

January 4, 1968

Chairman: "Firing Line," with Mr. William F. Buckley, Jr.  
Mr. Buckley:

Mr. Michael Foot; except that he tends to be a loner, would be the formal leader of the hard British Left. As it is, he is their everlasting heart-throb and indeed it was recently said by one of his constituents that they could run God against Michael Foot, and Michael Foot would win. Having observed the selections of this particular constituency over the years, I do not doubt for a minute that in such a contest Mr. Foot would win. Mr. Foot is a member of an illustrious family of political activists. He has a brother, Lord Caradon -- remind me to ask how this illustrious family of egalitarianism goes in for the "lord" bit. Another brother who has served as solicitor general, he is Sir Dingle Foot -- and two more brothers who are attorneys. Mr. Michael Foot was born in 1913, went to a Quaker School, then to Oxford, where he was president of the Oxford Union. Like most Englishmen -- and every Socialist -- he has written scores of books, most recently the first of multi-volumes on the life of his hero and mentor, Aneurin Bevin. He is at present, in addition to his membership in the House of Commons, the Editor of the "Tribune," the weekly scourge of the labor movement, and a book reviewer for the "Evening Standard." Mr. Foot has led the fight against Prime Minister Wilson. He resents Mr. Wilson's policies aimed at stabilizing the pound. What is the good of Socialism if you do not socialize, Mr. Foot seems to be asking. I should like to begin by asking Mr. Foot to explain why Mr. Wilson feels he needs to take measures to protect the pound.

Chairman: We shall hear Mr. Foot's answer to Mr. Buckley's question in a moment.

(After commercials) Ladies and Gentlemen: My name is C. Dickerman Williams, and I shall act as Chairman of this meeting between Mr. Foot and Mr. Buckley. The subject of discussion is, "Is Socialism the Answer?" And Mr. Foot, would you now answer Mr. Buckley's question -- would you explain why Mr. Wilson feels he needs to take measures to protect the pound?

Mr. Foot: Well, I suppose the question could be put even more directly to Mr. Wilson, himself, and he would be answerable for himself. But I suppose the answer is this:

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when the Labour Government came into power in October, 1964, they were faced with a very serious balance of payments crisis of 800,000,000-pound deficit, and they had to do something about it. There were several people who suggested at the time that one of the measures should be to devalue the pound. That would have enabled the Government to proceed with some of its plans without having to take the measures that they actually did take. I think it was quite a good case against devaluing the pound at that time, partly because devaluation does mean a serious increase in prices, and partly because at that time there were hardly any unemployed in the country, and therefore one of the purposes of devaluation would not have been effective. So he didn't do it then. I think he had a good case. But, when we had again a further run on the pound in July, 1965, and then again another run on the pound in July, 1966, and so it appeared that every few months, or every year or so, the Labor Government was under threat from those who lend us money or those who trade in sterling, then I think he should have decided to devalue the pound because by refusing to devalue, or by seeking to maintain the present exchange rate, what he has done -- he has had to borrow a lot of money from international financiers and when you borrow money from people very often you have to take into account their views about the policy you should operate. And that is what the Government has had to do, and the people that we borrowed from are in favor of increasing the unemployment level in this country, and that's what we have done.

Mr. Buckley: Why are they in favor of increasing it?

Mr. Foot; I think mostly because they've got very old-fashioned views about finance and the rest. They think that a dose of deflation and unemployment is good for people. They think that's one way to keep workers in order and all that kind of rubbish, you know. That's what some of them think.

Mr. Buckley: You mean you think this is simply an abstract disciplinary exercise by the gnomes in Zurich?

Mr. Foot: Well, I don't know about the gnomes of Zurich only -- maybe it's the (blurred) of some of the gnomes in Zurich, but it's also people who trade in sterling generally. They

withdrew their money from this country in those runs in the sterling crisis because they feared a devaluation and thought that if they left the money here, its value would decline. So they acted in what they considered to be their own immediate interest. But the bankers who clubbed together and lent us the money they look at Britain's economy and see what -- whether it's working well, and their tests on whether the economy is working well are not necessarily the right ones. Indeed, as a Socialist I think their tests are very bad ones.

Mr. Buckley: Well, now what is interesting, quite apart from the theoretical arguments which I hope we will elaborate, is that Mr. Wilson should, according to your reckoning, become such a recent advocate of anti-Socialist policies. Now, somebody is advising Mr. Wilson, presumably, Mr. Callahan, or somebody, and he is saying, look, if you devalue, the consequences for English economy are going to be worse than they are under deflation. How are they describing the consequences of devaluation and a purely predictive matter, are they predicting something similar to what you think would happen, or do you think different things will happen?

Mr. Foot: Well, here again, you are asking me to tell you what I think is in their minds.

Mr. Buckley: You have a chance to question them (?) in the House of Commons.

Mr. Foot: Yes, it's a perfectly legitimate question, I'm not complaining about the question, I'm just saying -- I am at the moment answering what I think is in their minds about it. And, of course, there is a case against devaluation. The effect of devaluation is to increase the possibility of your selling exports and diminish your imports. But it will also increase the price of your imports and will diminish in some respects the return of wealth that you get for your exports. And so, devaluation in certain circumstances can be -- can greatly impoverish the country. But in other circumstances, it can enable you to go ahead with an expanding economy whereas otherwise you wouldn't. Other countries have done it. There's nothing terrible about it. The United States has devalued in its time. The French Government has devalued in quite recent years, and on the whole they did it advantageously. So, some of us inside the Labor Party felt that

it would be better not to stick to the present exchange rate, rather than go through the orthodox bankers' method of heavy deflation and heavy unemployment. And one of the reasons I think that is because the advice given us by the bankers has usually been wrong. Over the past thirty or forty years the bankers have always tended to favor a policy of deflation and unemployment. They took about twenty or thirty years to catch up with Keynes and now it looks as if they are hardly keeping pace with what he recommended many, many years ago. So, we should take much more account of what industry wants than what finance wants.

Mr. Buckley: Well, may I ask you this; in the judgment of the governors of the money market, suppose a devaluation of the British pound was not objectively justified, what weapon would you then have at your disposal, if the other major currency uses in turn devaluated, Thus completely negating the net effect of your own devaluation?

Mr. Foot: Yes, some of them might, of course. If they all did in the same form, well then --

You'd                      you

Mr. Buckley: We'd be back where we were (? blurred in overlap)

Mr. Foot: -- everywhere it would be the same. However, there is a strong case for this country's position being accepted by the other countries.

Mr. Buckley: What about America?

Mr. Foot: Well, America, I would have thought they wouldn't like it maybe, but they would probably accept it. They might follow suit. You can never -- you can never tell for certain. It wouldn't solve the problem. However, that's not the only remedy that we put forward for Britain's situation. You see, I think Britain's economic situation is much stronger than people say. We are having to borrow money at the present time, but in fact if you take the nations' resources all over the world we're owed much more than we owe. We've got great industrial resources in many other countries. We could capitalize some of those resources and not have to run into the debt. I think that would be a much better policy because it would enable us to carry through our own Socialist plan in this country instead of having to compromise with the arrangements that the bankers want.



Mr. Buckley: Yes, but isn't it -- isn't it a part of the general objections to -- to Socialism, not only yours in particular, but general Socialism, that it tends to be self-insulating, and that unless -- unless you have a total control, in effect, a total interventionism, a total dirigism (sp.?) in the international money market and whatever, you can't carry out your own experiments internally and still have viable economic relations with the rest of the world. Isn't this, for instance, one of the difficulties involved in joining the Common Market at this point?

Mr. Foot; No, I don't think it's a difficulty as far as trade goes. In fact, if we have an expanding economy here, we'll be a better market for other countries -- more countries will be able to sell more goods to us. We'll be wanting to sell more goods to them. And so, expanding economy is good for other countries as well as good for us -- it's not an insular policy in that sense at all. Of course, you would have more control over the policy if you had a Socialist plan and were trying to operate it properly, but that's what we want to have. You would stop the freedom of movement in some respects, freedom of capital -- just to capitalists to take their capital out of the country and invest it wherever they want to in South Africa, or wherever they please. You would, of course, control that much more strictly than even it's controlled. Now, there are controls now. I would like to see those controls much stronger. It seems to me an absurdity and indeed an offense against humanity that we should insist upon freedom for capitalists to be able to take capital out of the country at the price of putting a lot of people on the dole queues. It's much better to have everybody in work and to control the capital which is produced -- not very much by the capitalists, if at all -- but by the whole community. And the capital of the Nation belongs to the whole country and shouldn't be regarded as purely a private -- piece of private property which can be used to the injury of the Nation.

Mr. Buckley: Weeell (with a laugh), it seems to me, of course, that freedom can be used for the injury of the Nation. I can very well imagine a very eloquent case being made for the Government to regulate publishing on the grounds that people can use their rights of freedom of speech to injure the Nation. I don't deny that an individual can use his capital,

which is another word -- an ugly word -- for savings, I take it, and do it in such a way as to offend you.

Mr. Foot: But I don't --

Mr. Buckley: Take it to an economy where he thinks people can live with more privacy than he can in a Socialist economy.

Mr. Foot: I --

Mr. Buckley: But I think one of the criticisms of Socialism in general at that level, the philosophical level, is precisely that you find nice, civilized people like yourself suggesting that there ought to be laws which in effect -- have the effect of regulating human movement.

Mr. Foot: No, well as far as -- let's clear this out of the way first -- as far as freedom of speech, or freedom to print goes, of course, I am absolutely in favor of both, and indeed most of the fights for the maintenance of freedom of speech and freedom to print fought for in this country first of all, were fought for by people on the Left, not by the Right. You had to fight against the Tories, against the Right Wing to get these freedoms -- so we're not in favor of abolishing --

Mr. Buckley: That's because you were the dissident class.

Mr. Foot: Hmm?

Mr. Buckley: The question is whether -- whether you would protect the dissident class if you became a majority. Wherever you have, in fact, entrenched Socialism, for instance in the Soviet Union, the dissident class all of a sudden loses its rights. And the kind of thing I'm worried about is the kind of thing that Orwell worried about. He wasn't talking about Russia -- he was talking about English Socialism when he wondered what kind of rights would be left to the minority --

Mr. Foot:-- Well, --

Mr. Buckley: Already you are suggesting a repeal of some rights that have been considered sacred over the years.

Mr. Foot: Well, I-I -- take about Orwell, I happen to know him a bit. I don't know how

well you knew him, but I certainly --

Mr. Buckley: I didn't know him at all -- I just read the book. (Overlapping next remarks)

Mr. Foot: -- don't think he was writing about Socialism in this country. He was writing -- and he wasn't writing about Socialism only at all. He was warning about the general trend of Western societies, whether they were Communist, Capitalist, Socialist or others. But you suggested that Socialists were against freedom. I'm merely pointing out that historical fact that the Socialists, Trade Unionists and others in this country and others in this country and in this United States indeed, most of the great fighters for freedom have been on the Left. I don't say that all but most of them.

Mr. Buckley: I absolutely deny this, because it requires in order to accept it a rather narrow definition of freedom. You talk rather valiantly about --

Mr. Foot: (Blurred in overlap -- typist guessing: "Rather narrow") to accept the definition of, for example, of Milton's "Areopagitica" -- I suppose that was a rather narrow definition. Well, you know we have -- we had a revolution in this country (laughing) to

Mr. Buckley: As a matter of -- as you may or may not remember --

Mr. Foot: -- try and establish the rights of Parliament and also to establish the rights of free speech.

Mr. Buckley: (Most of this overlapping above remarks) -- freedom of the working classes, and so on -- . As you may not remember, in the "Areopagitica," Milton took a case against religious freedom, so we've learned an awful lot that Milton didn't know, it seems to me.

Mr. Foot: Yes, well, I think --

Mr. Buckley: -- Since Socialism specializes in this macrocosmic rhetoric even for the working classes -- "let's all own the railroads" -- my own observation is that you end up owning nothing at all of any substance. Here you are --

Chairman: I'm sorry, we must take a break.

Mr. Buckley: (After commercials) I want to understand you completely, if I may, Mr. Foot.

Suppose -- suppose somebody went to work, let's say at age 18, and ran a candy shop -- a sweet shop, right? -- a sweet shop, and at age 60 having accumulated 3,322 pounds decided that he simply wanted to take his family elsewhere for whatever reason. Maybe he didn't like the Government, or maybe he fell in love with a Yugoslav or whatever, do I understand that you would pass laws that would forbid him from taking his savings out of this country?

Mr. Foot: I'm in favor of as much rights of people to move to other countries and take what belongings they've got, if they want to move, as possible, and I would like to see a world in which people could move freely across all these frontiers, and indeed I would like to see the frontiers abolished. But -- I do not believe that you can do that until you have established a full employment society over many years in different parts of the world.

Mr. Buckley: In other words, you wouldn't permit it.

Mr. Foot: No, I wouldn't permit it at the present time. I would not permit a situation in which the capital of the society, which has been built up not merely by individuals but by people joining together in steel works and coal mines, and the other factories where they produce the wealth. I would not -- allow the community's wealth which has been produced in this way to be used in a manner which damages and destroys the community because we live in one community, and the idea that the few people can take a rake-off from it and use that wealth to injure that society is one that is offensive I would have thought to civilized world standards.

Mr. Buckley: It -- it -- it's -- the reason I am always so surprised when I engage a Socialist is there are so many paradoxes in their rhetoric. For instance, you quote as your single favorite statement -- Ellis (next word blurred) I gather, that your hope is that Socialism will weld the peoples of the world into one human family. Now, if Mr. Candyman takes his 3,200 pounds to, let's say, Canada -- or, if you like, let's take a better example: India -- in fact, the people in India need capital worse than you do --

Mr. Foot: Yes.

Mr. Buckley: --and, therefore, he is making, is he not, a positive human contribution in those terms --

Mr. Foot: That's right --

Mr. Buckley: -- therefore, there is an insularity here that you --

Mr. Foot: Yes, well if -- if your heart is bleeding for the people in India so much, the best way to insure that the Indians get the assistance from the rich Western world which they require, is to give it through instruments which are satisfying to the people of India themselves. That's if that's what you're really concerned with --

Mr. Buckley: Well --

Mr. Foot: and, indeed, of course that's the idea --

Mr. Buckley: Well, of course I deny that --

Mr. Foot: - of the United Nations --

Mr. Buckley: When you say the people of India, you always mean the Government there, don't you?

Mr. Foot: Let me give the answer to your problem. You were talking about assisting the people of India, while allowing the chap to take the money there. But, unfortunately, if you -- there's two ways: first of all, you want to provide a way in which the people of India can get the assistance in a civilized manner, and the way they would like to have it best is through some international machinery, not through individuals lending it and maybe exploiting them in the process. Moreover, as far as the decision about where these people are going to take their money, it may very well be that they may want to take their money not to help the starving people of India but to help the starving people of Manhattan and to enable them to have a -- to get their investments there. And if they got a higher rate of profit in New York, they will -- they will send the capital there, as some of them are at present doing from this country. Well, I think it's absurd when this country is starved for the -- for the necessary capital to expand some of our industries, that we should say that it's quite Ok that the capital should be transferred and to a great extent to countries that don't need it at all.



Mr. Buckley: If it works all that neatly, Mr. Foot, -- if you're so positive your economic analysis -- I can tell you how you can solve your problem tomorrow. And that is simply, cut your taxation down to the bone and permit people to have a higher rate of interest by investing in Great Britain and, according to your analysis, capital will flock in here and there goes the problem. What's to keep you from doing that?

Mr. Foot: I don't think it will solve it at all. In any case, if we were to cut down the taxes to the extent that you are suggesting, of course what we would have to knock out are all the assistance to the people who need it -- the Old Age Pensioners who are required to be paid for partly out of the taxes that are raised, or the health services run and paid for out of the taxes that are raised. All this squeal about taxation, if you translate it into the fact, nobody likes being taxed, but if you're going to build a community in which you look after the people who need it most, you have to have some arrangement --

Mr. Buckley: Yesss --

Mr. Foot: -- whereby everybody contributes into the community till in order that you have enough in the till to be able to distribute it to the people who want --

Mr. Buckley: But my dear Mr. Foot -- you've got to --

Mr. Foot: (Blurred in overlap) -- it has gone anything like far enough in that direction in my opinion yet.

Mr. Buckley: I know -- you've got to have a surplus. Before you can take from somebody you've got to have a surplus. In order to have a surplus you have to have a thing called profits. And in order to have profits you've got to have incentive --

Mr. Foot: (Blurred in overlap) well, you've got to have wealth (?)

Mr. Buckley: -- in order to have incentive, you've got to have disposable -- wealth (?)

Mr. Foot: You've got to produce wealth.

Mr. Buckley: Yeah -- that's why -- excuse me, did you want to ask --

Chairman: Yes. I wanted to ask -- let's -- I think there's a misapprehension here at least on my part. Mr. Foot, your remarks seem to have proceeded on the hypothesis that at the present time the British Government freely allowed capital to be taken out of Great Britain. It was my understanding that there were very severe restrictions on taking capital out of

Great Britain. Am I mistaken in that?

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Mr. Foot: No, you are perfectly correct. There are restrictions on it. Some of us would make restrictions more severe --

Mr. Buckley: But you can --

Mr. Foot: But -- the Government has already taken the intelligent action of controlling export of capital and using such persuasive powers as they can to limit it, and I think they are very right to do it, but I think they should do it further. You see, If we went further -- this is only one of the measures that were contributed, but I want to escape from the situation in which this country is dependent on borrowing money from other countries. I want to see Britain economically independent. And, in my opinion, if we took these measures, we could be economically independent in a very short time, and one of the factors that can contribute to that is a limitation on the movement of capital. I don't think that's a very harsh price to pay for making our country independent and enabling us to run our economy as we wish --

Mr. Buckley: Yeah --

Mr. Foot: -- without having to take the -- accept the behests of the bankers -- however good will --

Mr. Buckley: No doubt you don't, you see, Mr. Foot --

Mr. Foot: Uh?

Mr. Buckley: -- but you are a very unusual man, and the trouble<sup>is</sup>/all of us aren't saints they way you are, and I'm told you are a saint -- I'll take the word of your biographer. But the trouble with the whole Socialist approach is that you want to speak for all of us. Now, suppose I were one of your subjects, and I said well, I think it is too high a price to pay, and I'm concerned for my freedom to exercise as I want. Mr. Chesterton said we should all be free to be our own potty little selves. And it seems to me that this is as durable a definition of freedom as any I know. And all I know is the net situation is that I can't liquidate my candy stand because you've got a whole lot of --

Mr. Foot: Well, I --

Mr. Buckley: -- convoluted ideas about India and devaluation of the --

Mr. Foot: Well, well you can exercise, if you don't like the suggestions I am making -- I'm not proposing to --

Mr. Buckley: (Remarks blurred by overlap)

Mr. Foot: I'm not proposing to dictate to anybody. What I say, and what others in the Labor Party say -- we say to the country, these are the ideas that we have for running this as one community and turning this country into one community in which we try to remove the clash of classes and the great gross division between rich and poor. This is the way we want to run it, and we think it's a more civilized way of living. In fact, we think it's barbarous that the world should be divided into classes as they are. We also think that it's unlikely to contribute to the general long-term welfare of the people, but we try to persuade them that this is what we want to do. If this -- they don't like it they can vote against it, and of course they have absolute right to speak against it, --

Mr. Buckley: Ah-ah -- there you are, sure.

Mr. Foot: -- vote against it, and if they don't like what we do, let them throw us out.

My complaint at the moment is that the Government is not carrying through the measures that the electorate in my opinion have a right to expect that they would. But I hope that by sufficient pressures and arguments we will persuade them to do it. But everything is to be done by these freedoms that we on the Left call--

Mr. Buckley: As a matter of fact, according to your polls, the likelihood is that if there were an election tomorrow, the whole pack of you would be thrown out, except you, of course. You would always be returned.

Mr. Foot: I don't --

Mr. Buckley: The answer is that England may be yearning for a little of that individualism that you despise. But the point is that it seems to me no answer at all to say well, hell, I won't move against you until 51% of the people agree, which means that 51% of the people --

Mr. Foot: Well -

Mr. Buckley:--here in this room would have a right to execute the 49% --

Mr. Foot: No, I'm not suggesting that --

Mr. Buckley: -- and it would be perfectly all right as long as we had a nice, solid, acquiescent majority.

Mr. Foot : That would be -- as far as the business of executing the 49%, I've never made any such suggestion. I'd ~~are~~ say that if I were to make such a suggestion, I wouldn't be elected even (blurred by his laugh). Nobody in this country believes in that, so there couldn't be a more ridiculous red herring than that, could there?

Mr. Buckley: Well, that's -- I say red herring simply because I'm projecting your own theoretical postulates. I maintain that freedom is or isn't irrespective of what the majority says about it.

Mr. Foot: No, I quite agree with that.

Mr. Buckley: No, I don't think you agree with that.

Mr. Foot: The individual --

Mr. Buckley: -- otherwise you wouldn't deploy the 51% to my disadvantage.

Chairman: Mr. Buckley, your position isn't entirely clear to me. Are you in favor of devaluing the pound, or opposed to devaluing the pound on the ground that the whole question will become irrelevant if greater freedom were permitted?

Mr. Buckley: I think that's a technical discussion, and I leave it to the economists. I don't know enough about the money system in England. I am in favor of a complete, completely free exchange control, so that --

Chairman: You mean no exchange control.

Mr. Buckley: No exchange controls, that is to say, so that a pound would be whatever it was valued at that morning in Lausanne. And it seems to me that's reform that's long overdue.

Mr. Foot: Well that's -- that would be quite -- if it worked like that exactly, it wouldn't be such a bad idea. Some of us have advocated we should -- if you're not going to maintain the present exchange rate you could let it free.

Mr. Buckley: That's right.

Mr. Foot: That would be all right. I think it would be better than what they're doing now. But I agree it is a technical --

Mr. Buckley: You buy that.

Mr. Foot: -- argument, but it is one of --

Mr. Buckley: You can't have that and have the kind of capital restrictions --

Chairman: Gentlemen, I'm sorry, we must take another break.

Mr. Buckley: (After Commercial) Well, Mr. Foot, the trouble with freeing-up a currency in such a way as I would like to see done surely is that there would have to be a tacit commitment among the members of the community of nations to permit a free movement of capital. You can't very well have a complete convertibility unless you have free movement, can you. That runs into your Socialist difficulties once again, doesn't it?

Mr. Foot: Well, as for the -- if you're going to have free convertibility, this was a dream that some people had after the War, you could have a completely free trade world. Of course that involves putting down all the tariffs as well.

Mr. Buckley: I'm in favor of that.

Mr. Foot: Yes -- Oh, well, you may be in favor of it. The United States doesn't show itself so passionately in favor of it -- they've made some reductions over recent years, but on the whole they've remained a fairly high tariff country. But if you're going to run the whole thing on that basis, you would have to have agreements of that nature. I'm not excluding them, but I do say until you have established the power to sustain full employment, you should not go in for these arrangements because the worse deprivation you can make to people in a society is to deny them the right to earn their own bread and their own living and, therefore, --

Mr. Buckley: The question is who's denying it -- the right --

Mr. Foot: The way society is organized --

Mr. Buckley: Correct. Some people say it is capitalists who are denying it to them; some people, like me, for instance, say that who's denying to them is government by making the overhead of life so costly as to make them in effect structurally unemployable. When you use the word full employment, I was talking a while ago with Mr. Clive Jenkins, and Mr. Jenkins uses the term repeatedly. And I forgot to ask him, and would like to ask you as a spokesman for English Socialism whether when you use that term you mean full employment, literally, -- the last employable person, or do you mean less frictional unemployment?



Mr. Foot: I'd like to see -- and indeed up to not so long ago we had it for a considerable period -- unemployment down to less than 2% (blurred) --

Mr. Buckley: (Blurred in overlap)

Mr. Foot: -- just over 1% -- That is, except for those who are injured and unemployable for some misfortune of that kind, except for those -- a job for everybody. That's what I'd like to see. And I believe that so far from it being a good idea, if you want to make big changes in society -- structural changes -- introduce new methods and all the rest, so far from it being a good idea to have some unemployment to assist that process, I think that it impedes it. I think the fear of unemployment is not only an outrage against the individual person, but I think it also holds up the technical changes that society requires because, as I dare say in the discussion with Clive Jenkins, he would have discussed this -- that the more people are afraid of unemployment, the less they are willing to abolish restrictive practices and make the technical changes that are required. So, from the point of view of the efficiency of society, as well as the humanity of society, unemployment is a major evil.

Mr. Buckley: I think you're quite right. I think you're quite right. And I think it's also correct to say that one of the reasons that impedes people in the investment of capital is if they fear that as a result of government interference, they may in fact lose their savings --

Mr. Foot: Yes.

Mr. Buckley: Now, for instance, let me ask you this -- how would you run this through your various concerns. Suppose an American firm were to come to England and say, I will employ 200,000 unemployed Englishmen beginning tomorrow, guaranteed for a period of five years, provided you cut the taxation down on our product - let's say it's an automobile company -- to percentage X and permit us to repatriate the profits, what would you say in the House of Commons -- let 'em come?

Mr. Foot: I'd be very careful about letting them come because I think you'd have to look at the thing very carefully. Obviously, you couldn't allow them to have special

favours, as compared with other industries. Moreover, I think it would be quite wrong to allow the import of capital into this country to be such as it is in some industries where there is full scale American control of some British industries.

Mr. Buckley: Why's that bad? --

Mr. Foot: I think it's bad --

Mr. Buckley: In this family of nations (blurred in overlap)

Mr. Foot: -- in the short run it helps us with the investment, but in the long run it means that, say, the United States might get almost complete control over the motor car industry of this country.

Mr. Buckley: Well, that's not necessarily bad, is it?

Mr. Foot: Well, I think it would be bad, yes, for this reason, if I could explain to you.

Mr. Buckley: You can have our railroad to oblige you.

Mr. Foot: Yes. Well, I think it would be bad for this reason -- that then the decisions, for example, at some future date, whether that industry was going to be expanded, or whether it was going to be expanded in this country or Western Europe, wouldn't rest with the people in this country or a board room in this country, it would be decided in some board room in Detroit. And they might decide it not in the interests of the people here but in the interests of the people in Detroit, and I think if it was the other way round, even the people in the United States --

Mr. Buckley: But, don't you understand, we're talking about a world in which the economic pressures are to be the relevant ones not the political ones. Surely Detroit would continue to produce in England, if competitively they could do better by producing in England. Remember, in our own country of the United States, we've got a President who is going crazy BEC- because of the flight of capital from the United States -- which flight is proceeding in pursuit of advantageous commercial-- (blurred in overlap)

Mr. Foot: Where's some of the capital -- I'll tell you where some of the capital --

Mr. Buckley: -- precisely, it's not staying in there for (blurred by next)

Mr. Foot: I know -- and it's not -- I don't think -- a lot of the capital, of course, some of the capital both in the United States and this country is going to South Africa.

There's a very high rate of profit, as you think is the last -- the most desirable end of all -- there's a high rate of profit -- there's a very high rate of profit in South Africa because they've got a form of slave labor, and, of course there's nothing more profitable than slave labor if you can (blurred) --

Mr. Buckley: Wait a minute, wait a minute. Labor costs much more in South Africa than it does in Ghana -- about 65% more. Why doesn't the capitalist eye Ghana? (Typist guessing at the last sentence - overlap blurred)

Mr. Foot: Yes, but maybe the slave system is not quite so efficiently organized. So that's why they want to send capital to South Africa.

Mr. Buckley: Noooo --

Mr. Foot: I'm not in favor of the decisions about -- the level of unemployment -- (blurred)

Mr. Buckley: You just reached (blurred)

Mr. Foot: -- the level of employment being made by a few capitalists who haven't earned the capital. I think it should be made by the people through their elected representatives.

Mr. Buckley: But it is, Mr. Foot, and this is the basic case against Socialism as I understand it. The people is nothing. The people don't count, don't understand, aren't anything -- what count is individuals. And the moment the individual becomes spoken for, that MASS that you write about --

Mr. Foot: If the people don't count for anything, you have to re-write all the speeches of Abraham Lincoln, Thomas Paine, the Declaration of Independence --

Mr. Buckley: I know --

Mr. Foot: You'd have to tear up all the most famous pages of American history --

Mr. Buckley: Thomas Paine wrote about the rights of MAN, not the rights of MEN. Abraham Lincoln and Thomas Jefferson talked about the individual --

Mr. Foot: (Blurred in overlap) of the people, I think that was Abraham Lincoln, wasn't it?

Mr. Buckley: Yes and (blurred) We know the context --

Mr. Foot: How would you rephrase this great declaration?

Mr. Buckley: Government by, for and of the people individually understood.

Mr. Foot: Government by the --

Mr. Buckley: That's right.

Mr. Foot: -- Capitalist, for the Capitalist --

Mr. Buckley: No, that's kind of silly, isn't it? The point is that Abraham Lincoln is somebody who would be very difficult for Socialists to co-opt. He happens to have been rather effusive in his distrust of excessive government. To say nothing of Mr. Jefferson, who said that government is best which governs least.

Mr. Foot: Uh-hm.

Mr. Buckley: So you will have a very hard time foraging in the 19th Century among American heroes the people to support the (nemeses of Socialism? blurred in overlap).

Mr. Foot: I raise the question, Mr. Buckley, because you were speaking in such derogatory terms about the people, and I was merely pointing out that anybody who --

Mr. Buckley: The people is everybody Stalin talks about.

Mr. Foot: -- I was merely pointing out that anybody who reads the whole of American history will see that it has been shaped largely, insofar as it has been shaped in a movement towards freedom, it has been shaped by people who did believe that the words of the people counted. And, of course, when you try and translate the people into saying, Oh, it's a matter -- just a matter of individuals, what you are denying is the right of the people to join together to make democratic societies and democratic governments -- because, as you say, you hate all government intervention.

Mr. Buckley: Not all, not all, no.

Mr. Foot: Well, well, the suggestion was. Well, when you had very little government intervention as compared with today -- for example, in the Twenties and the Thirties, I remember when I first went to the United States they said let's get back to the earlier days when there was no interference -- no government interference with business. There wasn't much interference, and there wasn't much business either. They had huge slumps, massive slumps

in which a quarter of the population were out of work. That was when you had very little government interference --

Mr. Buckley: In the first place --

Mr. Foot: -- and in fact in the United States it was -- it has been only by progressive, and continuing, and increasing government intervention --

Mr. Buckley: Missster Foot (Laughing) --

Mr. Foot: -- you've been able to remove this heavy legacy of unemployment.

Mr. Buckley: Before -- before -- before anybody's knowledge of American history becomes totally scrambled by this child's garden recapitulation, may I say to you that there have been practically no laws passed since the Depression having to do with the regulation of business. They were all passed back by Woodrow Wilson, before that by Taft --

Mr. Foot: (Both men talking simultaneously) Of course, the decisions about the level --

Mr. Buckley: -- before that by Theodore Roosevelt, and before that by McKinley --

Mr. Foot: -- I am afraid -- it is necessary to continue this history lesson because there seems to be very wide gaps. (Laughter from Mr. Buckley). The reason why the unemployment level in the United States today is much lower than it was in the 1920s and '30s is because the government in your country has adopted -- not sufficiently yet in our belief -- but have adopted, on the whole, Keynesian methods of economic management and financial management which is and intervention by the central government to decide the amount of money --

Mr. Buckley: All right, all right --

Mr. Foot: -- that's in (?) circulation. That's government intervention.

Mr. Buckley: To begin with -- withdraw the fact (both talking at once) -- to begin with, withdraw your previous statement that this had to do with the regulation of business. It didn't. Secondly, it is a false - it is a non sequitur to say that because we don't have unemployment now, it's on account of the Keynesianism. We didn't have a high rate of unemployment --

Mr. Foot: Well, I think that every --

Mr. Buckley: -- before 1923, and there are very learned economic technicians who are prepared to assert the case, whether rightly or wrongly, that Keynesianism is in fact an



irrelevant means of guaranteeing full employment.

Mr. Foot: (Breaks in, but unintelligible)

Mr. Buckley: You've got plenty of Keynesianism over here, and you've got 700,000 people going to be unemployed in the next few months.

Mr. Foot: (Again can't be understood)

Mr. Buckley: You know all about Keynes, so I wouldn't say it is as easy as the management simply reading a Keynes textbook, is it?

Mr. Foot: No, you couldn't --

Chairman: Do, do you think the government here follows Keynes, Mr. Foot?

Mr. Buckley: No.

Mr. Foot: They've, they've followed -- all Western governments follow Keynesian practice generally. Some of us --

Mr. Buckley: Like --

(believe that we must

Mr. Foot: -- (blurred in overlap) -- go further than Keynes because Keynes maybe en-

visaged unemployment on the level that we're having it here. And, of course, the level that we've got in this country is roughly that you had in the United States for years and been content with it, but we're not content with it. We want to reduce it -- keep it well below that level. But I don't believe that anybody, any serious economist on either side of the Atlantic would deny the proposition that it is the adoption of new financial policies during the War and since the War that has made the major difference in the level of unemployment in the United States. Because now governments in the United States, as here, take into account when they're organizing their budgets the level of unemployment which they calculate --

Mr. Buckley: Yeah, you see -- you're mixing your arguments because --

Mr. Foot: (Both talking at once) -- will result from their measures. And so to deny that is to deny the most elementary economic fact which has been accepted by everybody.

Mr. Buckley: If you want to talk about elementary economic facts, one way to avoid unemployment completely is to hire everybody -- and to say to the government, anybody who is

unemployed -- hire him -- all right? then no more problem, right? What we are concerned about is the superior question of how best to help individual people. Let those who are not employed receive the government dole, be taken care of, or whatever. No one at this point is arguing about that. But, if you are, in effect, going to have a full employment policy of that kind, in fact you have no free movement and you don't have a secular rise in the real income of the people. And this is, of course, what the real argument is about.

Mr. Foot: Well, this is --

Chairman: Gentlemen, I'm sorry we must have another break.

(After commercials) Tonight we have a number of students from University College and Imperial College, University of London, here to join in the questioning. The first question will be put to Mr. Foot. Will you proceed.

Student: Mr. Foot, do you think the Labor Government today, or any Labor Government in the future, will ever turn to the Socialist principles as you define them?

Mr. Foot: Well, it isn't only a question of returning to them, it's a question of developing them. There are many Socialist features in our society, like for example, the National Health Service, which applies Socialist principles, and these, I believe, Labor Government will extend. But, I think at the moment they are applying the old Tory treasury policies to our economic affairs, and what some of us are trying to persuade them to do is to accept that that's not necessary, to escape from that Conservative framework and to apply the expansionist policies which I believe they could.

Chairman: Now we shall have a question for Mr. Buckley.

Student (Girl): Mr. Buckley, you believe in a very small amount of government intervention -- complete absence (?) of central, over-all democratic control. If you have a society with no controls, or very little government control, surely isn't it going to end up in such a position that the strongest people -- those in best position to take advantage of the others -- are going to be manipulating the weak people? I assume that you think you're going to be one of the strong, or you wouldn't be advocating this policy. Can you really justify it morally?

Mr. Buckley: Well, I think I reject the horns of your dilemma. If somebody is strong, and I gather you mean materially strong, there wouldn't be any point in being politically strong in my society because there wouldn't be enough power there to wield. If you are in my kind of society the way you would become economically strong is by serving people. Now, for instance, we have a very strong character in America called, Henry Ford; you would think, would you not, by your terms, that he would be able to manipulate the people -- very rich fella. He spends \$200 million on an automobile called the Edsel -- and nobody buys it. Nobody at all. So he loses \$200 million. Now, this suggests to me that the quotes little people continue to exercise a high degree of economic sovereignty. It's they who decide whether to drink Coca Cola or Pepsi-Cola, or buy Edsel cars or not buy Edsel cars -- or elect me to office or elect you to office. And I maintain that in a free society they will continue to exercise that sovereignty, but that they will also let you and me alone to be our own potty little selves.

Chairman: Now, we have another question for Mr. Foot.

Student: Mr. Foot, do you think the British people actually want Socialism, or do they prefer the Capitalist system?

Mr. Foot: Well, I think that they're changing their minds. Maybe, to the distress to some of us, it is that they take a rather long time about it. But I think that they are in fact moving towards a community society -- whatever you like to call it -- one in which the recognition that we're in one community is getting stronger, as compared with fifty years ago, there's no doubt that there's been a much greater recognition that we live in one community, and I think that we will continue to move in that direction because it is the most civilized way. We are all dependent upon one another for our livelihoods. We, none of us can live separately. We all depend on the contribution that is made to society by other people. Socialism is a recognition of that fact, and the recognition that we should live on the same standard -- that we should live in one society, one community, and I believe that we are moving towards that kind of society, perilously slowly, but if you take the National Health Service, as I say, that's an example. It doesn't work perfectly, but it is an example of the strong assisting the weak as was said in the previous

-- hinted -- suggested in the previous question. It is a - the healthy coming to the aid of the sick. It is a civilized way of people to live together instead of the fierce, ferocious competitive society which Mr. Buckley wants which is, in my opinion, a barbarian way of living.

(Mr. Buckley laughs as the Chairman says): Now, Mr. Buckley, we have another question for you.

Student (Girl): I should like to ask Mr. Buckley further about his views on unemployment -- does he believe there should be a permanent pool of unemployment? Isn't it every man's right to have a job?

Mr. Buckley: I reject -- I reject that formulation for -- for I think serious reasons. I don't think anybody has the right -- quotes -- to a job, because the moment you say that, then somebody has a duty to employ. I think that everybody has the right to a society in which maximum opportunity is given to that person to get a job, and I think that if he doesn't get a job, it is the obligation of the society to look after him. Which is a little bit different from giving him a job. Now, whether this is ferocious, I don't know. It seems to me to characterize as ferocious the kind of world that I know, or approve of, is to distort the perspectives. I would far rather be caught in a fight between Mr. Ford and Mr. General Motors than I would, say, in a fight between Mr. Callahan and Mr. Foot. The kind of ferocity that I see exhibited by Mr. Clive Jenkins, for instance, or other people in the House of Parliament, strikes me as every bit as primitive as anything that ever happened in the robust society of laissez-faire. There's much more at stake, you see. Everybody's freedom is at stake.

Mr. Foot: You're mixing up two things, I think, Mr. Buckley. The controversies between myself and Mr. Callaghan (sp.?) or Mr. Jenkins and Callaghan -- that's a matter of free speech. I thought you were in favor of that a little while ago --

Mr. Buckley: I am, I am (Both men talking at once)

Mr. Foot: -- but it can be ferocious -- (blurred) if you exercise it. (Laughing)

Mr. Buckley: -- I'm in favor of it -- I'm just saying it's very ferocious, that's all.

Mr. Foot: That's a very different question from the form of competition which puts some

people out of jobs or denies people the right to a proper sustenance in their old age, or forms of competition which means that --

Mr. Buckley: Well, Callaghan (sp.?) --

Mr. Foot: -- people are -- that you live in a permanently unstable society --

Mr. Buckley: According to --

Mr. Foot: -- people want a more civilized sss-- er, design for society, than they've had.

Mr. Buckley: Even according to your own terms, Mr. Callaghan's having beaten you in this debate meant 700,000 unemployed. (Laughing)

Mr. Foot: I think that's a great pity. I think we'd been better off if I won. But I propose to go on persuading people that my arguments are better.

Mr. Buckley: Ah, you lost that one -- you lost that one.

Mr. Foot: You mustn't -- you mustn't -- you mustn't identify yourself with Mr. Callaghan. I think it would be unfair to both of you. (Laughter)

Mr. Buckley: Yes, I certainly do. (Laughter)

Chairman: Mr. Buckley, let me ask you a question: If I understood you correctly, you freely advocated the investment of American capital -- American motor car manufacturers in particular -- in Great Britain and other countries.

Mr. Buckley: Yes. Anybody, anywhere.

Chairman: Well, now, isn't it a fact that whenever a substantial proportion of a given industry becomes American-owned in any country, we find a great deal of resentment against the United States, and anti-Americanism in that particular country grows like wildfire.

Mr. Buckley: Weeeeell, that's a cultural argument. The so-called Coca Colanization of Europe. There's a lot of resentment and we, I suppose, have every reason to resent the Beatles. After all, they dominate us every bit as much as Coca Cola dominates you. But I think that is just the way it is. I don't -- I don't think it's part of my obligation to please you or yours to please me. It seems to me that we should just get by -- run our business -- you buy my products if you want to, and I'll buy yours --



Mr. Foot: Yes -- I -- think that's right. I thought what we were --

Mr. Buckley: -- and if we end up disliking each other, that's just the unfortunate fact of human envy and greed.

Mr. Foot: Well, I thought that what we were arguing about partly was what kind of society we thought was a good one.

Mr. Buckley: That's right, yeah.

Mr. Foot: I don't think the society in which everybody is nervous about his job, in which everybody is competing with his neighbor, and in which everybody is trying to show that they're slightly superior to their neighbor -- I don't think that's a good kind of society.

Mr. Buckley: You're so --

Mr. Foot: You have a part of that in your country, and we have a lot of it in this country.

Mr. Buckley: You're so class conscious. You see, we're not class conscious in America.

Mr. Foot: Well, (laughs) I, -- we're not -- we're not -- I think --

Mr. Buckley: I'm trying to be superior.

Mr. Foot: -- we might have another chapter of American history to (blurred)

Mr. Buckley: (Blurred in overlap) -- this business of superiority --

Mr. Foot: -- there seem to be a few clashes going on in the United States at the present time which are partly associated with class in the sense of different economic standards --

Mr. Buckley: You can't find an American who admits to being a member of the lower class. He just simply is un-selfconscious about the matter. Now, c'mon and admit it. This is a cultural difference. And, under the circumstances, we don't go into traumas about what classes we are. We have complete upward mobility -- thank God -- because we're not socialized -- not completely socialized.

Mr. Foot,

Chairman:/ Would you say that anti-Americanism had been encouraged in Great Britain because of American ownership of some of the industries?

Mr. Foot: No, I don't think that's a -- it may be a partial cause of it, but I don't think it's a main cause at all. And I don't believe there's any great anti-Americanism in this country. I think there's a great deal of criticism of American policy in Vietnam, for example

On the many other aspects of American foreign policy, there are people who criticize the policy for the same reason -- same good reasons in my opinion -- that many Americans criticize it. But the idea that this country is racially anti-American in any sense at all I think is quite wrong. If it were true, I think it would be most deplorable, but I don't think it is the case --

Chairman: I'm sorry; we must bring our discussion to a close.

(After commercials) Ladies and Gentlemen: Tonight our topic has been, "Is Socialism the Answer?" -- and with two such eloquent advocates of the respective points of view as Mr. Foot and Mr. Buckley, I am sure that, as a result, you all know whether or not it is the answer. Thank you, Mr. Foot. Thank you, Mr. Buckley. And thank you, students of the University and Imperial Colleges of the University of London for your questions and attendance.

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