validity of his rule. Public disgruntlement at its leadership became irreversibly hardened in 1922 when Britain was on the verge of war with Turkey over the defence of the Greek position in Asia Minor and the protection of the Dardanelle straits. War did not erupt, but Lloyd George and his government including Churchill were tossed from office and Ramsay MacDonald, the utopian leader of the leftist Labour party became Prime Minister. Macdonald was challenged by the stable and peaceful Stanley Baldwin the Conservative leader, Prime Minister in 1923-24, 1924-1929, and 1935-7. Both Macdonald and Baldwin were appropriate shepherds for a country that desperately wanted peace and safety and to escape the horrors of war.

Churchill also lost his working class seat in Dundee Scotland and was banished into exile for 2 years. It is peculiar that an aristocrat would have as his political base a blue collar, sweated town such as Dundee which had absolutely nothing in common with an Oxfordshire squire. Barred from public duty by the election result Churchill spent most of his time with the family, writing, painting and patiently biding time until the political scene cleared and opportunity would be revealed. In this period Churchill began his massive history of the First World War. The five volumes of the "World Crisis" as it was called were published between 1923 and 1931. It is a truly significant work about national, international and personal power. It is not so much a history as a colourful drama, with Churchill never far from the centre stage. It was a eulogy to the decaying grasp of British domination of the world scene, with 1922 revealing the spread of socialism engulfing Europe, with Ireland and Egypt lost as independents from the Empire and the first ever Labour Party in power. Much had changed and much was still in train to be altered since Churchill had first entered Parliament 21 years earlier. Across the globe peaceful hopes were supreme. Martial glory was dreaded.

The new doctrine of peace and rebuilding was reflected in British arts represented by the literary Bloomsbury group—a creative association that included Virginia Woolf and E.M. Forster, both intimating through their novels a decline of Western liberal self confidence in the face of rising competition and corruption. In the mid 1920's Britain was a society rapidly changing and transmuting. Large proportions of the population had emerged from the war with middle class aspirations; home ownership, a quiet contented family, leisure, domestic comforts and employment security. There was a gradual erosion of church and puritan values with 'smart young things' wearing less restrictive and dour costumes and fewer young people openly religious. The rural population declined steadily as unemployment in the non-urban areas grew and families migrated to the city to locate work.

In 1923 there occurred an event which proved extremely advantageous for the career of Churchill. Bonar Law the Conservative Prime Minister and Winston's intractable political opponent resigned and soon afterwards died, leaving Stanley

Baldwin, the Chancellor of the Exchequer as Prime Minister. Baldwin was a stolid, pipe smoking, shrewd English politician dedicated to eradicating unemployment which at that time hovered around the one million mark. He was a protectionist, an advocate of high tariffs to stimulate economic growth and employment. But since Bonar Law had pledged in the 1922 election to do exactly the opposite, Baldwin needed a mandate from the public to initiate such reform.

Baldwin thus picked the only issue capable of uniting all Liberals into one unit. Churchill fought as a 'liberal free trader' at West Leicester, noisy and excited. His violent denunciations of the Labour party and of socialism drew packed houses and infuriated his opponents, who pitched any and all recriminations they could lay their hands on. Churchill was so bitterly hated by a large section of the working class that when he spoke on 3 December 1923 in London, the city was obliged to send both mounted and foot police as protection. Churchill described the crowd as "more like Russian wolves than British workmen—if they are British workmen—howling, foaming, and spitting, and generally behaving in a way absolutely foreign to the British working classes." Churchill lost by four thousand votes. Overall no party could command enough seats to form a government. The Labour and Liberal parties formed a coalition with Ramsay MacDonald as Prime Minister. Another election was soon inevitable since a Labour government held in power by Liberal support could never hope to enact change. The Labour party had an equal share of liberal minded men such as MacDonald and radicals intent on real socialism.

Shortly thereafter a Conservative seat fell vacant in Westminster London. Churchill at once set about getting himself adopted as the Conservative candidate. His powerful Tory friends intervened on his behalf but to no avail. The Conservative party adopted the nephew of the retiring Conservative member. Churchill continued undaunted calling himself an anti-socialist independent. Many Tories supported Churchill. There was a fear that since Westminster was a Conservative stronghold Churchill's candidacy might split the Conservative vote and allow Labour to win. Churchill fought the campaign entirely against the Socialists. Blood, thunder, doom and ruin were interwoven with tales of tragic incompetence if Labour would lay its hands on power. Notable peers, Conservative members and newspapers canvassed for him. Despite the glittering support Churchill lost by 43 votes to the Conservative candidate Nicholson.

Churchill was far from downcast. The road at least to the Conservatives was clear. His Liberal bridge lay burned and the support of so many notable Conservatives gave him great heart. He was positioned as the most powerful Conservative weapon against a socialistic revolution. After nine months of governing the Liberals finally withdrew their support from MacDonald's and another election was called in the fall of 1924. Churchill fought in this election as a Conservative at Epping and was victorious. His remarkable journey back to a party that reflected his ideals of economic orthodoxy, social reform and colonial morality was complete. It staggered his enemies who could not believe that he had once again switched party flags.

Soon after this victory and political remarriage Churchill somewhat incredibly became Chancellor. It was an amazing transformation. Since 1918 Churchill had made a steady if not swift progression to his natural political home of conservatism. The Liberal party had by 1922 outlived its usefulness. Churchill had no choice if he prized his political future but to join the Conservatives. That Stanley Baldwin gave Churchill the second most important post in the government dazed even the staunchest of Churchill's supporters. Given the complex spectacle and challenges of post war finances, reparation schedules, the gold standard issue and the grappling of the debt problem, the Chancellorship in the mid-20's would prove to be an extremely laborious effort.

Why did Baldwin give Churchill the second most powerful position in the nation? He simply feared Churchill and especially the political and oratorical combination of Churchill and Lloyd George. If Churchill was left out of power, a Centre Party with Churchill and Lloyd George and the Conservative orator and Churchillian supporter F.E. Smith could conceivably be formed dissipating greatly any governmental power base. Baldwin had no desire to be blasted by 3 such heavyweights. An astute party manager, Baldwin forced Churchill to accede to the Chancellorship where party pressure would keep him in line. Or so he hoped. And indeed in donning the robes once worn by his father Churchill showed himself a loyal and capable supporter of Baldwin and his government.

Though not trained in the world of commerce or finance Churchill mastered his post with precipitate speed and enjoyment challenging the experts and doctrinaires on all policy issues. However the mid-late 1920's decline in exports and decreased employment opportunities in the export trades can be in large part traced to his decision to return Britain to the Gold Standard. This decision can be regarded as a rather disastrous move. In fact Churchill's tenure at the Exchequer was marred by strife and labour bitterness, depression and industrial disquiet. Most of this calamity can be traced to business and financial pressure exerted upon British governments beginning in 1918 to return the British pound to the pre-World War 1 Gold Standard rate. A standing committee of experts appointed by the Lloyd George Government in 1918 to investigate the position urged that the decision be accepted and only the emphatic and brilliant economist John Maynard Keynes raised a howl of objection.

In 1925 Britain sat between two stools of economic philosophy of society. On one sat the school of market determination insisting that wages and prices are calculated by the strict, inviolable laws of supply and demand. Upon the other resided the Keynesians, preaching a managed economy and government interference and resource allocation. Though Keynes intellectually gnarled the return to Gold he very importantly did not offer an alternative. The political and business pressure on Churchill to keep the parliamentary promise and return the country to gold was immense. It was viewed as a way to defuse inflation since the government would be constrained in its printing of money. All of Britain's major economic

partners had adopted or soon would pass under the heel of the Gold Standard. And though Churchill repeatedly hesitated imploring his civil officials to defy Keynes' predictions he could find no plausible alternative to what many had expected to be a fait accompli.

The result meant a serious overvaluing of British Coal and Steel exports and generally exacerbated the inequality of comforts among the classes that divided the nation. Unfortunately for Churchill and his government economic woes dovetailed with sagging spirits. In much of the West there arose in the mid-late 1920's a certain disappointment with Western values and the terrible cycle of industrial decline, unemployment, and social bitterness led to the worst explosion of class conflict that Britain had yet known in 1926. In April of that year Prime Minister Stanley Baldwin refused to renew a subsidy to the coal industry. This subsidy was considered essential to maintain the coal industry's productive capability, and its repeal ignited a class-based nation wide general strike in early May 1926. For nine days the country literally stopped functioning. As the struggle between the government and the unions deepened Churchill was again the most active member of the government to quell the disturbance basically commanding the creation and publication of a special government newspaper to keep the public informed about the strike, the position of the government and the developments at garnering reconciliation. Thankfully it was bloodless and the strike ended abruptly. However, the class divisiveness engendered by the strike plagued the nation for at least the next 20 years or more with 1926 injustice being revived as late as the 1984-5 coal disputes.

This was the signal event of his Chancellorship. After the excitement of the strike, balancing budgets, limiting unemployment and reducing income taxes became Churchill's standard fare. He did not enact any other change as effacing or important as the return to Gold. The most notable feature of Churchill's remaining tenure from 1926-1929 as Chancellor was his stubborn defence of free trade and economic orthodoxy. As the months passed on Churchill's bellicose defence of free trade began to rattle and decrease his own status within the Party, where many, including Prime Minister Stanley Baldwin, favoured protection to give British industry relief from the high rates of unemployment. Churchill demurred and would not countenance such unorthodox blasphemy. For his colleagues this became a point of frustration. This was elevated in degree by Winston's dominating, energetic manner. His colleagues were beginning to tire of Churchill's overpowering presence, clever memoranda, forays into departments other than his own, and the vast literature of ideas and action points. Baldwin confided to a friend that Churchill's lack of team skills was a disadvantage that outweighed his contributions and that he would not want Churchill in another government. He and his successors kept this promise, and Churchill was ostracised from office and power from 1929 to 1939.

In 1929 Baldwin's government went to the polls. Labour emerged as the largest party and formed a government with Liberal support and Ramsay MacDonald became Prime Minister for the second time. In 1931 MacDonald deserted the Labour