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**10. After Old Corruption: Westminster scandals and the problem of corruption, c.  
1880–1914**

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Historians have shied away from seeking to measure or assess the extent of corruption among the Westminster elites during the late Victorian and Edwardian periods. This is not for want of scandal, for the scandals were many, from those surrounding the collapse of imperial banking and mining ventures through to the ‘trading of honours’, the award of armament contracts and the shareholdings and directorships of ministers, MPs and peers. Rather, it is because, ultimately, for all the speculation and insinuation, none of the scandals resulted in the discovery of any actions that all could agree were ‘corrupt’. Even the Marconi scandal (1912–13), the biggest of them all, failed to result in any ministerial resignations. This hardly detracts from their significance, of course. As G. R. Searle long ago argued, however ill-defined or precise, proven or disputed, the allegations of corruption that swirled around the world of late Victorian and Edwardian Westminster were a product of often bitterly fought, partisan battles to define proper conduct in public life and to appear on the side of the common good and the national interest.<sup>1</sup>

Searle’s historiographical premise is exactly right and the point might be amplified: as the introduction to this volume has suggested, then, now, always, the multiple meanings and contestable applications of ‘corruption’ are impossible to disentangle from political struggles to define the use and abuse of power. Quite where, and how, this remarkable profusion of scandals fits within the broader history of corruption, however, remains unclear. Searle’s otherwise masterful account is

largely silent on this question, as are other, more patchy works.<sup>2</sup> To be sure, novel contextual factors loom large in the existing literature, among them the waning power of the landed aristocracy, the rise of commercial, financial and industrial wealth, and the rapacity of the 'new imperialism'. Beyond this, however, no attempt is made to situate the scandals in relation to what came before, or to analyse what they might tell us about the shifting contours of corruption as a mutable, if persistent, problem of public life. The implicit suggestion seems to be that, with the passing of Old Corruption, established reforming impulses naturally sought out new manifestations of corruption, as if pursuing a linear trajectory of mounting intolerance. Standards were raised; definitions became clearer; and if the problem persisted, it did so because the quest for purity intensified, invariably seizing upon the new possibilities for malfeasance that arose in the novel circumstances of the time – but even if this is the case, it is still not clear where we should look to find evidence for it.

This chapter seeks to make up for this neglect and to offer a brief sketch of just this: how the problem of 'corruption' mutated during the late nineteenth and early twentieth centuries as it centred on the conduct of the Westminster elites. The first part sketches what might be called the linear, progressive part of the transformation, whereby problem was refined and reduced in scope. Crudely, whereas earlier it had principally been conceived as an institutional problem, it now became primarily a matter of the personal probity of ministers, MPs, peers and party agents. The second part of the chapter works in the other direction, arguing that, however much the problem was refined, it remained highly indeterminate. This was partly because particular scandals were read as symptoms of more general, deeper degenerative forces; but it is also because the very same partisan, democratic pressures that helped to focus the problem also served to confuse it, generating intensely politicised, and ultimately unresolved, exchanges about the morality of what had taken place. In sum, if the problem was by no means reinvented at this juncture, it was nonetheless framed and contested, refined and confused, in novel ways. Three corruption scandals are used by way of illustration: the Hooley affair (1898), the Kynoch affair (1900–01), and the Marconi affair.

## **The refinement of corruption**

It is not, it should be emphasised, that the meanings of 'corruption' changed to any significant degree. In broad terms, it continued to signify the abuse of public office for private financial gain, much as it had for centuries; and it remained open to various readings, from those that focused on the details of cases to those that aimed to understand these cases as a product of some kind of degenerative process or force – again, much as it had for centuries.<sup>3</sup> Rather, it is that the terms of debate changed: which is to say, the general sense of where corruption was principally located; how it was expressed; and what was at stake in its reform. It is in this respect that we might speak of a process of refinement and reduction.

In very obvious ways, the Westminster corruption scandals of the late Victorian and Edwardian periods were novel, centring as they did on two issues that had previously attracted only limited attention: the shareholdings and directorships held by MPs, peers, and most of all government ministers; and party funding and the award of honours. As historians have suggested, the shifting location of corruption reflected the shifting location of power. On the one hand, it reflected the growing influence and prestige of 'plutocratic' forms of joint-stock capitalism and the further consolidation of the City of London as the world's leading financial centre.<sup>4</sup> On the other hand, it reflected the advent of so-called 'government by party'.<sup>5</sup> After roughly 1880, partisan discipline was asserted more aggressively within parliament, just as nationally organised parties – Conservative, Liberal, Liberal Unionist and then the Labour Party – emerged as the principal vehicles for the expression of the 'popular will' of a mass, if not wholly democratic, electorate. Financially, too, parties became more important. This was largely as a consequence of the 1883 Corrupt Practices Act, which began to shift the cost of fighting elections away from local candidates to central party machines, meaning that the latter were faced with the challenge of raising funds and building electoral 'war chests'.

But we can also point towards some more general, long-term shifts in the way the problem was posed. For one thing, it was now understood, first and foremost, as a

problem of the personal probity of public office-holders and party agents. To be sure, amid the multiple, criss-crossing currents of reform that engineered the slow death of Old Corruption, it is easy to identify concerns of this sort. Radicals, after all, consistently launched highly personalised attacks on the elite, accusing Tory and Whig ministers, as well as law lords, bankers and churchmen, of nepotism, greed, laziness, and profiteering. Equally, the elites themselves, especially from the 1820s, slowly but surely came to act with greater integrity. Compared to their predecessors, they worked harder and exercised patronage more lightly, seeking to cultivate what Philip Harling has termed a 'public service ethos'.<sup>6</sup> We might also mention anxieties regarding the conduct of MPs. In 1855, for instance, MPs were required to make a declaration of disinterestedness, local and personal, if they were to sit on committees scrutinising private bill legislation.<sup>7</sup>

Yet, the personal failings of the elite were never at the heart of the abundant analyses that appeared of Old Corruption. Rather, they occupied a subordinate position in diagnoses of corruption that were primarily *institutional* in nature, and that targeted a range of administrative, fiscal and constitutional injustices. The radical critique was the most comprehensive, emphasising all three of these strands, in contrast to more respectable, 'indoor' and elite forms of opinion, which were decidedly more circumspect. Crudely, liberal-Tories emphasised fiscal retrenchment, Whigs and 'reformers' constitutional innovation; though both groups embraced administrative reform, albeit in more activist, social forms in the case of the Whigs and their allies. Nonetheless, for all the differential emphases, the point holds good and is evident in the multiple reforms that eventually took place: the extension of the franchise and the eradication of 'rotten boroughs'; the abolition of sinecures; the curtailment of the fiscal and administrative privileges of the Anglican Church; the repeal of the Corn Laws; and the emergence of a reformed 'civil service', among many others. As historians have argued, however idiosyncratic and class-bound the British state remained, its moral prestige was significantly enhanced as a result. By the 1850s, the once strident radical critique had lost much of its bite, and had been all but extinguished by the 1870s, following 1867 Reform Act.<sup>8</sup>

It was in this context that the ethical-personal dimensions of corruption came to the fore, flourishing at precisely the moment when these institutional elements fell away, and focusing, above all, on partisan agents (party officials, ministers, MPs and peers) who might, pending a successful election, control and influence the powers of the state. The key manifestation of this was the novel emphasis placed on personal 'conflicts of interest', and in particular conflicts between an office-holder's 'private interests' on the one hand, and his 'public duties' and the 'public interest' on the other – an idiom indeed that seems to have become decidedly more current after 1880. The scandals examined below are testament to this, but practices changed, too. A crucial threshold was passed in 1892, when Gladstone decreed that his cabinet ministers should resign any directorships in public companies. To be sure, this was not strictly adhered to, and the principle would lapse entirely under the ministries of Salisbury and Balfour; but it was properly enforced after 1905 under the Liberal governments of Campbell-Bannerman and Asquith.<sup>9</sup> Meanwhile, Radical and Liberal MPs called for still stricter standards of conduct (e.g. that Gladstone's rule should apply to all ministers, of whatever rank); and the vexed question of quite how and when the private financial interests of MPs disbarred them from voting in the Commons was revived during the 1880s, having lain dormant for almost forty years. Some ten debates were held on the subject prior to 1914; and in 1896 a select committee re-examined the matter.<sup>10</sup>

The growing preoccupation with conflicts of interest might be readily seen alongside parallel efforts to criminalise corruption, and more especially bribery, which resulted in a triplet of statutes passed between 1889 and 1916 that targeted councillors (1889), businessmen (1906) and civil servants (1916).<sup>11</sup> All attest to the development of more refined standards of conduct. But this should not detract from a further shift in how the problem was posed at this juncture, at least as it affected the Westminster elites: namely, in what might be called the horizon of reform, and the overall sense of what was at stake. In terms of the struggle against Old Corruption, the general desire was to secure a more neutral, disinterested state.<sup>12</sup> Although this came in various forms, from dominant liberal-patrician varieties to more marginal, radical ones, the broad aim was to ensure that narrow, sectional and sectarian interests were

no longer embedded in the constitutional and administrative fabric of the nation-state, but instead were subject to fair-minded and balanced representation in parliament. If the overall ethos of reform was, in this sense, at once ambitious and idealistic, it was also practical and hard-headed, seeking demonstrable changes in the way the state worked (e.g. lower taxes; a more inclusive franchise, etc.).

By contrast, just as the problem of corruption was refashioned in more ethical-personal terms after roughly 1880, so too did it become less a matter of institutional reform, and more one of managing the *risk* of corruption and the *appearance* of improper conduct among office-holders and party officials. The assumption now was that they were, by virtue of their very status as such, exposed to the danger of corruption, and that, furthermore, even the mere suspicion that personal pecuniary interests were informing public decision-making was profoundly damaging to popular trust in government and parliament. The key manifestation of this was the repeated insistence, which again became more pronounced after 1880, that all office holders should be 'above suspicion', a point often made with reference to the second wife of Julius Caesar, whom Caesar divorced not on the grounds that she had committed adultery but because the intrigue surrounding an alleged affair had brought dishonour upon himself. Indeed, what Lloyd George in 1900 dubbed 'the rule of Caesar's wife' became a well-worn maxim of public life.<sup>13</sup> Just this sentiment informed the (unofficial) ministerial code that Gladstone pioneered in 1892, and was a core component of the scandals examined below. It even claimed a couple of ministerial casualties: A. J. Mundella in 1894, as President of the Board of Trade, and William Hayes Fisher in 1903, as Financial Secretary to the Treasury. In both cases it was on account of their involvement in companies that had acted improperly, leading to action in the courts; and in both cases, the ministers chose to resign on the grounds that they were at risk of bringing public life into disrepute, even as they protested their innocence (if not carelessness).

Once again, we might speak of rising standards, in this case the emergence of a kind of pre-emptive ethical policing that targeted not just actual but also possible and perceived conflicts of interest. Yet it should also be seen as registering a limit in the

long-term pursuit of purity, marking the end of the institutional idealism that had informed the dismantling of Old Corruption, and the advent of a more modest culture of reformist aspiration. It would be wrong to call this fatalistic. But it was premised on the exercise of a form of cynical-critical vigilance by parliament and the press, born of a novel sense that politicians and parties were now fated to struggle against speculative suspicions that they were engaged in self-interested and possibly corrupt behaviour – hence, precisely, the premium placed on *appearing* above suspicion. This no doubt reflected the development of a less deferential, more democratic polity; but it also reflected a shift in political culture after the 1880s, whereby the articulation of interests, including commercial interests and those of property and labour, was now seen as the very stuff of politics. As Jonathan Parry has argued, writing of ‘the decline of institutional reform’ during the nineteenth century, now that the state had been largely freed from class-based and sectarian interests, they could be pursued more aggressively via parties and the ‘party system’.<sup>14</sup> To give but two examples, parliamentary lobbying by special interest groups was now undertaken on a more ambitious basis by national rather than local organisations; and the mid-Victorian consensus on the need for fiscal retrenchment gave way to the party-politicised one of fiscal redistribution, amid growing levels of civil spending.<sup>15</sup> It is no surprise that politicians and parties now had to work so hard to banish suspicions regarding their probity, for they were now the primary conduits for the assertion of so many different varieties of economic self-interest.

### **The confusion of corruption**

We might, then, speak of a process of refinement in the form and location of the problem, even of rising standards, compared to what had come before. Yet, as the three major Westminster scandals examined here attest, none of this made for greater levels of definitional clarity, still less any sort of political or moral consensus regarding what constituted or caused ‘corrupt’ behaviour. Some of the details of these scandals

are returned to below; but a summary of their essential features is necessary before turning to the ways in which, amid the new culture of party-based government and cynical vigilance and speculation, they were steeped in a blizzard of competing and highly politicised readings.

The first, the Hooley affair, erupted in 1898. Hooley was the quintessential plutocrat, who made (and lost) millions selling companies during the 1890s, including Dunlop, Schweppes and Bovril. He had long courted the favour of the political classes, appointing a number of MPs and peers to serve as 'guinea pig' directors to the many companies he promoted; but it was the light cast on these connections during a bankruptcy case in 1898 that caused such a public stir, culminating in revelations that he had donated £10,000 to the Conservative Party and handed over a £50,000 cheque in the hope of obtaining a baronetcy.

The second, the Kynoch affair, broke in 1900 amid the unfolding embarrassment of the Boer War and revolved around Joseph Chamberlain, then Colonial Secretary, and his family's business interests. It began with the discovery that Kynoch & Co., a Birmingham-based armaments firm chaired by his brother, Arthur, had been given a contract by the War Office on favourable terms. It was then revealed that a number of other firms in which Chamberlain's family held financial interests had benefited from contracts with the War Office, as well as the navy, when his son, Austen, was acting as Civil Lord of the Admiralty: Hoskins & Sons, which was managed by another of Chamberlain's sons, Neville; as well as Tubes and Elliot's Metal Company, in which various family members held shares.

The third is the Marconi scandal. It began in 1912 with rumours that key government ministers – Lloyd George, then Chancellor of the Exchequer; Rufus Isaacs, the Attorney General; and Alexander Murray, the Liberal Chief Whip – had profited from their shareholdings in the British Marconi Wireless Telegraph Company, which was then in the process of securing a contract with the Post Office to construct an empire-wide chain of radio stations. The ministers strenuously denied the charge in parliament in October, but it was then established during the course of a subsequent



select committee investigation, which reported in June 1913, that they had in fact traded shares in the British company's American counterpart.

All three scandals turned upon a broad understanding of corruption as the abuse of public office, and more especially, in its more refined variant, corruption as a 'conflict' of public and private interests. This exact language indeed was widely used at the time and applied, more or less precisely, to the scandals in question. 'The real point is the wisdom of allowing public servants to have private interests in companies which may tempt them to push those interests at the expense of the public interest', noted Robert Blatchford's socialist weekly, the *Clarion*, of the Kynoch affair.<sup>16</sup> Crucially, however, this understanding furnished little more than a very general, and altogether mutable and disputable, normative framework in all three cases. The point is not that no resignations ensued (Murray resigned in mid-1912, but ostensibly for other reasons and he became a peer shortly afterwards). Rather, it is that in all three cases 'corruption' remained an indeterminate, multi-perspectival phenomenon, exceeding any definite interpretive closure as such, and remaining confused. This is partly because it was possible to read particular instances of questionable (possibly corrupt) behaviour as manifestations of destructive social developments or darker, immoral forces. But it is also because all three scandals were steeped in conflicts regarding whether or not anything corrupt really had taken place, as well as claims and counter-claims regarding the sincerity of those asking questions and those defending the accused.

*Symptoms, signs, causes:* The first of these elements – reading scandals as signs or symptoms, and positing underlying causes – mobilised degenerative understandings of corruption as a process of social disintegration and political subversion. To be sure, these were socio-historical understandings, free of the cosmological and theological assumptions that had underpinned medieval and early modern visions of societal decay and moral degeneration.<sup>17</sup> They were also hugely varied. Quite how deep the malaise went, and whether it was a matter of general public morality, or something more structural and even conspiratorial, was a moot point. Nonetheless, however

indistinctly, they all probed beneath the surface, seeking to make sense of the often complex details of alleged or actual transgressions with reference to underlying forces or processes which were, in some sense, degenerative and corrupt, that sapped or perverted the moral fibre of the governing classes, much as they did society more generally.

The Marconi scandal was the source of the most extreme diagnoses, and most of all at the hands of the 'radical right', where it was elevated into a sign of social decay and the growing, if hidden, power of plutocratic finance. Two periodicals in particular helped to advance this reading: the *National Review*, edited by the strident Unionist, pro-imperialist, Tory 'die-hard', Leopold Maxse; and *Eye-Witness*, founded in 1911 and renamed the *New Witness* in 1912, which was staffed by disillusioned Tories and Liberals, among them Hilaire Belloc and Cecil Chesterton, who served as editors. Of the two, Maxse's *National Review* advanced the more party-political reading, suggesting that the affair was part of the broader ruin heaped on the nation by the malign march of what the journal called 'the Radical Plutocracy' and the murky nexus of wealthy businessmen, 'cosmopolitan financiers' and newspaper proprietors who, it suggested, dictated and benefited from Liberal policy and funded the lavish lifestyles of Liberal ministers.<sup>18</sup> Still more extreme was the analysis of the *New Witness*, which offered a powerful brew of conspiracist antisemitism (Isaacs was Jewish, as were other key players); alarmist forecasts of national decline; and a profound hostility not just to the Liberal Party, but the entire 'party system'. As early as August 1912, much before any serious revelations had emerged, it suggested that the scandal was 'the symptom of a disease that is showing itself in twenty other forms upon the skin of England', having linked it to the nefarious power of financial – and mostly Jewish-owned – capital, and the growth of a supine, self-interested class of 'professional politicians'.<sup>19</sup> Similar instances abound: in May 1913, invoking much the same factors, it spoke of the 'disintegration' and 'decay' of the nation and prophesied an impending moment of revolutionary renewal, when England would at last 'shake itself free from the corrupt and largely alien plutocracy that at present govern us.'<sup>20</sup>

Radicals and socialists, too, read the Marconi scandal as a symptom of underlying social developments, in their case as a manifestation of the greed and moral irresponsibility that invariably accompanied an advanced capitalist society; but it was the Kynoch affair that most belonged to the left in this respect, in contrast to those on the right, who seem to have refrained entirely from divining any broader significance in it. The long-standing radical weekly *Reynolds's Newspaper* readily made sense of the affair in terms of an established narrative of the stubborn persistence of 'Class Government' amid the growth of democracy. The Chamberlain family's interests in selling armaments, it claimed in December, were part of the growth a 'Corrupt Oligarchy', run by the elites in their own interests. Parliament was awash with paid City directorships, it noted, while cabinet ministers like Chamberlain ensured that if they did not personally profit from office, then their relatives did: 'All is anti-popular, plutocratic, an affair of families, coteries and cliques.'<sup>21</sup> A similar reading was advanced by *Justice*, the weekly organ of the radical left Social Democratic Federation, which read the scandal a further sign of a wide-ranging 'decadence' that encompassed unprecedented urban sickliness, the humiliations of the Boer War and the parlous state of India. The Empire was 'rotting at its heart,' the nation 'beginning to decay.'<sup>22</sup>

The Hooley affair was likewise grist to the mill for those that sensed, however imprecisely, that British society was being undermined by darker forces. In his *Efficiency and Empire*, published in 1901, the campaigning journalist and leading antisemite, Arnold White, integrated the affair into an analysis of the 'degradation of the honours system', which itself reflected the malign influence of 'Germans Jews and unsavoury finance' on public life and a weakness of patriotic purpose in the nation at large.<sup>23</sup> For the most part, however, it was read more straightforwardly, partly in moral terms as a sign of growing greed among the elites, and partly in more social and political terms as a manifestation of how the power and prestige of the 'old' landed elite was being sapped by the incursions of the 'new' wealth of commerce and finance. The Liberal journal, the *Speaker*, for instance, decried the emergence of a 'social system which permits the refined gold of patrician prestige to be gilded by a Hooley', who was nothing but a vulgar interloper, making for a novel alliance of 'Snobbery and

Jobbery'.<sup>24</sup> Or again, according to the *National Review*, though it was hardly news to City insiders, the affair had brought into the open the growing and 'corrupting influence of the company monger', and their rapacious desire for political patronage and the trappings of power. That peers and party managers had colluded with such grasping only attested to their diminishing honour and the development of a form of 'social rottenness' within Britain's governing elite.<sup>25</sup>

*Details, distinctions, transgressions:* The assumption made by commentary of this sort was that the personal actions and relations of those at the centre of the scandals attested to some kind of 'corrupt' or 'corrupting' process or force affecting society. The question was quite what this amounted to. Yet this was to operate only at a particular level of analysis. Another consisted of zooming in, rather than zooming out: which is to say, probing the details of each scandal and determining what, if anything, might be considered 'corrupt' – and if not, then what sort of transgression had taken place, again, if any. It is not that one form of analysis prevailed over the other. Rather, they coexisted, often in the pages of the same journal, complementing and complicating each other.

In the case of the Hooley affair, the practice of peers and MPs acting as paid directors and allowing their names (and reputations) to appear on promotional material advertising shares was certainly regarded as distasteful, but it was rarely condemned as corrupt. Some even excused the practice.<sup>26</sup> Likewise, even in relation to Hooley's offer of £50,000 for a baronetcy, the general consensus was that, ultimately, nothing corrupt had taken place, even if all could agree that this particular aspect of the affair was altogether 'sordid' and 'dirty', and reflected the way the honours system had fallen into public disrepute. This was principally because the cheque had been returned, un-cashed, and no title was forthcoming; but some went further, arguing that success in business and donating to political parties might legitimately be construed as a form of 'public service' and thus grounds for the receipt of an honour. As the *Spectator* argued, Hooley's real offence was to have acted in such a brazen, cack-handed fashion; but there was nothing in principle wrong or corrupt with

awarding titles to men of substantial wealth. What was required was discretion; and in this case the Conservatives had acted with appropriate care when confronted by a clumsy chancer like Hooley.<sup>27</sup>

The Kynoch affair turned on analogous points of detail, generating conflicting arguments about what kind of misconduct, if any, had been perpetrated. The core charge indeed was not that Chamberlain had acted 'corruptly', even though he and his family had financial interests in multiple private companies that benefited from government contracts. No one explicitly suggested that he had sought to intervene in, or influence, the award of particular contracts. Rather, as Lloyd George distilled in a Commons debate in December 1900, it was that Chamberlain had brought his private interests into conflict with his public duties as Colonial Secretary, thereby creating the impression of impropriety and damaging public trust in the probity of government.<sup>28</sup> Yet, even on this lesser charge, opinion was divided. For some the case against Chamberlain in this respect was emphatic, including suggestions that had he been a council officer he would have fallen foul of regulations regarding the possession of private interests in municipal utilities and been forced to resign.<sup>29</sup> In reply, his allies in the press and parliament marshalled a variety of points, essentially arguing that any suspicions were entirely unwarranted. Chief among these were that Chamberlain had only modest interests in just two of the companies in question, in one case via a trust fund; that he was not responsible for the financial affairs of his family; and that for most of the companies, government contracts accounted for only a fraction of their income. More broadly, it was argued that to insist on such exacting standards would lead to a situation where it was expected that all public officeholders should have no private financial interests at all, which for some was at once unjust, absurd and counter-productive. As Chamberlain himself put it, in a sentiment widely endorsed in the right-wing press, if such a standard were insisted upon 'no man who is not a pauper' could 'safely assume public office in this country'.<sup>30</sup>

The Marconi scandal was characterised by a similar sprawl of competing assessments. Although the details of the case were pored over from the start, debate regarding the conduct of the ministers came to a head in June 1913, with the

conclusion of the select committee inquiry and a two-day debate in the Commons, all of which was covered extensively in the press. The select committee itself failed to reach any consensus, publishing two reports, a Liberal-authored majority report and a Conservative minority report. Both reports cleared the ministers of corruption; but whereas the Liberal report cleared the ministers of any wrongdoing whatsoever, the Conservative report was decidedly more critical. Its key point was that the interests of the two Marconi companies, the British and the American, though legally distinct, as the Liberal report had highlighted, were in practice commercially linked; and that to trade shares in the latter while the government was finalising a lucrative deal with the former was 'very undesirable' and should be censured, not least because it had generated the impression of corruption.<sup>31</sup>

Further arguments, emphases and nuances were developed in the Commons debate. Speaking as prime minister, for instance, Asquith introduced a distinction between what he called 'rules of obligation', which proscribed entering into conflicts of interests, and 'rules of prudence', which dictated that all efforts should be made to avoid the appearance of such conflicts. Clearly, he suggested, the ministers had not violated the former; and if, as critics suggested, they had violated the latter, then it was important to remember that they had done so 'with complete innocence'.<sup>32</sup> Meanwhile, some Conservatives MPs, whilst distancing themselves from accusations of corruption, argued that the greatest impropriety in the whole affair was the failure of the ministers to have been honest from the outset regarding their interests in the American company. As Balfour put it, speaking as leader of the opposition, though they had never lied, their conduct had been characterised by 'a want of frankness'. The facts had thus emerged only slowly and painfully, and it was this, more than anything, which had proved so damaging to the reputation of the British government.<sup>33</sup> The point was widely endorsed, much as it was in the case of the Hooley and Kynoch affairs: even if no corruption had occurred, public life had been tainted and public trust degraded.

*Mudslinging, whitewashing, hypocrisy:* The final element that should be noted is the way all of the scandals were both understood and critiqued as deeply embedded in party-politics and the pursuit of partisan gain. This assumed various forms, from suggestions of ‘mud-slinging’ – a novel American phrase – to accusations of feigned outrage and partisan hypocrisy; but the overall effect was to add a further, cynical twist to the confusion noted above, casting aspersions on the integrity of those who ostensibly professed to care so deeply about the purity of public life. To be sure, allegations and insinuations of corruption and impropriety had long been related to considerations of partisan posturing, stretching back to the Court and Country antagonisms of the eighteenth century. Now, however, amid the ascendancy of party-based discipline and conflict, corruption scandals were consistently defined in such terms from start to finish, forming a core ingredient of what made them so scandalous and so damaging to public life.

The charge of partisan hypocrisy was most pronounced in the case of the Hooley affair, and in particular Hooley’s attempt to purchase a baronetcy. As radicals on the left and right were fond of pointing out, although in this instance the Conservatives were in the spotlight, the Liberal Party had little reason to feel superior, given that they, too, had distributed honours to party donors, some of them entirely dubious (and indeed, once in office again after 1905, the Liberals would award titles in record numbers).<sup>34</sup> As the MP Henry Labouchere put it, in his journal *Truth*, ‘But for official Liberalism to abuse Conservatism for selling titles is mere hypocrisy. Both do it’ – or as he put it more proverbially, ‘The pot must not call the kettle black.’<sup>35</sup> Only radicals like him, he suggested, had ever genuinely opposed the sale of honours. The same point was made on the right, some of whom even used the Tory-centred Hooley revelations to attack the Liberals and reverse the flow of outrage. In a piece in the *National Review*, presaging his later, more developed critique of ‘Radical Plutocracy’, Maxse suggested that because the Liberal Party was more in need of money than the Conservatives, it had been more readily manipulated by wealthy donors in search of an honour; and Hooley’s cheque, after all, had been returned. The conclusion he drew was brutal: it was ‘one reason why there is no independence, no life and no ideas

among the Liberals of today. They have to take their marching orders from semi-educated plutocrats without political convictions.’<sup>36</sup>

Charges of hypocrisy ultimately turned on a sense that the two major parties were as bad as each other. It was more common, as in the Kynoch and Marconi scandals, for one party to seek to undermine the sincerity of the other. The classic charge in this respect was to accuse opponents of working via insinuation and failing to abide by common standards of decency – a charge indeed that critical MPs and newspapers often sought to pre-empt by the almost ritual insistence that they were doing nothing of the sort. The entire course of the Kynoch affair was distinguished by attempts on the part of Chamberlain to portray himself as the victim of a partisan assault on his honour. The Commons debate noted above was full of rancorous exchanges of this sort, with Chamberlain accusing Lloyd George of confecting his concerns about ministerial probity as ‘a peg on which to hang a personal attack upon himself.’<sup>37</sup> Balfour, then leader of the Commons, was equally ferocious, charging George and his supporters with employing a ‘flimsy pretext’ on which to launch a politically motivated assault on his colleague’s character. He accused them, too, of acting insincerely when they suggested, as they did, quite assiduously, that they had no intention of implying that Chamberlain had acted corruptly. As Balfour pointed out, this had been a key Liberal campaigning tactic in the recent general election (the notoriously nasty ‘Khaki election’ of 1900); that they now professed otherwise only heightened their ‘humiliation’.<sup>38</sup> Not for the first or last time, the press reaction was split along party lines. Liberal papers leapt to Lloyd George’s defence, suggesting he had only been asking legitimate questions. Tory papers, by contrast, were outraged, suggesting it was deplorable instance of ‘Joe-baiting’ and ‘mud-slinging’. *The Times* was especially indignant, accusing Chamberlain’s critics of punching ‘below the belt’ in a debate where ‘party spirit’ had run amok: ‘The attack on Mr Chamberlain was not, as it professed to be, an attempt to assert the abstract principle of purity in public life. It was an endeavour to discredit the character of a statesman who has made himself obnoxious to the opposite party.’<sup>39</sup>



The same claims and counterclaims distinguished the Marconi affair. The City-based rumours that initiated the scandal were widely thought by Liberals to have been generated by opponents of the government – an impression only confirmed by the way they were amplified in a conspiratorial fashion at the fringes of right-wing opinion. As the scandal developed, it was a matter of common acknowledgment that the select committee conducted its work in a partisan fashion, culminating in the publication of the majority Liberal report and the minority Conservative report. Critics were brutal in their assessment of the former: as the Tory-supporting *Saturday Review* detailed, in an editorial ironically entitled ‘Cleared!’, it was a manifest attempt to ‘whitewash’ the ministers in question, which had been followed by only more ‘whitewashing’ by their allies in the Commons.<sup>40</sup> But supporters of the government hit back with just as much force, defending the honour of Isaacs and George in particular, and questioning the integrity of those who refused to accept that they had been cleared of any substantive wrongdoing. An editorial in the *Manchester Guardian* provides an exemplary instance of the way the Liberal press sought to wrest the mantle of moral authority from critics of the government and cast them as the real villains. The minority report, it suggested, had ‘so piled suspicion on to suspicion as to create an instinctive revulsion in favour of the accused’, while the sceptical questioning by some Conservative MPs in the Commons had thrown ‘a flood of light on the attitude of mind in which this whole affair has been approached by certain partisans’: ‘No suspicion is too gross, no method of insinuation too subterranean, to be rejected by their fancy.’<sup>41</sup>

## Conclusion

In conclusion, it might be emphasised that the argument of this chapter is by no means entirely at odds with accounts that point to rising standards of public life over the *longue durée*. One aim has been to inject some precision into where we should look for evidence of rising standards following the demise of Old Corruption. Yet it has also sought to argue that, although we can and should speak of a process of refinement

and reduction, we also need to attend to quite the opposite: a process of confusion, whereby the problem of corruption became politicised in new and more intensely partisan ways, while continuing to attract varying forms of analysis, from those that focused on abuses of office to those that sought to understand these abuses as the product of degenerative forces. It is this latter aspect of the argument that should give us pause before we take comfort in stories of progress and integrate this period into a broader narrative of diminishing corruption. For however much standards might have improved or become more exacting, it is evidently not the case that they stimulated growing clarity, consensus or precision about the nature of 'corruption' and how the term should be applied.

What still requires more work is the link between these two processes and accounting for how, and why, the problem of corruption developed according to this two-fold trajectory. Clearly, as argued above, changes in political culture must form part of the answer, in particular the shift towards more party-driven, 'mass' forms of politics. But we might also suggest that more exacting standards played their part in fomenting confusion and dispute. This is most of all the case with what emerged as a core part of the new, post-1880 regime of probity: the premium placed on appearances; the demand that office-holders avoid both actual and perceived conflicts of interests. We might see this, much as it was at the time, as a sensible precaution: a means of preventing any grounds for suspicion and in turn bolstering public confidence. Yet it is also clear that the very same prescription, by elevating the danger of appearing corrupt into a legitimate object of anxiety and grounds for criticism – which is to say, into a standard of conduct, however roughly hewn – also opened up a whole new suite of problems and areas of ambiguity. One was the reality of the appearance, so to speak: the question, that is, of when it was reasonable to suggest that a given office-holder, or group of them, had in fact created an impression of impropriety. Another was how to draw the line between principled, critical questioning and cynical, partisan-driven speculation once it was established there was something to go on. But at the time there were no clear answers to these questions, only an abundance of politicised and fiercely disputed claims.

## Notes

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- <sup>1</sup> G. R. Searle, *Corruption in British Politics, 1895–1930* (Oxford: Clarendon Press, 1987).
- <sup>2</sup> F. Donaldson, *The Marconi Scandal* (London: R. Hart-Davis, 1963); H. J. Hanham, 'The sale of honours in late Victorian England', *Victorian Studies*, 3:3 (1960), 277–89; J. Caplan, *The Rise of the Plutocrats: Wealth and Power in Edwardian England* (London: Constable, 1978).
- <sup>3</sup> B. Buchanan and L. Hill, *An Intellectual History of Political Corruption* (Basingstoke: Palgrave Macmillan, 2014).
- <sup>4</sup> See especially Searle, *Corruption* and Caplan, *Rise of the Plutocrats*.
- <sup>5</sup> A. Hawkins, *Victorian Political Culture: 'Habits of Heart and Mind'* (Oxford: Oxford University Press 2015), chaps 8 and 9.
- <sup>6</sup> D. Judge, *Representation: Theory and Practice in Britain* (London, 1999), p. 102.
- <sup>7</sup> P. Harling, *The Waning of 'Old Corruption': The Politics of Economical Reform in Britain, 1779–1846* (Oxford: Clarendon Press, 1996).
- <sup>8</sup> The classic account is G. Stedman Jones, 'Rethinking Chartism', in G. Stedman Jones, *Languages of Class: Studies in English Working Class History* (Cambridge: Cambridge University Press, 1983), pp. 90–178.
- <sup>9</sup> D. C. M. Platt, 'The Commercial and Industrial Interests of Ministers of the Crown', *Political Studies*, 9:3 (1961), 273–4.
- <sup>10</sup> A useful overview is *Report from the Select Committee on Members' Interests (Declaration)*, PP 1969–70 (57), vol. XIV, pp. 162–4.
- <sup>11</sup> A. Doig, *Corruption and Misconduct in Contemporary British Politics* (Harmondsworth: Penguin, 1984), chap. 3.
- <sup>12</sup> J. Parry, *The Rise and Fall of Liberal Government in Victorian Britain* (London: Yale University Press, 1993); P. Harling, *The Modern British State: An Historical Introduction* (Cambridge: Polity, 2001), pp. 78–88.
- <sup>13</sup> *Hansard*, 10 December 1900, vol. 88, col. 400.
- <sup>14</sup> J. Parry, 'The decline of institutional reform in nineteenth-century Britain', in D. Feldman and J. Lawrence (eds), *Structures and Transformations in Modern British History* (Cambridge: Cambridge University Press, 2011), pp. 180–6.
- <sup>15</sup> S. H. Beer, 'The Representation of Interests in British Government: Historical Background', *American Political Science Review*, 51:3 (1957), 643–5; Hawkins, *Victorian Political Culture*, pp. 342–5.
- <sup>16</sup> *Clarion* (15 December 1900), p. 5.
- <sup>17</sup> Buchan and Hill, *Intellectual History*, pp. 7–8.
- <sup>18</sup> For example, 'The Radical Plutocracy', *National Review* (November, 1912), pp. 386–400; L. J. Maxse, 'A Radical 'Panama'?' *National Review* (February, 1913), pp. 1021–38.
- <sup>19</sup> 'The Marconi Scandal', *New Witness* (8 August 1912), p. 230.
- <sup>20</sup> 'What is to Come?' *New Witness* (22 May 1913), p. 66.
- <sup>21</sup> 'England, a Corrupt Oligarchy', *Reynolds's Newspaper* (16 December 1900), p. 4; 'Contracts, Crime and Family Jobs', *Reynolds's Newspaper* (16 December 1900), p. 1.
- <sup>22</sup> 'The Decadence of England', *Justice* (22 December 1900), p. 4.
- <sup>23</sup> A. White, *Efficiency and Empire* (London: Methuen, 1901), pp. 55–61.
- <sup>24</sup> 'Mr Hooley's Peers', *Speaker* (30 July 1898), pp. 138–9.
- <sup>25</sup> H. E. M. Stutfield, 'The Company Scandal: A City View', *National Review* (December, 1898), pp. 575–8.
- <sup>26</sup> For example, 'The Looker On', *Blackwood's Edinburgh Magazine* (September, 1898), pp. 447–50.
- <sup>27</sup> 'Mr Hooley and his Baronetcy', *Spectator* (19 November 1898), pp. 733–4.
- <sup>28</sup> *Hansard*, 10 December 1900, vol. 88, cols 397–419.
- <sup>29</sup> 'The Law of Public Corruption', *Speaker* (19 December 1900), p. 30.
- <sup>30</sup> *Hansard*, 10 December 1900, vol. 88, cols 436–7.

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<sup>31</sup> *Report from the Select Committee on Marconi's Wireless Telegraph Company, Limited, Agreement*, PP 1913 (152), vol. VII, p. xlv.

<sup>32</sup> *Hansard*, 19 June 1913, vol. 54, cols 557–8.

<sup>33</sup> *Ibid.*, cols 564–5.

<sup>34</sup> Sydney Stern, who was made Baron Wandsworth in 1895, was the most notorious instance and was often invoked in the context of the Hooley revelations. Searle, *Corruption*, pp. 85–7, 153–60.

<sup>35</sup> 'Will the Carlton Disgorge?', *Truth* (24 November 1898), p. 1298; 'The Dirty Work of the Party', *Truth* (17 November 1898), p. 1230.

<sup>36</sup> Leopold Maxse, 'Stern', *National Review* (December 1898), p. 477.

<sup>37</sup> *Hansard*, 10 December 1900, vol. 88, col. 432.

<sup>38</sup> *Ibid.*, col. 464.

<sup>39</sup> *The Times* (11 December 1900), p. 9.

<sup>40</sup> 'Cleared!', *Saturday Review* (5 July 1913), p. 5.

<sup>41</sup> 'The Right Thing Done', *Manchester Guardian* (19 June 1913), p. 8.