Rise of the Labour Party

Trade unions and the Labour Party

Before the 1880s, trade unions resisted activism in parliamentary elections. However, depression led to a change in tactics. Meetings of the TUC were dominated by demands for state intervention to solve economic problems and for working-class representation in Parliament. Protest became increasingly militant, for example:
- the strike of the London Match Girls in 1888 and their subsequent unionisation by Annie Besant and H. H. Champion
- the organisation of the National Union of Gas Workers by Will Thorne
- the dockers’ strike in 1889

The Independent Labour Party (ILP) owed its development to a rise in political consciousness among the textile workers of the West Riding of Yorkshire. This was sparked off by the lock-out at Samuel Lister’s Manningham mills in Bradford in 1890 and gradually gained momentum until the ILP was founded in Bradford in 1893. The party suffered setbacks with the refusal of the miners of the South Yorkshire coalfields to support them. In 1899 came the famous resolution from the Railway Servants’ Union to convene a conference that led to the formation of the Labour Representation Committee (LRC). The conference took place at the Farringdon Street Memorial Hall on 27 February 1900 and created a new party with affiliations from socialist groups and trade unions. In the same year its first two candidates were elected: Keir Hardie at Merthyr and Richard Bell at Derby.

James Ramsay MacDonald

- The first Labour Party prime minister and the first prime minister from a working-class background.
- MacDonald took office in 1924. His minority government was short lived, and fell to a vote of no confidence within a year.
- In 1929, following domestic unemployment, poverty and a general strike, Labour were again elected to power. MacDonald’s second administration raised unemployment pay, improved wages and conditions in the coal industry and passed a housing act focusing on slum clearances. But Labour struggled in the aftermath of the stock market crash of 1929.
- In 1931 MacDonald resigned as prime minister, but agreed to join a National Government with the Conservative and Liberal parties. He was immediately expelled from the Labour Party and there were riots in Glasgow and Manchester, with many accusing MacDonald of sacrificing his principles to save his career. His health collapsed and he died in 1937.
- MacDonald has a chequered reputation, with his decision to join the National Government overshadowing his role in the formation of the Labour Party. Like many politicians in the 1920s and 1930s he was ill-equipped to deal with major economic collapse. His decision to defend the currency at all costs has been viewed more favourably by current historians and economists who have lived through recent economic turmoil.

1893 Independent Labour Party (ILP) founded in Bradford
1895 Lister’s Mill, Bradford, West Yorkshire
1899 Secret pact between Ramsay MacDonald (LRC) and Herbert Gladstone (Liberal) to avoid putting progressive candidates up against each other and splitting the vote
1900 Labour Representation Committee (LRC) founded, comprising trade unions, cooperative societies and left-wing associations
1903 As a result of the pact, the LRC wins 29 seats at the general election and adopt the name The Labour Party. First piece of Labour-sponsored legislation passed in Commons: Education (Provision of Meals) Act
1905 Osborne Judgement rules that trade unions cannot donate money to fund election of Labour MPs
1906 At general election, Labour wins 42 seats
1909 Trades Disputes Act passed, allowing trade unions to finance Labour Party
1910 Arthur Henderson becomes first Labour cabinet minister as president of the board of education
1913 The Independent Labour Party (ILP) founded in Bradford
1915 Labour wins 42 seats
1918 Party adopts ‘Clause IV’ calling for the common ownership of the means of production
1920 Conservative Party loses its majority and Labour (with 191 seats) takes power for the first time as a minority government
1922 Labour wins 142 seats, becoming the second-largest party in the Commons and the official opposition to the Conservative government
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