

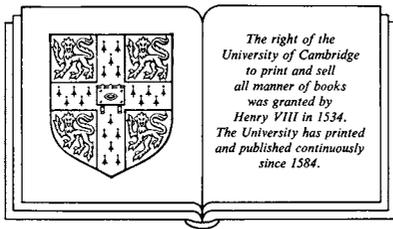
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# Dudley Docker

The life and times of a  
trade warrior

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R. P. T. DAVENPORT-HINES



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# 1

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## Dudley Docker and his world

The surname of Docker, insofar as it is remembered at all today, is associated with the adventures in the 1950s of Sir Bernard Docker and his wife Norah. For a generation of newspaper readers, they epitomised capitalism at its more irresponsible, riches at their most tasteless, and publicity-seeking at its most avid. Their 863 ton yacht *Shemara* and their gold-plated Daimler were outstanding pieces of conspicuous consumption amid post-war austerity. Their drinking bouts and public rows were the staple of every gossip columnist. Lady Docker seizing the microphone at a night-club and pouring out a torrent of her grievances, or being expelled from Monaco for dancing on the principality's flag, made her the cynosure of all sensationalists. Sir Osbert Lancaster commemorated the Dockers' notoriety in his cartoon of a bemedalled princeling saying into the telephone: 'Is that Luxemburg? Lichtenstein here – old boy, Monaco says Lady D's heading your way.' Sir Bernard had been a quiet and somewhat repressed man until his marriage at the age of fifty-two in 1949: he owed his eminence, as chairman of Birmingham Small Arms and as director of the Midland Bank, entirely to his father, who had joined the boards of both companies before the first world war. But if the origins of Bernard Docker's power were obscure, its eclipse was not. First, in 1953, his co-directors at the Midland Bank united to force his resignation. On that occasion he went quietly. But in 1956, when the the BSA board ousted him from office, he fought back; and the board-room battle that followed, with Bernard Docker buying time on commercial television to appeal to his shareholders, was the most resounding of the decade. Docker lost, not without inflicting terrible injuries on BSA; and the furore surrounding his departure can only be compared in magnitude to the takeover battle between ICI and Courtaulds in 1961–2, or to the board-room feud at Lonrho in 1972–3.

Paradoxically, though Bernard Docker is remembered for having lost the family millions, his father Dudley Docker, who made them, is forgotten.

Yet he was much the more interesting and extraordinary man. He was, by turns, county cricketer, captain of Midlands industry, leading exponent of the British merger movement, political intriguer, newspaper proprietor, banker and international financier, and founding president of the Federation of British Industries. He was, in H. G. Wells' description of Cecil Rhodes, 'a very curious mixture of large conceptions and strange ignorances',<sup>1</sup> a mystery man whose dislike of limelight obscured his importance and influence from all except a small circle of insiders. None of his private papers survive, and it is impossible to re-construct all his activities, or trace the full range of his interests. This biography seeks to sketch the life *and times* of Dudley Docker; it is an attempt at industrial portraiture; it describes many of the deals which he fixed, it recounts the rise and fall of the companies which he directed, but it also tries to re-create the milieu in which he worked, and to portray British social and economic history from his standpoint.

One of the main features of Dudley Docker is that he was a man of *influence*. He was 'the mainspring of the manufacturers' movement',<sup>2</sup> whose enthusiasms and dislikes typified those of other big manufacturers of his time. He was a man of vigorous, and sometimes imperious, opinions; and even when his opinions were nonsense, his reasons for holding them remain instructive. Marxists would say that Docker personified British monopoly-capitalism in the first half of the twentieth century; but this book is not a Marxist exercise, and prefers to show Docker as an example of the British big business man. Walter Rathenau, one of the leaders of the German electrical industry, observed in 1909, 'three hundred men, all acquainted with each other, control the economic destiny of the Continent',<sup>3</sup> and Docker was at the core of those of the three hundred who were British.

Docker's central attitude to life is easily expressed. 'We must produce as we have never produced before, and larger production means larger wages.'<sup>4</sup> As far as he was concerned, the experience of the USA proved that alleged evils of over-production were 'purely imaginary': 'The more produced, the greater will be consumption, as consumption creates consumption.'<sup>5</sup> For sixty-three years of active business life, Docker devoted himself to the cause of productive consumption. His formative years coincided with those between 1860 and 1900 which, according to Hobsbawm, witnessed 'the crucial question of British economic history', with the 'sudden transformation of the leading and most dynamic industrial economy into the most sluggish and conservative', and Docker's anxious resentment of this decline was critical to the pattern of his life.<sup>6</sup> Throughout the first half of his adult life, he was a strong imperialist who

wanted the British Empire to unify into one trading unit which would thrash all other comers in the markets of the world. In the decades before 1914, he was virulently anti-German, and issued many warnings about Hohenzollern militarism and the threat to British industrial hegemony posed by Germany's new industrial might. He wrote in 1918

that the outbreak of the present European war occurred at a very critical period in the history of Great Britain. There was immediate danger of civil war in Ireland, and throughout England, Scotland and Wales class antagonism had reached an acute stage. A long period of prosperity threatened to produce...something like industrial decline; a spirit of slackness was becoming apparent, keenness of competition was not appreciated, nor was the growth of inventive genius...the trading efficiency of the country was waning, and distrust and suspicion between masters and men had produced friction which might easily have developed into warfare.<sup>7</sup>

Docker regarded the war as a modernisation crisis providing Britain's final opportunity for social and economic reconstruction to preserve its world leadership. He was active in reconstruction plans, and their abandonment amidst the opportunistic improvisations of the Lloyd George coalition caused him abiding bitterness. Contemporaries might criticise obsessive accumulation of capital as irrational, but to Docker the accumulation of wealth was the natural object of all men.

Other Birmingham industrialists and politicians recur throughout this book. One of the most important was Docker's friend, Arthur Steel-Maitland, a Conservative politician who explained to Lord Milner in 1910 that he had chosen to represent a Birmingham constituency because 'I believe the town is potentially capable of corporate effort more than any other town in the kingdom...it is big enough to set a very important example, yet, unlike London, not so big as to be incapable of being got hold of.'<sup>8</sup> One singularity of the Midlands was that 'the gradation of classes in the manufacturing community of Birmingham remained a gentle one, and that consequently it was easier for the leaders to reach the masses': for this reason, Birmingham, in the first quarter of this century, became the centre of British corporatism, with Docker as one of corporatism's leading exponents.<sup>9</sup> He was an advocate of a manufacturers' political party, of a businessmen's government, and of an extra-parliamentary chamber, to be called the Business Parliament, to legislate on industrial and commercial matters. He believed that the development of large combines and trusts was necessary 'in the interest of the British race',<sup>10</sup> and the ferment caused by the first world war encouraged him to hope that British society could be reconstructed in a corporatist pyramid. As one writer has described:

Docker was committed to the establishment of a system of organisations which would represent industrial interests and speak for industry at every level, from individual firms to the entire nation. Industrial associations of all types would be joined in a national industrial federation whose primary purpose would be to provide a voice for industry as a whole in dealing with the government. Beyond this, Docker envisioned a completely integrated society and economy, in which each industry would have its own organisation of workers and managers, the two sets of organisations united by peak federations, and all finally capped by a great national forum of workers and managers and employers, embraced by the protection of an Imperial Tariff.<sup>11</sup>

Among British manufacturers of this period, none equalled Docker in the vigour with which he tried to impose the logic and structure of business upon political life and social organisation.

It is not coincidental that the names of Lord Milner and Steel-Maitland have been invoked. Docker respected both men – to the extent of offering them directorships in his companies<sup>12</sup> – and held the beliefs of other Milnerites such as Leo Maxse, Leo Amery, W. A. S. Hewins, W. L. Hichens, Clinton Dawkins, P. L. Gell or F. S. Oliver. All of these men were imperialists seized with that fanatical zeal which H. G. Wells called ‘Prussian Toryism’. The Milnerites, despite their Germanophobia, were themselves curiously un-English in their dedication; despite attacking German methods and attitudes, their own policies seemed inexorably drawn to follow German patterns. What, for example, was Milner’s dream of Imperial Federation but an Anglicised version of *Zollverein*? The Milnerites recognised this themselves. Amery wrote to Milner in 1903 that in his ideal vision of the Empire’s future development, ‘the underlying principle of the Prussian General Staff system [would be] applied to the whole of Imperial policy’, Dawkins advocated an ‘Imperial Council or Reichstag’ under Milner’s guidance, whilst Maxse conceded in 1902 ‘that in education, in business, or in public departments and particularly in the organisation of the Army and Navy, we have much to learn from Germany’.<sup>13</sup>

Docker was industry’s leading Milnerite. His violent attacks on German organisation and success were usually accompanied by calls for Britain to imitate German methods. While he claimed that the success of ‘Germany’s world-wide business campaign’ before 1914 had turned ‘the heads of the German people and made them an only too easy and willing accomplice’ of their militarists, and spoke of ‘our foe [characterised] by a callousness, a cruelty and a fiendish malignity unparalleled in the world’s history’, he also praised the ‘alliance between organised finance and organised industry’ as ‘marvellously advanced in Germany before the war’, and promised, ‘what the manufacturers of Germany can do, the manufacturers

of Britain can do better'.<sup>14</sup> It did not trouble him that British manufacturers might turn the heads of their people and produce equally undesirable ends.

He spoke for heavy industry during the period when industrialism was at its most politically aggressive and self-confident stage in Britain, when the cult of the business man was strongest. Docker's friend Hugo Hirst of General Electric told a meeting of Cambridge undergraduates in 1914:

You cannot think of the greatness of America without at once bringing to your minds the names of Morgan, Rockefeller, Vanderbilt, Carnegie and the other industrial kings of the Republic – if I may be permitted the paradox. You may not know of even one German general or admiral, but you cannot think of Germany without conjuring up the titanic figures of Krupp or Ballin, Rathenau, or Henkel Donnersmark; and it is these men, these captains of industry, men who turn hundreds of thousands of unskilled labourers into skilled workmen for the benefit of their country, who add to the strength and power, the prosperity and dignity, of the modern State. Today they form a bodyguard around the constitution of a country similar to that which a century or so ago gathered around the former kings with the difference that the nobility of industry has replaced the nobility of birth.<sup>15</sup>

These were the authentic terms in which Docker and his business friends considered themselves, and this hubris heightened after the bungling of the Boer War, when 'amateurism' became a national bugbear and Britain developed a temporary fetish for 'experts'. The military defeats of December 1899 and January 1900 humiliated the country, and the 'universal impression of fatuity, inadequacy [and] incompetence given by the Cabinet' and the Army caused a national revulsion. 'There is a very far-reaching feeling growing up that the Aristocracy make bad Generals and worse Administrators', one correspondent told Milner in February 1900. 'There is a cry in the City "Give us Men of Business" – a growing conviction that the men of fashion – however clever – are broken reeds.'<sup>16</sup> 'Never did I dream that educated gentlemen *could* be so out of touch with *realities* as some of the War Office people', wrote the same well-placed observer in April. 'They are just on a level with Dons and Schoolmasters & clerical Clergymen.'<sup>17</sup> The cult of the business expert reached its apogee in the next eighteen months, but continued to attract votaries for over another decade, as Docker's campaigns against administrative amateurism and for 'business government' demonstrated in 1910–14. Ironically a cause which was begun by the mal-administration of one war on the dusty veld of Africa was discredited by the mal-administration of the next war fought in the mud of Flanders. Following the munitions crisis of 1915, hundreds if not thousands of business men were seconded to government departments in the belief that the traditional officials, although honourable, laborious and

loyal, lacked initiative or wide outlook. 'We want a sane and thoroughly capable man of the hustling species to have charge of progress', as one minister wrote,<sup>18</sup> but the entrepreneurs he recruited were not consistently sane, thorough, capable or hustling. Thus he found Sir Percy Girouard of Armstrongs 'anxious to get things into his own hands and...more concerned with his title and functions than with the business in hand', 'no manager and spends his time fussing about instead of sitting down and seeing that all the departments are doing their work'. Sir Eric Geddes of the North-Eastern Railway proved an abominable 'source of mischief' with his disposition 'to grab other men's work mainly for the sake of grabbing it', while Sir James Stevenson of Johnny Walker's whisky, 'cannot seem to work with other men and instead of putting his back in and getting on with his work...is far too much inclined to run from one to the other lamenting his difficulties'.<sup>19</sup> These examples of jealousy, bickering, intrigue and disloyalty could be almost infinitely multiplied, and destroyed the myth of the business expert. As one former railway manager wrote in 1917,

We have howled for years for the appointing of 'business men' to regulate government affairs, but before such men have been in a warm berth for a month they become just like the old red-tape article and adopt all the old rotten obstructive methods and impossible English in their notices... The chief aim of all is to shove the blame for any action or delay upon some other.<sup>20</sup>

The business men in wartime government proved as fallible as anyone else, with the extra disadvantage that their co-directors constantly 'badgered' them to use improper influence;<sup>21</sup> and Docker, who had been one of the loudest howlers, grew cynical about business men in government after the war experience.

Docker failed, too, to convince his countrymen that production and money-making were the proper and primary aims of Britain. Still less did he win agreement – except from Leninists – for his proposition that the interests of the state, of industry, and of finance were identical, and could be developed without incompatibility. As Sir Keith Joseph complained in 1975, 'Britain never had a capitalist ruling class or a stable *haute bourgeoisie*', with the result that 'capitalist or bourgeois values have never shaped thought or institutions as they have in some countries'.<sup>22</sup> 'Again and again, over the course of this century in Britain, industrialism has been disparaged and economic growth disdained, not as in America solely by alienated intellectuals or religious enthusiasts, nor chiefly by extremist ideologues as in Germany, but by mainstream cultural figures addressing a wide middle-class audience.'<sup>23</sup> Industrialism's advocates urged their cause in terms which attacked British traditions of individualism so vigorously

as to render the cause hopeless. Docker's dream of a corporatist state, dominated by big industrial trusts, was anathema to most of his fellow citizens, who knew too well the pleasures of individuality, and respected its contribution to Britain's historic greatness. Lionel Hitchens, the chairman of Cammell Laird who had graduated from Milner's kindergarten, wrote in 1918: 'it is better for a country to have a large number of small manufacturers than a few big trusts: this also accords more with the genius of our race, whose sturdy independence and self-reliance has built an Empire containing a quarter of mankind'.<sup>24</sup> This was the opinion of one of Milner's own protégés, a man in charge of one of Britain's largest combines, manufacturing ships, steel and armaments, and there were many other adherents to this view in the commercial and financial communities. The politicians and administrators who were assured that a rationalised new order would sack them had every reason to frustrate its coming. The anti-democratic spirit which animated Docker and his friends fortified opposition to their corporatism among democratic-minded politicians, journalists, bureaucrats and voters. Docker was defeated, as between the wars his continental counterparts sometimes were not, by the depth with which democracy had been instilled into his countrymen. His activities were more insidious and more intelligent than the violence of Sir Oswald Mosley, but they were both foiled by the British preference for parliamentary conditions.

Electricity was 'the consummation of the industrial revolution'.<sup>25</sup> From early in the twentieth century Docker was involved in developing British electro-technology, and this stimulated his corporatism. The necessity in electrical engineering for large, multi-unit enterprises and for massive capital backing fired political corporatism across Europe. It is not coincidental that several of the most vocal corporatists in early twentieth-century Europe were directors or promoters of electrical combines. In Britain, as this book shows, there was Dudley Docker; in Italy, there was the Milan manufacturer, Ettore Conti, president of Confindustria in 1920; in Scandinavia, Marcus Wallenberg; in Spain, Francisco Cambó; in France, Louis Loucheur; and in Germany, Walter Rathenau and Wichard Von Moellendorff of AEG. Loucheur, for example, was the corporate financier who organised the electrical industries of North France before entering government and who, during and immediately after the first world war, evolved with the Minister of Commerce, Clementel, a monopoly strategy designed to preserve France's international competitive position through large companies and strong industrial associations. Similarly, Rathenau and Moellendorff, who were both recruited from AEG to government work during the war, tried to establish an 'organic economic

order in which wasteful competition was to be eliminated by industrial self-government based upon regional and industry-wide associations'. They believed that an 'interlocking basis for a true industrial commonwealth' would grow from collaboration between labour and employers, producers and consumers, and representatives of government.<sup>26</sup> Such schemes corresponded to Docker's plans for Britain, and although none of them were ever properly launched, they crystallise a moment in western European history when 'the business of the producer' was believed to be 'the greatest colonising asset of any State',<sup>27</sup> and when the interests of industry and state were more tightly enmeshed by war than at any previous date.

Docker's public life had three distinct stages. In the first, lasting from 1881 until 1914, he was preoccupied with building up his position as an industrialist in the Black Country. He drove himself hard, and although he expressed apprehensions about British progress, he remained fundamentally hopeful, with a reputation for being jovial, frank and outward-going. The second stage of his career spanned the Great War and the reconstruction period until 1920. On top of heavy business responsibilities, he undertook other work intended to transform Britain into a model corporatist state, and he seems to have had every expectation that he would succeed. By 1920, it was evident that all his wartime hopes were dashed, and his reaction to this included despair at the future of British industry. He withdrew from executive industrial responsibility, and became a financier who placed much of his hopes on British participation in multi-nationals. His interventions in British industrial management were henceforth confined to trouble-shooting forays and setting up merger talks, and in this sphere he remained active until his death in 1944. Although the condition and prospects of the British industrial economy partly caused these changes of Docker's direction, there was also a personal dimension to them.

From at least 1910, the pitch of his responsibilities affected his physical health. Thus, in 1912, as an attempt to recover his strength, he arranged 'to loaf for a year' on a Scottish estate, shooting, fishing and playing golf,<sup>28</sup> but the arrangements collapsed. When war broke out in 1914, he had to be summoned back from the middle of three months' recuperative holiday,<sup>29</sup> with the result that he was soon complaining of being 'tremendously rushed and not at all fit',<sup>30</sup> and felt, by January 1916, 'depressed and weary'.<sup>31</sup> At this stage, his mental condition appears to have become morbid, and claustrophobia to have set in. For example, one of the red-letter days of Docker's life was 27 July 1916, when he chaired the first meeting of the General Committee of the Federation of British Industries, but he had to hurry out before the meeting terminated, later offering the

excuse 'I have been so overcrowded and feel so unwell that I really could not help it.'<sup>32</sup> It was from this stage that his dislike of limelight, and taste for acting through nominees, became really pronounced; so that by March 1920, the then President of the Federation of British Industries wrote of him: 'he is a constitutionally lazy man, and is inclined... to allow others to do the work, having once set the movement on foot'.<sup>33</sup> Apart from heavy colds, Docker suffered from gastritis,<sup>34</sup> an illness whose effects include irritability, and this may have increased his disgruntlement with his former associates which led to his resignations and public withdrawal around 1920-1. He himself believed that in picking men for power, one should take men in good health who would preserve a better balance, and by his own criterion, he was defective in the decade after 1910.<sup>35</sup>

Docker was a bundle of paradoxes. Though he could be painstaking and patient, especially in the preliminaries of a deal, he was also restless and changeable, lacking persistent application in seeing business through. His enthusiasms were sudden and fitful. He had excellent judgement of people so far as their material self-interest went, but seldom understood motives that were not pecuniary. He was both an opportunist and a pessimist: he had a low opinion of human nature, and despised idealism, yet held ambitious social ideals, although to modern tastes they may seem deformed. He spoke of co-operation and industrial reconciliation, but could be rancorous and thrived on reviling his opponents. Astute manipulation of newspapers and local opinion had a large part in creating his business reputation and influence before 1914, and he was keenly aware of his public image: yet he despised publicity and political acclaim for its own sake, and took increasing pleasure in escaping limelight. While notionally he was wedded to industrial democracy, and was famous for his imaginative recruitment of younger men to industrial power, he was in fact a peremptory employer who raged at subordinates who disobeyed instructions. At board meetings or committees, he was exceptionally silent, but informally, between meetings, he spared no pains to coax or cajole his colleagues to his point of view. He affected to be taciturn and inarticulate, but in fact possessed great persuasive powers, and produced many emphatic and memorable phrases in his speeches and writings. Tall and heavily built, his physical appearance sometimes vested his opinions with extra weight and force. A manager of the Southern Railway, of which Docker was a director in 1923-38, has described him attending meetings on the company's great electrification programme.

D.D., shrewd and ruthless to a degree, looked like an amiable owl. Behind small, thick glasses his bright eyes stared at you. His small head seemed to be held immobile by an old-fashioned 'stick-up' collar. He rarely turned his head, keeping his unblinking glare straight in front of him. His

approval came with a short 'Yes', more often with a grunt and a kind of hiccough. It was enough. Another three or four millions had gone through.<sup>36</sup>

He could effortlessly resume a casual conversation at exactly the point where it had been interrupted six months earlier, while his humour was gruffly facetious: he always called the Midland Bank's general manager, Astbury, by the nickname 'Raspberry'. If the moving letter he sent Leo Maxse on the death of the latter's wife is a guide, he could be compassionate and affectionate.<sup>37</sup> Though Docker spoke of himself as an industrialist and claimed to represent the manufacturing interest, his talents in fact lay as a financier who made money out of industry. Although authoritarian in his own dealings, his dislike of governments and established order, if sometimes naive and destructive, betrayed a real streak of rebellion in him. He was indifferent to orthodox opinions, and pursued his way regardless of the common herd: in this, at least, he showed his mettle.

However one chooses to interpret the enigma of Dudley Docker, this book will show why contemporaries like Edward Hickman, the Wolverhampton steel manufacturer, considered him 'one of the best commercial heads, if not the best, in the country', and why his shareholders believed 'they could go to sleep on their shares so long as Mr. Docker was at the head of affairs'.<sup>38</sup>