



Workers' Control

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Toxteth, Brixton, Southall: a crime?

Mike George

1947-2022

Mike George regularly attended residential conferences organised by the Institute for Workers' Control. On one occasion in the early 1980s during the reports-back from workshops, Mike confessed that he hadn't really wanted to give up his weekend for another IWC conference in Nottingham. But, after 36 hours in the company of comrades, he was glad he had made the effort.

There was vitality to those gatherings that built confidence for the struggles ahead. Mike compiled 'Combine News' for the *IWC Bulletin*, which reported developments at Lucas Aerospace, Vickers, Metal Box, Dunlops and other shop stewards' committees. His pivotal role at the Centre for Alternative Industrial and Technological Systems (CAITS) provided a vantage point for this work. Located in Dagenham at North East London Polytechnic, CAITS was the catalyst for much pioneering work in pushing forward the frontier of workers' control. Mike Cooley, who co-authored a notable critique of Labour Party policy with Mike George (see *Planning the Planners*, Spokesman for the IWC, 1983), Richard Fletcher, Hilary Wainwright and others opened up these educational facilities in pursuit of popular planning for social need. In due course, this pioneering work was taken forward by the Greater London Council (GLC), which Mrs Thatcher abolished in 1986.

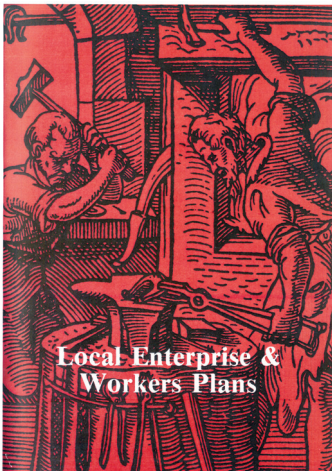
Mike George's exuberance and candour combined with real political insight, as this article from 1981 makes plain. The Tories under Margaret Thatcher were preparing the ground for a major offensive against the Labour Movement. Thatcher remembered that Prime Minister Heath had been defeated by the miners and others in the 1970s. She was intent on reversing that experience. There are some parallels with current politics in Britain as the re-constituted UKIP/Tory government aligns itself with some train operating companies against the rail unions. However, this time the Tories have imposed on the country a prime minister whose mandate is tenuous and whose competence is open to question.

Tony Simpson

Workers' Plans

*What they mean
and what they
might mean*

Mike George



The Employers' Offensive

Amongst many (if not most) of Britain's larger companies there is a new, politically-minded, offensive being waged by employers – British Leyland is only the most obvious example. A couple of years ago the head of STC (part of ITT) called upon employers to mount a *political* offensive in order to curb the power of trade unions. This call has been heeded, for instance over the past 18 months there have been a number of high-level conferences of employers' representatives, all debating ways and means of reversing the supposed growth of union power. A recent conference made it clear that employers expect to have another 18 months or so in which to carry this out.

Obviously the existence of a Conservative Government more radically committed to a free market economy than any since World War II is a very major factor in this offensive. The Tories' adherence to major policy decisions means in practice much more than so-called monetarist policies. Monetarism provides a useful populist approach to the economy – putting it into the realm of 'good housekeeping'. It also provides one of the mechanisms for putting the economy into a political framework which denies power to organisations in society which do not represent finance capital.

This *political* reconstruction of the nature of the economy means that industrial capital – those that control industry must 'shape up' into a more political force which owes long-term allegiance to finance capital. So, we've seen the Confederation of British Industry (CBI) upset over the

continuation of high interest rates, the overvalued £, and over the 'market' pricing policy of energy. None of these factors directly aids industry, quite the reverse – adding to industrial companies' oft-quoted difficulties in the current trading recession. Yet many top industrialists declined to support the CBI's position, some even leaving the CBI altogether. Why is this?

It is clear that the Stock Market and other financial institutions have not suffered the decline in confidence which appeared in the mid-1970s, indeed the Stock Market in general is 'bullish'. Finance capital, it is presumed, will be aided by Tory policies.

It would be wrong however to assume that it's only a matter of the industrialists "having to shape up", for there is more than just a coincidence of interests between the Tories and Big Business. Business leaders like Edwardes of BL, Scott of Lucas and Campbell Fraser of Dunlop have operated on the trade unions in a coherent, political way themselves. Trading difficulties are used by them to create quite comprehensive strategies in relation to Labour and the unions. For instance it was *no coincidence* that Derek Robinson was dumped, the combine shop stewards committee undermined, that new working methods were introduced at Longbridge, and that the Mini Metro's 'success or failure' was held up as a symbol of Britain's success as an industrial power. At Dunlop the latest redundancy threat (to 1,800 jobs) is being directly used as a lever to try to reduce the power of shop stewards at a number of plants.

The Tories' philosophy also means a withdrawal of support from various parts of society, including unemployed, sick and disabled people, and urban areas suffering from economic and social deprivation. And no longer is the State employer of last resort, it is one of the toughest employers around now. Obviously not all of these features are completely new (the last Labour Government operated monetarist policies), but the clarity of political will certainly is.

Whilst a change in the 'terrain' upon which Government aid is given to industry remains the main direction of policy, albeit tempered by certain tactical necessities, this is being achieved in a way which integrates well with the Tories' interventions in another part of industry. Conditions are being created whereby one major organised sector of society is being made marginal – because it has historically held a very different view of society and industry, namely the trade union movement. Some of these conditions are being created through direct legislative attacks, such as the 1980 Employment Act, but others are brought about indirectly. The Tories are removing trade union power via the employers. The odd, politically expedient gesture of support for small businesses, or the maintenance of

certain regional incentives cannot be read as a 'U Turn'. The post-war forms of political involvement allowed to trade unions, albeit to achieve consensus, are being swept away.

Those employers who understand the longer term aims of the current Tory philosophy and politics can therefore find a happy coincidence of interests! The recessionary trading conditions, the overvalued £, high interest rates are combining to create the need for companies to radically restructure and slim-down their businesses. This is releasing money internally, which is needed to cover overheads (as production levels are cut), and for investment in labour-saving and other new technologies. The 'internal' conditions created by restructuring, rationalisation and redundancy are of course detrimental to trade union power, but many employers are taking advantage of these conditions to directly attack shop floor trade unionism as well.

So the trade unions are facing a many-sided attack. Legislation is curbing many trade union activities, such as secondary action and picketing. Job losses, short time working and closure threats are undermining militancy and affecting bargaining activities. And there is a continuing ideological attack on unions, through the media and elsewhere, which attempts to portray unions as irresponsible and destructive at worst, irrelevant or useless at best.

The sheer size of the labour shake-out in industry has surprised the Tories, but pleasantly we must presume. The Government has had to put millions of pounds more into the redundancy payments fund to avoid it going bankrupt. These shake-outs are on a much bigger scale than in the mid-1970s – when companies' liquidity problems were greater than they are now. Reductions in labour have commonly occurred "across the board", affecting many plants (sometimes via complete closure), and often taking the form of enforced redundancies. The effects of this scale of job losses was reflected in the strike statistics for 1980 (the lowest for decades). Trade unions have 'had to' relinquish many shop steward and other union rights and practices. And as the unions have backed down in the face of job losses so have many employers taken the opportunity of 'explaining' to employees why they must make sacrifices for the good of the company (and for themselves, of course) – often by-passing union channels altogether by writing direct to employees or producing special 'employee reports' on the business.

The companies' lectures on 'business realism' have of course been directed towards wages too, the downwards pressure on wages has been aided by threats to jobs – wage cuts or even bigger job cuts. Companies

have been only too anxious to explain their view of economics to their employees during this recession. This has been markedly successful in certain sectors such as engineering and a lot of manufacturing industry. Trade unions have been told that there will be no wage negotiations – for the first time in decades some unions have had to forfeit their collective bargaining rights and functions! Wage awards which go nowhere to meeting cost of living increases have effectively undermined unions' major contribution to the membership – the longer term consequences of this are grim.

Changes in the work environment and in working methods, often via the introduction of new technology, are being pushed through on the back of job cuts and the 'necessary' reduction of labour costs. The most obvious example of this is of course the Longbridge plant of BL – this is being used politically as a symbol of the 'new economic realism', and it's no wonder that BL 'welcomes' Nissan to Britain for it hopes it will bring into the country's car industry yet more changes in work methods. Hand in hand with these new methods is an attack on shop stewards' control, rights and organisation (BL, Ford, Dunlop etc.).

So trade union organisation is being hit by redundancy and closure threats, short-time working and the breakdown of conventional bargaining rights and practices over wages and conditions. Shop floor organisation is in great danger, both directly through curbs on shop stewards, and indirectly through the narrowing of areas of negotiation. This is reflected at all levels in unions, right to the level of the TUC.

In general terms there has been only one major change in the areas of intervention and activity allowed to trade unions over the past half century. Bargaining and related activities over wages and certain conditions relating to employment contracts was joined by participation in indicative planning of certain industries. This occurred in World War II, and has continued (at different levels of involvement and activity) up to the end of the 1970s. Bargaining is under attack, and now, despite the continued existence of the Neddies etc., unions' involvement in industrial and economic planning is also at an end – except in the most formal sense. The trade union movement and the labour it represents is being effectively displaced – in economic and political terms. Large areas of economic (and social) life are becoming non-negotiable. If the Tories have their way trade unions are to become like most other voluntary bodies in society. They will be allowed to exist subject to 'normal' contract and property law, and their sole function will be to provide a certain coherence to what might otherwise be a somewhat too anarchic style of employment and wage regulation.

A Response to the Offensive?

Many people in the trade union and labour movement seem surprised at the lack of militancy amongst those large groups of organised workers who have faced massive job losses, closures, and attacks on trade union organisation and activities. The lack of a believable alternative to fight for must figure largely in this, for without a clear aim the trade union and labour movement has few effective weapons to fight the many-sided employers' offensive.

"But", some would argue, "we've got an alternative, it's the Alternative Economic Strategy". In some ways it certainly *is* an alternative, for it proposes that we spend our way out of recession through a £6bn increase in public spending, and it's presumed that some of the jobs will come back – directly in the public sector, and indirectly through increased spending and therefore home demand for goods. It tackles the imports 'problem' by calling for planned trade. It demands that some exchange control measures be introduced in order that capital outflows from the UK can be curbed. It proposes new Planning Agreements in companies, which will integrate into national economic planning. It raises again the use of Price Controls.

But it also demands more Government aid to industry, and a lot more money to be put into job creation-type schemes for the unemployed. It proposes a new National Investment Bank to back up a reconstituted National Enterprise Board.

There are many detailed arguments around each of the points in the Alternative Economic Strategy and there's not space here to explore them. However there are a few matters which should be considered which are in the end crucial to the question of whether this really *is* a viable alternative.

Firstly it doesn't mention anything about *how* these measures are to be effected, and that's because it's assumed that it's simply a matter of having a Left Labour Government in power. This assumption was made in 1973 and 1974, and look what happened: all the rhetoric remained but none of the measures were carried out, except in the most formal, 'top-down' manner. All the Civil Service power, all the *managerial* Neddie-type bodies were unchanged – Planning Agreements foundered and the NEB became a merchant bank. The fact that certain trade union leaders served on the many planning and other industry bodies made not one jot of difference; the bodies themselves worked on the battle of the employers' interests, and trade unionists were nearly always in the minority on these bodies anyway.

It's no accident that there's nothing in the Alternative Economic Strategy about this. For if you look at it closely it is firmly based on the

assumption that workers can *only* pursue their interests within an expanding and productive private company sector. The only claim made on the employers' power is that they sit round tables discussing with trade unionists and Government representatives ways and means of increasing efficiency and competitiveness. The Planning Agreements, planned trade and exchange control measures will be applied *within* this framework of business efficiency, for despite various statements about trade union involvement at national and shop floor level there is no clear statement about any possible conflict of interests. If you will recall, exactly the same sort of vague commitment to democracy in Planning Agreements was evident in Labour's 1974 programme.

On this basis the Alternative Economic Strategy looks very much like a straightforward return to Labour's Industrial Strategy as pursued in 1974-1979, and we all know that that did nothing to aid the 'irreversible shift' of power to working people. In that time company taxation became a joke, with all major manufacturing companies being relieved of the duty to pay tax (in effect), and companies got £10 millions a week of public money through the Industry Acts – with little or no discernible benefit to workers. There's nothing said about tax now, and the proposal is to give yet more public money to companies with no trade union or public accountability over its use (which in many instances is supposed to create jobs).

It has been said that the last Labour Government's Alternative Economic Strategy (the basis of the present one) had the political advantage that it commanded popular support (right up to the day of the election). But is this so? Over 20 trade union organisations directly affected by the Strategy, and representing perhaps 100,000 or so workers, have recently collaborated on a book* which condemns Labour's strategy – and this is only the tip of the iceberg. Another way of looking at this 'popular support' is that it formed the cement of the Social Contract, and bought a few years' consensus between Government and trade union leaderships. Few would deny that a certain degree of consensus might at times be necessary or useful, but that consensus was then and is now based upon a managerialist view of industry and the economy in which workers' only involvement is in the form of 'lobby fodder'.

What is also very evident is the fact that the Alternative Economic Strategy ignores the employers' current offensive. It provides nothing for today's struggle, just a set of outline policies for the future, and the

* *State Intervention in Industry: A Workers' Inquiry*, Coventry, Liverpool, Newcastle and N. Tyneside Trades Councils, Spokesman, 1982

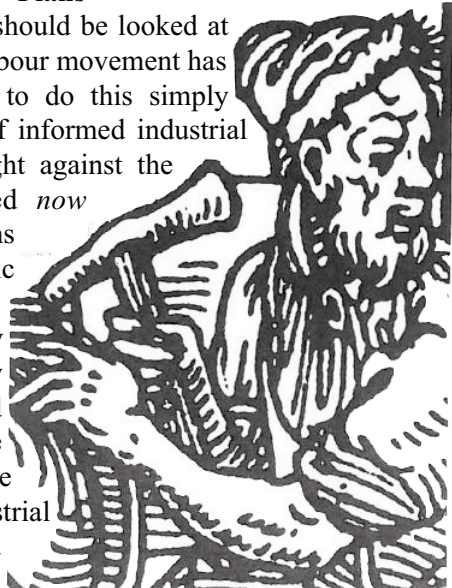
political struggle is actually an ‘internal’ one in the Labour Party and certain unions over the precise form of these policies, not actually a political struggle against the forces and agents of the current offensive against the trade union and labour movement. This is not to deny the need for political struggle within the organisations of the labour movement, but it *is* crucial to recognise that this form of politics has done nothing to reverse the erosion of trade union and labour rights. If the employers’ offensive is not checked and reversed the operation of the Alternative Economic Strategy will occur in a situation where workers and their representatives have been thoroughly beaten down – this would hardly be a situation which would ensure that the Strategy is operated in the interests of workers (surely history has taught us that!)

This brief and, some might think, rather brutal attack on the Alternative Economic Strategy, is not designed to destroy its credibility completely, for certain elements, like increased public spending would have to be defended. It should however help to show that it is not *the* alternative to fire and mobilise the trade union and labour movement against current policies and practices (Government and employers) and for a real alternative to unemployment and the rest. Some of its ‘empty boxes’ don’t look too bad, but what goes into them must unequivocally be *our* proposals and demands, not the country’s managerial elite.

Workers’ Plans

The current employers’ offensive should be looked at squarely, for the trade union and labour movement has much to learn from it, and not to do this simply engenders defeatism and a lack of informed industrial and political action. How the fight against the employers’ offensive is mounted *now* could have profound implications for future industrial and economic strategies.

Workers’ Plans are not simply about socially useful products, they represent workforce and community initiatives which are truly *independent* of the managerialist framework of industrial and economic decision-making and analysis.



They are about (i) seeking appropriate and effective forms of union organisation to deal with vastly changed corporate structures, (ii) using knowledge and information obtained through the labour process for the purposes of getting a handle on those corporate decisions which affect jobs and other employment matters, (iii) using this knowledge and information to build up an *independent* bargaining position based firmly on the workers' view of what they require from the enterprise, (iv) extending the boundaries of collective bargaining and related activities, not accepting managements' definitions of what is or is not negotiable, (v) overcoming traditional divisions between industrial, economic and social policy, partly through production proposals to meet social needs in communities, partly through demands on company taxation, Government grants and the rest.

These plans have in practice represented effective counters to corporate power, mainly by cutting through the fabric of the employer's arguments about 'necessary' sacrifices for the good of the company. There are a number of examples available, covering wages, new technology, job losses and pensions. In Lucas some 2,000 jobs were saved in this way. The introduction of new technology is being carried out very much under the Combine Committee's terms, these terms are largely embodied in a New Technology Alternative Plan, and a subsequent Model Agreement. Meanwhile work is in hand to prepare a wages claim which analyses the company's 'ability to pay'; with so many companies formally declaring poor results it's doubly important to look closely at their Accounts – Lucas last half-year results showed an apparent profits drop of over 40%, but the real drop was only some 10%.

In Metal Box, the Combine Shop Stewards Committee is similarly considering a 'Value-Added' wage claim, which takes little account of 'declared' profit, and looks instead at the rate of extraction of value from each employee. The Committee has also engaged in a number of advance planning procedures, in which 'getting a handle' on the company's intentions and policies has been crucial in various redundancy and closure situations.

In Dunlop the Combine Committee is preparing a workers' plan response to a current redundancy situation, and has started on a longer term development of shop floor bargaining strategies in relation to new technology – especially in tyre manufacture. There are many other examples that could be quoted, which makes it clear that a growing number of shop stewards' committees do not see their members' salvation in some new version of the National Enterprise Board (NEB) – it couldn't help *now* and it won't help in the future. And this view is shared by a

growing number of Trades Councils and other local bodies (including some local Councils) which need solutions *now*.

The Trades Councils are trying to join up to present a unified view on industrial policy, a view which is based firmly on the experiences of a great many shop stewards' organisations in their various areas. Similarly, the Joint Forum of Combine Committees (involving some 15 Combines) is bending its collective mind to the need for rank and file based initiatives.

It is no longer true to say that Alternative Plans or Workers' Plans are isolated 'events', although four or five years ago this would have been true. Experience of Labour's Industrial Strategy, and now experience of the Tories and of the employers' offensive is changing the situation to a point where there is emerging a coherent and substantial trade union-based alternative – both to current economic and political policies, and to the so-called Alternative Economic Strategy.

This alternative is based on:

- i. The development of new organisational forms, which are more effective in relation to the structures of large enterprises.
- ii. A new approach to getting and using company information, which avoids the 'Catch 22' of normal Information Disclosure provisions – "how do you know what information you need if you haven't got any anyway?"
- iii. The development of community-based social and economic audits, which make clear the concrete effects of corporate policies and actions.
- iv. The development of Plans for running enterprises in different ways, which are based on the assumption that they should be run for those who work in them and for those in the community that are affected by them.

This alternative can provide effective trade union and labour movement policy and action now against the employers' offensive, but it also lays the basis for a much more radical and far-reaching 'alternative economic strategy'. It doesn't make the assumption that workers' interests can *only* be met via a conventionally profitable and competitive private sector, it doesn't assume that the State will provide all, via its tie-up with big business. Rather it assumes that future industrial policy or strategy should be based squarely on the interests and the initiatives of those who are most directly affected by those policies and strategies – workforces and their communities.

What is being said is that working people *are* quite capable of determining industrial policy, and by implication other policies, such as

those relating to the operation of nationalised industries, public corporations, the NHS etc. It is the workers' plan type of educational and politicising experience which will make this real, not forgetting the crucial point that mobilising *now* against the offensive stops all this from being 'airy fairy'.

A new political territory is being opened up – as a result of the frustration and anger of a great many people over what they see as a tired re-run of limited and limiting policy options. They don't want to be offered those nice-sounding but *empty* policies again, they want to put into them policies and strategies which are more than a sell-out. But of course much will depend upon who in the labour and trade union movement will see this energy and initiative as a threat ...

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