

Labour & Trade Union Review

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Miliband's New Labour Runs Up the White Flag.

For the present we are stuck with the politics and the party system that we have, together with the electorate that shapes and is shaped by them. Neither is capable of bringing about a just society with which we can identify. There is therefore a two-fold task of changing the parameters of the debate—setting out a different perspective of development—whilst also making sense of what the parties are up to at the present time. By making sense to our readers in this way, it is hoped to generate new thinking that will gradually come to capture the public imagination and replace the liberal attitudes which have become deeply ingrained into the social consciousness of our society.

This journal has never entertained great expectations of the reconstituted New Labour project under Ed Miliband, but the swiftness and abject nature of the surrender of Miliband and Balls to the Mandelson-Blair cuts agenda is quite sobering. The Labour Party has now trussed itself up in a way that will make it difficult to put any space between itself and the Coalition.

Not only has Miliband in effect endorsed the austerity programme initiated by the government, even though it is manifestly creating a new recession, but Miliband has undertaken to leave the cuts in place indefinitely, thus endorsing the shrinking of the state envisaged by Cameron and Osborne as a long term project. It is very difficult now to see how it is possible for Labour to protest against the government's austerity programme even when it now seems to be running into terminal trouble. The Conservatives do have a liberal project of shrinking the welfare state and the economic crisis provided convenient cover for getting on with it in a serious way. The danger of a credit downgrade was used by them as a convenient excuse for mak-

ing the cuts an apparently pragmatic economic imperative.

However, the credit agencies have their own agenda which is, in turn, largely influenced by their own paymasters. They may well have been inclined, under the influence of these paymasters, to threaten dire consequences to the economy of not pursuing an austerity package which involves rolling back the state. However, these agencies do not have responsibility for what they advocate and there are clear signs that they are realising the damage to the nation's finances and to their own interests that their own policies are leading to, with low growth and the cutting of state expenditure continuing well into the middle of this decade, with consequent disastrous effects on economic activity. So some of them at least are warning of the dangers of simultaneous international austerity. It is evident that if everyone reduces their economic activity at the same time, then the individual capitalist economies are going to shrink and their chance of raising revenues to pay down cyclically incurred debt is going to decrease.

But Osborne, having hitched his star to the rating agencies and their paymasters in the first place, is well placed to change economic tack if that is what they would like him to do. He can argue that the cuts are no longer necessary if they threaten the UK's credit rating. We do not know if this development will occur, but it is evident that his general approach gives him some flexibility should he need it.

This is not an option open to Labour, however. Having decided that it is absolutely necessary for the purposes of public credibility to have cuts and to keep them as a sign of fiscal virtue, it is much more difficult to bend with the changing political winds and to say that they are no longer necessary. In his bid to win 'economic credibility' with the electorate, Miliband has had to adopt an ideological stance about public expenditure which it will be difficult to slough off when the times demand it. A further Blairite attempt at increasing his 'credibility' came with an announcement of the desirability of an ongoing pay freeze

for public sector workers. It remains to be seen whether Labour's contemptuous 'something for nothing' attitude to the Unions continues to be sustainable. Currently making growling noises, the Unions are probably too gutless to introduce a conditional element into their continuing funding of Britain's second largest liberal party (the Liberals are the third). It might be said in Miliband's defence that public expenditure cannot occur until revenues justify it, and that the currently disastrous course pursued by the Coalition makes that unlikely, even after a Labour victory in 2015. The point, however, is that such expenditure has got to be counter-cyclical (spending in a recession in order to boost economic activity and hence state revenue) if the economy is to recover. By forswearing expenditure on boosting the productive economy, Miliband has closed off the possibility of financing a government-led recovery through increased expenditure of any kind, including the financing of productive activity through loans from state-controlled banks.

This situation has come about because Miliband New Labour (MNL) has followed the Blair practice of seeing what the public appear to want through consulting opinion polls and focus groups and then tailoring policies to suit these perceived opinions, rather than deciding on what needs to be done and then attempting to persuade the public of its desirability. The Eighteenth Century Tory philosopher David Hume defined the task of politics as one of dealing with the necessarily short term perspective of the public. The politician, he thought, had to make the long term interests of the country his own short term interests. This is what the best politicians do. But it often involves going against the short term opinions of the public and that it turn requires courage, patience and a willingness to provide leadership to the public. What Miliband has in effect achieved is the transformation of the public's short term prejudices into Labour's long term programme, a disastrous perversion of Hume's formula. It can only lead to electoral ignominy.

A responsibility rests on the Unions to remind MNL of what the long term interests of employees in both the public and private sector actually are. They include stable and satisfying work, some say in how their companies are run, good voca-

tional education, a sustainable economic policy which involves counter-cyclical balancing of surpluses, a proper balance of free trade and protection of vital economic interests and, last but not least, the bringing of finance capital under the control of the state, so that its antisocial activities are restricted and the constructive social role of banks in promoting productive investment is ensured.

The most that Miliband can offer is employee representation on remuneration committees of companies, a proposal so feeble that Cameron had no problem in taking it up for the Conservatives. It is absurd of people like Polly Toynbee to suggest that this gesture opens up a vista of German-style co-determination in the economy. MNL are desperate to avoid anything so radical. Those, like Maurice Glasman and Blue Labour who adopt it are destined to be marginalised. Labour's future is steadily set on a course of economic liberalism echoing the current policies of the Coalition, but through monumental political ineptitude being tied into them for the foreseeable future. At the moment the Conservatives can claim, justifiably, that MNL agrees with them. If they change their views they can ridicule MNL if they try to follow suit. The electoral prospects of the Coalition must look very favourable in this situation. No wonder they are so pleased with themselves.

There is currently no meaningful choice in the politics of this country. We have a Conservative liberal party which is, in effect, an old-style advocate of an extreme form of economic liberalism. We have two other, less successful, liberal parties whose policies are a pale shadow of the Conservative liberals. The trade unions represent millions of citizens, they have the resources to influence political parties. We would like to think that they will try to do so in order to break the liberal monopoly. Experience, however, suggests that they won't.

At the moment the Unions are fighting a rearguard action to defend the economic interests of their members under a general ideology of free collective bargaining. On the occasions when they make wider points about social interests, their remarks can be easily dismissed on

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Social Partnership – What Does it Mean?

Trade unionism in Britain is all too often locked into a simple minded view of class conflict. The ruling impulse is to oppose whatever the bosses want, without worrying too much about the particulars of the case. Since, according to this point of view, the interests of Capital and Labour are fundamentally antagonistic, there is no point in seeking compromise on areas of possible common interest.

Where you do negotiate and bargain is over the extent to which the wishes of Capital can be checked, not on whether or not there is any common ground, let alone scope for co-operation between owners, managers and other employees.

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the basis that they are merely defending the interests of their members. And the fact is, so long as they can look no further than the wages/conditions struggle, they are simply part of the liberal economic system. The question, however, is: can the Unions cut adrift from the old way of thinking and set out to defend their members within a wider social context? After all, trade union members exist in society: they have parents, spouses, children. Their conditions are governed not merely by what they earn each month, but also by the social wage and by how society is structured. It is time to get off the free collective bargaining treadmill and consider the wider social horizon. In two articles in this issue different writers suggest ways in which we might begin to do this.

Christopher Winch

This kind of trade unionism, although it can have its uses in limited areas, particularly when dealing with megalomaniac and uncompromising managements, has not generally served the working class well.

There is another view, held by many trade unionists in neighbouring countries in Europe – there are conflicting interests between Capital and Labour, but compromises are possible which may be to the advantage of workers. There may even be areas where co-operation is to the mutual advantage of both. They do not adopt a blanket oppositionist policy but rather one that takes into account the interests of the workforce at each stage and considers the best way to advance those interests, pursuing conflict if necessary but co-operation if possible. ‘Social partnership’ is the term used to describe this way of managing conflict between Capital and Labour and of co-operating where possible and desirable. In doing so, Capital has to make considerable adjustments to its prerogatives. ‘Class collaboration’, a term of abuse by Trotskyists and so called militant trade unionists, is actually the intelligent working out of workers’ interests when it is possible to do so. The collaboration does not imply that the interests of workers, management and shareholders will always coincide.

So what is social partnership? It is the custom and practice of mediating common and conflicting interests between unions and employers through structures that both recognise as legitimate and useful. These can be national forums and bureaucracies, boards of companies, works councils or even insti-

tutions set up by individual trade unions such as trades colleges. Social partnership works at different levels in different countries. Ireland has a system of national agreements over key elements of economic and social policy between unions, employer associations, voluntary organisations and the government. Germany does not have such structures at government level at the moment but does have worker directors on the supervisory boards of large firms, works councils in most firms and institutions like BIBB which regulate and direct vocational education.

Who are the social partners in our neighbouring European countries? Most understand them to be: – trade unions, employer associations and the state, which sets the legal framework and regulates some of the institutions for pursuing social partnership. It can work at different levels. At works level there are works councils; at firm level – board of director membership; at national level – tripartite agreement on welfare, incomes, taxation and economic policy. In Britain social partnership is virtually non-existent. It is no coincidence that British workers suffer from poor conditions, minimal vocational education, insecure employment rights, weak health and safety regulation, poor unemployment benefits and relatively low pay in many sectors. Perhaps it is time that trade unions in Britain took a closer look at the practices of some of their continental colleagues and tried to learn from them. They are not doing a great job through their current strategy. Once, a long time ago, when British trade unionism was still powerful and self-confident, governments were interested in co-opting them into long term national institutions which could shape the economic direction of the country.

So, in the 1960s were born the National Economic Development Council and its sectoral offspring (the ‘little Neddies’), the Prices and Incomes Board, the Manpower Services Commission and legislation like the Industrial Training Act of 1964, which basically reflected the views of both major political parties, that Britain’s economy was uncompetitive and that co-operation across industry was necessary to modernise it.

However, these fine schemes and pieces of legislation came to nothing. This failure could not all be laid at the door of the trade unions but their inability to show much enthusiasm for social partnership, together with broader disruptive activity, particularly in the 1970 – 1980 period, left Britain’s social partnership institutions vulnerable to abolition, which is what eventually happened. Basically, trade unionism in Britain was not up to the task of taking some responsibility for the way in which the society and the economy were run and has been paying the price ever since. The unions need to realise that trade unionism is about co-governing the institutions which affect the interests of their members, not just about opposing the policies of those who employ their members. There have been exceptions. In this issue of the Review, Mark Langhammer describes the successful social partnership strategy pursued by the NAS/UWT under the leadership of Eamonn O’Kane during the early 2000s. But such initiatives are all too often dependent on the

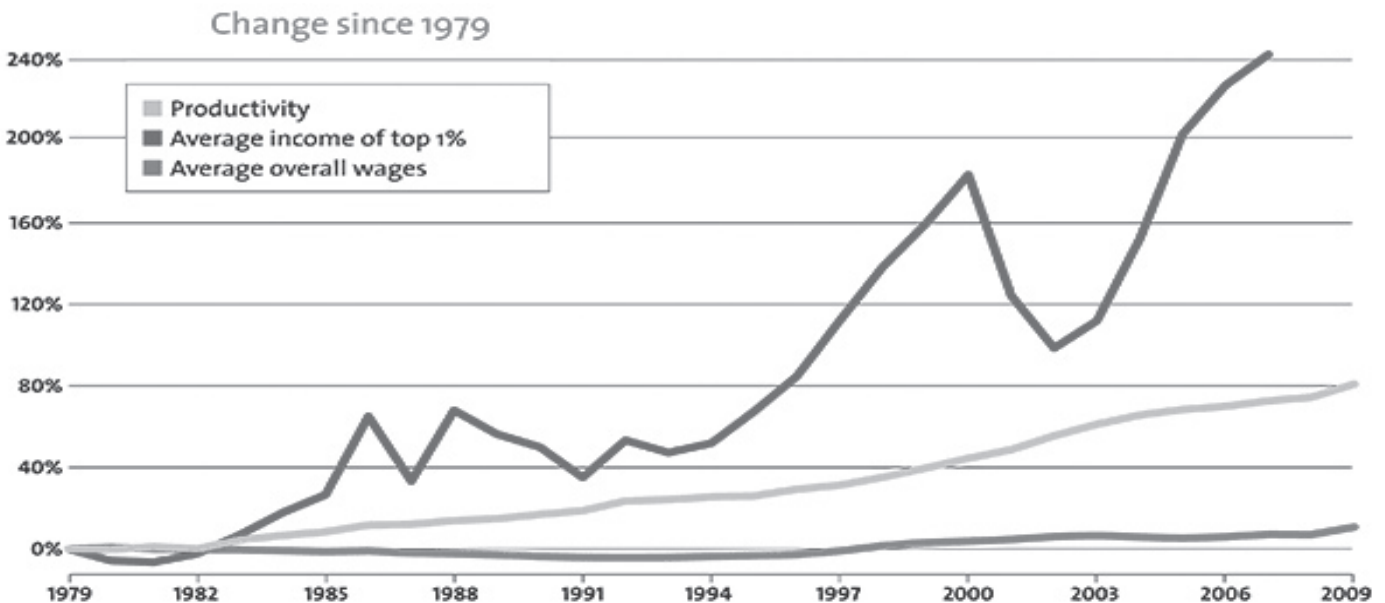
vision of one individual rather than being a powerful strand in the practice of British trade unionism.

But social partnership need not just be about institutions at the national level. Work can be done at the industry level as well. Under Eric Hammond the electricians’ union EETPU developed an infrastructure of vocational colleges and qualifications for the industry. Employers paid for using this service to enhance the skills of their employees. Such an initiative could have been parlayed into a greater say in the vocational education and qualifications for the industry and then expanded to take in other possibilities such as how new technology could be employed for the greatest benefit of both employers and employees. EETPU was supplying a very valuable service to its members while at the same time providing a valuable asset to the industry. Sadly Hammond’s vision did not long survive his term as general secretary and all that he had built up is no more, lost in the ignorance and incomprehension of the trade union leaders who succeeded him in the merged union. More generally, Hammond’s ideas about making trade unions more relevant to their members are not appreciated within the movement, making initiatives difficult to take root.

There are many different ways in which social partnership can develop. It is up to the unions to develop it as it will not be handed to them on a plate by employers who are, with some notable

exceptions, among the most shortsighted and reactionary in Europe. But there are some possibilities. German-owned firms now employ over a million British workers. They are accustomed to working in social partnership arrangements. Firms like DB Schenker, EoN and Siemens would be prepared to work with trade unions who wished to be seriously involved in social partnership arrangements and their colleagues in Europe would support them. A start could be made with involvement in the collective arrangements for vocational education that are made by German firms in Britain and these firms would be more sympathetic to the setting up of works councils than the average British firm.

Essentially British trade unionism has a choice. Either a pure oppositional stance and continued decline or making themselves relevant to their members and prospective members through negotiating with employers over the running of their industries in ways that can promote mutual benefit. The mindless anti-European stance of many union leaders does not help either. Many trade unions in Europe do an excellent job of making work fairer, safer and more interesting for their members. They have accumulated a huge experience of running vocational education, managing day to day enterprise affairs and having a decisive say in the strategic direction of their firms. It is about time that British trade unions started to learn and benefit from that experience.



Gove and the Free Schools revolution – are the Co-operative left missing a trick?

In the first of a two part article, **Mark Langhammer** looks at the educational experiment of Free Schools and free standing Academies as a means to create a free-market of state funded schools in England

Michael Gove, the Education Minister for England, is setting an uncompromising pace in the promotion of Free Schools and Academies programme,

In May 2010, the coalition government announced that all maintained schools would be invited to apply to transfer to academy status, including, for the first time, primary and special schools. Existing maintained schools graded as ‘outstanding’ by Ofsted were pre-approved for academy status during the summer of 2010. In November 2010, the government invited ‘non-outstanding’ schools to apply for academy status as well. Hundreds, if not thousands more schools are currently considering the pros and cons of academy status. Union campaigning has forced the government to acknowledge that no school can become an academy without first consulting both parents and staff.

More recently, schools deemed to be underperforming can be forced into becoming academies, and a number of schools, such as Downhills Primary School in the London Borough of Haringey, (where 92% of parents oppose compulsory takeover by a “sponsor”). Unions are aware of plans to turn hundreds of “*under-performing*” schools over, in forced academy conversions, to external sponsors regardless of the wishes of the school community.

Gove has set about creating a school “market” with gusto, even to the extent of using Parliamentary procedure usually reserved for emergency terrorist legislation in order to drive through more academy schools. Since the Coalition won power, legislation has awarded Minister Gove more than 50 new powers.

In addition to Academies, the controversial Tory initiative to set up free schools received fast-track support. Civil servants were urged that the **New Schools Network (NSN)**¹ – a charity providing advice and guidance to set up the schools – should be given “*cash without delay*”. Fierce lobbying of civil servants ensued. An e-mail from Dominic Cummings, a Tory strategist and confidant of Gove, urged: “*MG telling the civil servants to find a way to give NSN cash without delay.*” Cummings went on to work for the charity on a freelance basis. The charity, headed by a former Gove adviser, Rachel Wolf, was given a £500,000 grant with no other organisation invited to bid for the work.

The first wave of free schools included one which has the journalist Toby Young as its chair of governors, two Jewish faith schools, a Hindu school and a Sikh school. At least three of the schools – Discovery new school in West Sussex, St Luke’s in north London, and Canary Wharf College – have a Christian ethos. The Maharishi school in Lancashire, which was founded by the Beatles’ guru Maharishi Mahesh Yogi and teaches children to meditate, has become a state school as part of the programme.

The schools will be the most prominent part of the Tories’ “big society” vision, although in many cases faith organisations, education companies or existing academy sponsors have taken the lead rather than groups of parents or teachers.

Free Schools are not obliged to recognise trade unions, are not obliged to

hire qualified teachers, can set up in any building, do not have to follow the National Curriculum, can ignore the schools admissions code in their first year, can ignore national collective bargaining agreements on conditions of service, can set their own pay, hours, working days and holidays. Free schools are, however, inspected by OFSTED, receive taxpayers funding and teachers in Free schools can access the Teachers Pension Scheme.

All three main British parties are “*progressive liberals*” and support – in some measure – the creation of an educational market

The aim is not just to provide choice or to “*marketise*” education, but to create a “*for profit*” pie for the private sector to feed off. All this is clear from the Association of Teachers and Lecturer’s publication “*English Schools: Not open for business*”² – which is a directory of “potential privateers” - the types of companies, a mixture of charities, private companies and huge global multi-national corporations, which are likely to have an interest in sponsoring schools. These include AMEY, ARK, BPP Holdings, Capita, Cognita Group, E-Act, the EC Harris Group, Harris Federation, Edison Learning, Kunskapsskolan, Mouchel, Oasis, Pearson Education, Serco, Synarbor, Tribal Education, United Learning and VT Four S.

The education market, initially prised open by New Labour, already supports two publications, *Education Investor* and the *Assignment Report*,

which describes UK education as a £100 billion market. The CBI has enthusiastically backed private sector entry into state education in its 2010 report, *Fulfilling potential, the business role in education*.³

Union Opposition

The general opposition of the joint education union campaign – the Anti-Academies Alliance (AAA)⁴ have opposed the ideological “choice” agenda on solid educational and trade union grounds.

In its report, *A New Direction*,⁵ the TUC has urged the government to establish an independent panel to assess the effectiveness of the Academies programme in regard to pupil performance.

Unions argue that, on Pay and Conditions, Academies/Free Schools are not subject to the statutory terms and conditions that operate for teachers in state schools, nor to the prevailing local authority frameworks for support staff. Worryingly, the fourth annual PricewaterhouseCoopers evaluation comments that: *“Changes to the school day, teachers’ pay and conditions and the flexible use of support staff have been noted as positive benefits”*. Minister Gove has already dispensed with the School Teachers Review Body (STRB) the body which effectively determined teachers pay. The loss of the STRB in England has posed challenges for the devolved regions, Wales, Scotland and Northern Ireland (who pegged teachers pay substantially – and often exactly – to the STRB determinations) and has, effectively, opened the door for regional pay in the devolved areas.

Lack of Public Accountability is another concern. Although the Department of Education continues to act in the place of a local authority, apparently monitoring compliance with the confidential funding agreements with sponsors, which control the behaviour of Academies or Free Schools. As the number of free-standing schools increases, lack of transparency will emerge as a serious defect. Unions argue that, like maintained schools, Academies should be openly accountable to their local communities. The Association of Teachers and Lecturers General Secretary, Mary Boustead commented

“This policy is a huge exception to the rule that he who pays the piper calls the tune. In this case, taxpayers will provide the funds for these schools, but will lose all democratic accountability. Where will a parent go if there is not school place for their child, or if no school will take on their child’s special needs? We shall have, if the government is successful, a national service which is privately administered.”

The 2010 National Audit Office report revealed that the rapid expansion of academies has created challenges in terms of staff restructuring and the appointment of senior staff which are likely to have a significant impact on teaching, finances and the long-term viability of academies. And the Department for Education has said that over a quarter of academies may require additional financial or managerial support.

Sponsorship & Governance is also a key issue. Ed Balls commented back in 2007 *“The test of whether an organisation can be a potential sponsor should not be its bank balance, but whether it can demonstrate leadership, innovation and commitment to act in the public interest... I now want every university to actively engage with Academies,”* An end to inappropriate sponsors would have been a useful step. Under New Labour, all Academies replacing local authority schools had to proceed with local authority endorsement at the feasibility stage and they had a duty to collaborate with all other schools in their area. This is no longer the case.

Several local authorities have entered into sponsoring arrangements for Academies, some with guaranteed conditions for staff. In practice these arrangements will meet the need for local accountability as well as ensuring participation by academies in local collaboration. An Academy sponsored by a university and the local authority looks like a different kind of institution from a freestanding Academy under the control of a carpet salesman or religious fanatic.

So what? It’s nothing new

Regarding union opposition, one is tempted to ask, *“So what?”*

All three main British parties are “progressive liberals” and support – in some measure – the creation of an educational market – the “choice agenda”, as New Labour used to call it. Have not the principles of “choice”/marketisation already been adopted and older ideas about education as a national service already been sold “down the Swanee River” by the Blair/Brown governments.

Initially, under New Labour, the slogan was “Education, Education, Education” but the focus under David Blunkett and Estelle Morris was largely on “Standards, not Structures”. A successful social partnership in education provided one of the few collaborative frameworks in the British industrial relations landscape (the late Eamonn O’Kane, well known to L&TU Review readers – was central to this development) and resulted in years of improved pupil performance as well as improved pay and conditions for teachers through the 2003 National Agreement.

But the “Free Schools” policy of the new Conservative and Liberal coalition is not a new departure. The New Labour “choice” agenda set out exactly the same direction of travel, favouring the ideological principle of “contestability” ie that public services work better when they are contested. This “choice” or “contestability” agenda saw a range of initiatives, which included:

- the dogmatic and ideological use of “off books” PFI and PPP procurement methods in capital development (see ATL Members Briefing, Northern Ireland, 2008)
- business orientated and sponsored Specialist schools
- extended schools to support the long hours “work culture”
- development of an “Academy” programme to free schools from the alleged “dead hand” of local authority control. The Academy programme was, itself, a derivative of the previous Conservative administration’s “City Technology Colleges” initiative

In short, the “Free Schools” policy of Michael Gove follows a well-trodden

direction of travel set by the previous Thatcher, Major, Blair and Brown governments and is nothing new. In short, the Gove policy represents no departure in principle.

And what would Miliband's "Next Labour" do anyway. The only difference between the marketisation of Gove, and the marketisation of Labour and Clegg's Liberals is that Gove unashamedly supports the principle that service providers in education should be able to profit from their activity.

By the time this Parliamentary mandate is over, many if not most schools will be free standing schools, next month's *Labour and Trade Union Review* will consider whether it is now time for education unions to consider a tactical change in direction?

Mark Langhammer is a member of the (Irish) Labour Party, an education trade unionist and an elected member of the Irish Congress of Trade Unions

To be continued next month

(Footnotes)

¹ New Schools Network, see <http://newschoolsnetwork.org/>

² English Schools: Not Open for Business" see <http://www.atl.org.uk/Images/ATL%20Privateers%20Brochure.pdf>

³ See <http://www.cbi.org.uk/media/1119903/fulfilling-potential-the-business-role-in-education.pdf>

⁴ Anti Academies Alliance, see <http://antiacademies.org.uk/>

⁵ New Direction, TUC see <http://www.tuc.org.uk/industrial/tuc-13535-f0.cfm>

Froggy

News From Across The Channel

The deindustrialisation of France (continued)

France lost more than 900 industrial firms in the past three years; 100 000 industrial jobs were lost in that time; there were 6 million industrial workers in 1982, to day they are 3,2 million. This is loss of employment. And industrial employment means much more than just "jobs"; the nature of society and the character of France changes with this loss. These figures were discussed (13.1.12) on France Inter between Jacques Attali and Jean-Pierre Chevenement. Jacques Attali said they were nothing new, outdated structures had to go; the solution was "new products". Chevenement blamed the European Commission.

The government does nothing to stop this evolution.

The only protests are local protests. Sarkozy sometimes goes to the stricken area and promises support, and nothing further happens. Unions and political parties do not seem to have national campaigns on this; the question is mentioned in the presidential campaign only in general terms.

Here is another example of the process of deindustrialisation.

Lohr

Lohr Industries is a French firm, founded in Alsace in 1963 by Robert Lohr, now with factories over the world. Initially it made lorries, then car transporters, both by road and rail. It then made tramways which run on rubber tires guided by a central rail. Lohr tramways run in Shanghai and another Chinese city, as well as cities in France and Italy.

No one can accuse the society of not being innovative and dynamic. However, it has been struggling financially for the past four years; the number of orders for its lorries and car transporters has dropped by 90%. Robert Lohr has

refused to make his workers redundant ("He knows them all individually") and instead has spent the firm's capital and borrowed. The repayment of a loan contracted 2 years ago is now due. The firm is now facing bankruptcy for the want of 50 million Euros.

Now the only alternative is to sell a majority share in the most profitable part of the company, the tramways.

This firm is one of the glories of French industry. It is in trouble partly because the French Railways, on which it depends for a market for its rail-car transporters, is late in constructing its latest line. The situation is actually being handled in part by the French ministry of Finance. The Ministry of Finance has a committee designed to handle this sort of thing: the Interministerial Committee for Industrial Restructurations.

(The train constructor Bombardier is in a similar situation in Britain, and its case is also handled by the government, here the Ministry for Transport.)

Nevertheless, Lohr has asked Lazard Bank to handle the sale of the tramway side of operations so the future does not look good.

It is unbelievable that the government does nothing, except shuffle paper around, when what is needed is finance.

Sea France

Another minister, this time the Minister for Transport, is overseeing another case of bankruptcy, that of SeaFrance.

SeaFrance is owned by French Railways company SNCF. It faces bankruptcy, with the loss of 880 employees. The government is trying to find a solution for them.

The employees suggested running the cross Channel company as a cooperative supported by the union CFDT.

It's Just A

By Joe Keenan

If nothing else is simple about the dilemma in which British working class politics is currently entombed, at least the lumpen crudity of it can be stated simply enough. Britain is full of workers, full and overflowing, but all those workers do not now constitute a working class.

They can possibly be said to embody the human material of a labour element in some political economy or other, but all that means is that there are a variety of policies in existence, or under consideration, for dealing with them by way of making use of them.

At best, they are the means of other purposes, the instruments of other wills. At worst they are just the same. And, for better or worse, in and of themselves, they just don't count.

Britain is full of workers, isolated groups of one or two, or thousands of, individuals, the defining characteristic of whose individuality is ineffectual passivity; they are an inarticulate mass, a mass of incoherence; and, all together, altogether useless to themselves and all pertaining to them. Useful to others, but useless to themselves.

The essence of a class lies in its being constituted of individuals who, being useful to themselves, are useful to all of their society. At the root of class is a necessarily common economic position with regard to ownership and/or control of the means of production.

The British ruling class is such in the first instance because of ownership and control. But the immediate context of all its ownership and control is the competitive world of the markets. Left to its own devices, it would not be a class but rather a war of all against each in pursuit of ownership and control. And so class is made functional beyond the first instance by politics.

All the politics in Britain today is party politics, in which all parties are of the bourgeoisie and all making politics in the bourgeois interest.

There are three main political parties in Britain today. The Liberal Party. The whole Liberal Party. And nothing but The Liberal Party. That configuration of party politics makes the bourgeois class interest functional beyond its unpromising first instance.

An earlier configuration of party politics in which the Labour Party became the party of the working class interest ended up by undoing the working class interest entirely, and completely atomising the working class.

As the British working class cannot be reconstituted other than by way of politics, other than through the operations of a new and revolutionary Party dedicated to, and structured so as to be unable to stray from, its political interest, it is essential to understand what went wrong with British workers' first attempt at a Labour Party.

The general left (which is to say, the extra-parliamentary Liberal) view of the making of the British working class sees that making as having occurred by virtue of the subjection to industrial discipline of pre-capitalist social formations. Feudal remnants, agricultural labourers, craftsmen and artisans, failed petty-bourgeois riff-raff were all hauled off the land and out of workshops and stores to be collectivised in factories. Industrialisation created the working class, albeit with only an economic consciousness. That working class then was a collective of hollow men waiting to be filled out, a potential waiting to be actualised, by class consciousness. Supposedly.

In fact, that collective was made up of the brutalised, demoralised, pauperised, declassed remnants of the pre-industrial working classes. The industrial revolution did not make a working class, it simplified and undid a complex of working classes (the use of the plural there is really only a consequence of the pre-capitalist existence of an urban/rural division of labour, but its the common form, so I might as well use it). The forcing of workers into factories did not make a class of them. On the contrary, it unmade the class of them. It declassed them.

The agricultural labourers who were organised by William Cobbett in the early years of the 19th. century, to fight for better working conditions and parliamentary reform, were a coherent working class. The consequences to them of the defeat of their insurrection in 1830, starvation, squalor and the workhouse in the countryside, starvation, squalor and the factory in the towns, were utterly dehumanising. Industrialisation was not an organising or a socialising force, but rather the hammer that beat every social aspect out of the lives of those who were then transformed into a heaving, lumpen, mass of undifferentiated labour.

Formless and incoherent as it was in its making, the raw material of the British working class was scarcely possessed of any economic consciousness, or of any consciousness at all beyond awareness of its sheer unremitting, unrelenting, utterly physical need. The earliest stirrings of trade unionism within the factory system did not arise in any natural way out of these new conditions of existence, out of any economic consciousness that the workers possessed. The whole idea of trade unionism was brought to British workers by way of politics, from people like Francis Place, a worker himself, who had managed to drag himself out of the levelling process.

Labour Affair...

Place escaped the lump through succeeding in becoming a small-scale capitalist, but one with a firm notion of his roots in the urban working class. The essential condition of development of trade unionism then was repeal of the 18th. century combination acts which outlawed any such thing, a political measure which was finally carried in 1824-25 as a result of Place's agitation. It is no more than interesting that Place, who was a very complex and utterly political person, considered that repeal would be the beginning of the end of trade unionism which could never succeed in raising wages against the operation of an iron law of population. More than merely interesting are his remarks on the workers' attitude to the matter:

"...not a single journeyman, nor any one for them, came near me, nor at any subsequent time did they do anything to promote the repeal of the Combination Laws;—except a small number at one house of call signing a petition for that purpose at my request, when I had prepared it for them..."

"[The workmen] could not be persuaded to believe that the repeal of the laws was possible..."

"I wrote a great many letters to trade societies in London, and as often as I heard of any dispute respecting the Combination Laws in the country I wrote to some of the parties, stated my purpose, and requested information. Few condescended to notice my applications, and scarcely any furnished me with the information I wished to have; but many of the country papers inserted the articles I sent to them, and these must have produced some effect, though no signs of any appeared. Workingmen had been too often deceived to be willing to trust to any one who was not well known to them. Habitually cunning, and suspicious of all above their own rank in life, and having no expectation of any mitigation, much less of a chance of the laws being repealed, they could not persuade themselves that my communications were of any value to them, and they would not therefore give themselves any trouble about them, much less to give such information as might, they thought, be some day used against them. I understood them thoroughly, and was neither put from my purpose nor offended with them. I was resolved to serve them as much as I could. I knew well enough that if they could be served in this as in many other particulars, it must be done without their concurrence, in spite of them." (quoted in *The Life Of Francis Place*, by Graham Wallas, 3rd. Edition, New York, 1919, pp. 202 - 204.)

British trade unionism was made possible by a form of politics that was prepared to act on behalf of workers "*without their concurrence, in spite of them*". Its development throughout the rest of the 19th. century occurred under the wing of the Liberal Party, in the course of which workers as trade unionists finally acquired an economic consciousness worthy of the name "economism", while Liberalism provided them with all the politics they could wish for.

As the British working class cannot be reconstituted other than by way of politics, other than through the operations of a new and revolutionary Party dedicated to, and structured so as to be unable to stray from, its political interest, it is essential to understand what went wrong with British workers' first attempt at a Labour Party.

In the 1930's, Ernest Bevin, having determined to at long last make Labour a working class Party, told its conference:

"Our predecessors formed this party. It was not Keir Hardie. The Labour Party grew out of the bowels of the T.U.C."

That was a programmatic statement, which Ernie was in the process of establishing the truth of. But it was not, strictly speaking, or even loosely speaking, accurate.

Really, the Labour Party grew out of the bowels of Gladstonian Liberalism. And, though it would certainly have been better otherwise, really it was Keir Hardie. Hardie, along with Ramsay MacDonald, Arthur Henderson and others who could not progress either quickly or far enough through antiquated constituency structures, took the New Liberalism of Hobhouse and Herbert Samuel to the logical conclusion of a New Party.

Hardie set out his political programme when standing as an Independent Labour candidate (not an Independent Labour Party candidate, the ILP was not founded until 1893) at Mid-Lanark in 1888. He had first offered himself as a candidate for selection by the Mid-Lanark Liberal Association but withdrew his name from the official list because the Executive of the Association had preempted the members' decision.

His original letter to the Liberal Association...

"...claimed that he had all his life been a Radical of a somewhat advanced type, and from the first he had supported Mr. Gladstone's Home Rule proposals" (*J. Keir Hardie*, by William Stewart, London, 1921, p. 37).

In his election address he said:

"I adopt in its entirety the Liberal programme agreed to at Nottingham, which includes Adult Suffrage; Reform of Registration Laws; Allotments for Labourers; County Government; London Municipal Government; Free Education; Disestablishment. On questions of general politics I would vote with the Liberal Party, to which I have all my life belonged" (quoted, *ibid*, p. 37 - 38).

That said, he declared that, in the event of a difference between the Liberal Party and the Irish Party, he would vote with the Irish, and added *"I am also strongly in favour of Home Rule for Scotland..."* (*ibid*).

The substantial distinction he made between himself and the Liberal Party was on class grounds of a sort:

"...What help can you expect from those who believe they can only be kept rich in proportion as you are kept poor?...I ask you therefore to return to Parliament a man of yourselves, who being poor, can feel for the poor, and whose whole interest lies in the direction of securing for you a better and happier lot?" (quoted *ibid*, p. 39).

Ramsay MacDonald, who at that time was Honorary Secretary (living in London's Kentish Town) of the Scottish Home Rule Association, and a Liberal, wrote to Hardie, saying:

"...let the consequences be what they may, do not withdraw. The cause of Labour and of Scottish Nationality will suffer much thereby. Your defeat will awaken Scotland, and your victory will reconstruct Scottish Liberalism" (quoted *ibid*, p. 40).

Hardie lost that election and formed the Independent Labour Party in 1893. Other New Liberals joined him in what, apart from the incidental flourish of a fashionable name, was just a strategic defection in preparation for a return in strength to the Grand Old Party itself.

There was a moment a little later, when the ILP was involved in the formation of the Labour Representation Committee in 1900, a point at which the

coming Labour Party might have become a substantially working class party. The first resolution then moved stated that *"...this Conference is in favour of the working-classes being represented in the House of Commons by members of the working class as being the most likely to be sympathetic with the aims and demands of the Labour Movement"* (quoted in *A History of Labour Representation*, by A. W. Humphrey, London 1912, p. 144).

John Burns and George Barnes of the Amalgamated Society of Engineers moved an amendment favouring *"...working-class opinion being represented in the House of Commons by men sympathetic with the aims and demands of the Labour Movement and whose candidatures are promoted by one or other of the organised movements represented at this Conference"* (quoted, *ibid*, p. 144).

Burns spoke to declare that he was *"getting tired of working-class boots, working-class trains, working-class houses, and working-class margarine"*. The LRC, he said, should not be *"prisoners to class prejudice, but should consider parties and policies apart from class organisation"* (*ibid*, p. 145).

When it came to a vote the amendment was carried by 102 to 3 votes, out of 129 delegates attending. And so, the first chance to establish a working class party went begging. It should be worth a moment to point out the history of the movers of the successful anti-working class amendment. John Burns was a future Liberal Party Cabinet Minister. George Barnes was a Labour member of Lloyd George's wartime coalition who was expelled from the Labour Party for refusing to resign at the war's end.

I can only hope that when the new party I spoke of earlier comes to be formed that lesson is well learned and it is settled upon as first business that all representatives of the working class shall be members of the working class. Long live working class boots, working class trains, working class houses and working class margarine! Hurrah for class prejudice and plenty of it!

In any event, with the Labour Party established as the standard bearer of

New Liberalism the only prospect of independent politics open to workers appeared to be some kind of syndicalist development of trade unionism. At its height this took the organisational form of a Triple Alliance of the Miners, Railwaymen and Transport Workers which was established at a delegate conference in the Westminster Palace Hotel on 9 December, 1915. The Triple Alliance really only came into its own after the war, when, between 1919 and the General Strike of 1926 it failed to live up to all the hopes it inspired. And the politics of its failure were evident in its beginning.

The first outing of the Triple Alliance in 1919 initially appeared to be a success in the course of which the trade union leaders were called to a meeting with Lloyd George. The President of the Miners' Federation at the time was Belfast-born Bob Smillie, a founder member of the ILP and minister in the 1924 minority Labour Government. According to Aneurin Bevan (*In Place Of Fear*, London, 1952, p. 20) Smillie later told him what Lloyd George said to the Triple Alliance on that occasion:

"He said to us: 'Gentlemen, you have fashioned, in the Triple Alliance of the unions represented by you, a most powerful instrument. I feel bound to tell you that in our opinion we are at your mercy. The Army is disaffected and cannot be relied upon. Trouble has occurred already in a number of camps. We have just emerged from a great war and the people are eager for the reward of their sacrifices, and we are in no position to satisfy them. In these circumstances, if you carry out your threat and strike, then you will defeat us.

'But if you do so, have you weighed the consequences? The strike will be in defiance of the government of the country and by its very success will precipitate a constitutional crisis of the first importance. For, if a force arises in the state which is stronger than the state itself, then it must be ready to take on the functions of the state, or withdraw and accept the authority of the state. Gentlemen, have you considered, and if you have, are you ready?' From that moment on, said Robert Smillie, we were beaten and we knew we were."

In June of that same year, at a meeting of the Transport Federation (soon to be the Transport and General Workers' Union) James Sexton said, in the course of a fairly heated exchange with Ernie Bevin, who was advocating using the Triple Alliance for a programme of direct action:

"The opinions of a powerful body like that will carry influence and there is every possibility if a resolution had been carried in favour of a national strike, it would have meant the end of constitutional rule in this country. Suppose we succeeded in a National Conference in deciding to fight the Government, and suppose we won, where would that land us?"

"It would be all right if the rank and file were capable of running the country, but they have a long way to go and they have not got there yet. Some of the rank and file I know who talk about running the country could not run a potato machine. Whatever the Government is to-day the rank and file of Trade Unionists have made it, and having made it they must take their share of responsibility in having helped to make it what it is..." (quoted in *The Making Of The Transport And General Workers' Union*, Ken Coates and Tony Topham, Volume 1, Part 2, p. 716f).

I think it's fair to say that, all in all, Bevin was forced in these years to reconsider the parameters of his militancy. Certainly, when thundering push came to godalmighty shove in 1931, there was little, if any, syndicalism left in his politics, which concentrated on using union power for party purposes.

In 1931 the Labour leader and Prime Minister, Ramsay MacDonald, conspired with Liberal leader Herbert Samuel to split the Labour Party and reconstitute New Liberalism in one united progressive party. When MacDonald collapsed his Labour Government in that year he fully expected to take a clear majority of his Cabinet and of the Party with himself and Samuel's Liberals into a National Government that would eventually reveal itself as a new version of Gladstone's Grand Old Party. But Bevin, with Walter Citrine at the TUC and Clement Atlee at the Labour

Party, put a stop to all of that.

The Labour Party certainly was reborn in the 1930s, but not in the way Ramsay MacDonald had planned for it. That was the decade in which it became not only true but also accurate to say that the Labour Party grew out of the bowels of the TUC, and did so as a properly constituted working class party. And only one misfortune marred this remaking, that the Liberal wing of the party was frightened out of going along with MacDonald, that it stayed to prosper in the party and take a final revenge at the century's end.

The party which Atlee led into wartime coalition was a working class party of Bevin's making. While Churchill played war games and posed at summits of the truly great and good, and Atlee tended to the workaday of business, Bevin ran the home front in the working class interest.

Despite not being an MP at the time Bevin was brought into the cabinet as Minister of Labour and National Service in May 1940. From that position he exercised a dictatorial control over the social, economic and, thanks to a civil service bureaucracy anxious to please the powers that be that he was, even the cultural life of Britain.

The two party system within which British political affairs tend to arrange themselves is not, or at least not necessarily, a class divide. So, it was not because the Labour Party was in coalition, but rather because Bevin had the run of the country, that wartime Britain was governed by a fully fledged class alliance.

Just how deep that alliance went, just how thorough-going it was, was brought home to me recently, through watching the 1942 propaganda documentary, *Listen To Britain*.

This is a short film, about twenty minutes long, made by the Crown Film Unit (originally, until 1940, the GPO film unit), the movie propaganda arm of the Ministry of Information. It was directed by Humphrey Jennings.

Jennings was born out of Labour

and Art. His father was an architect, his mother a painter, and both of them Guild Socialists. In 1934 he joined the GPO Film Unit which was headed at the time by John Grierson (about whom a lot could, but just now will not, be said). In 1937 he was one of the creators of the Mass Observation project.

The film itself is a visual poem which celebrates the cultural aspects of the class alliance that was working to sustain the war effort. For such a short film there is a very great deal to it, but, what struck me most, was an utterly unpatronising (albeit exaggerated) juxtaposition of working class and upper class leisure. The upper class, including the Queen and an entourage of top brass, is shown at a lunchtime concert in the National Gallery, where Dame Myra Hess with an orchestra of sorts is playing a Mozart concerto. The working class is shown dancing in a Blackpool ballroom and, more particularly, listening to Flanagan and Allen singing *At The Back Of The Arches*. And, that juxtaposition to one side, British culture is shown as being overwhelmingly working class in character: which, in those bygone days, it very definitely was.

That wartime class alliance was dismantled at the war's end, but the culture it generated could be seen and heard on the BBC throughout the fifties and sixties and well into the seventies, around which time British culture went into an accelerating decline.

In the same period, the state apparatus which Bevin had accustomed to catering to a working class taste, continued looking out for a working class to cater to, to cultivate, or simply to serve. But the working class was busy with other things. Which brings us back to the question raised earlier: what went wrong with British workers' first attempt at a Labour Party?

I haven't answered it. I can't answer it. If there was any danger that I could answer it, I wouldn't. For really it is one of those questions that can only be resolved in action. By setting to, and getting it right next time.

This was vetoed by the Court of Commerce, but might happen now that Eurotunnel has expressed an interest in the 3 ships of the company. Eurotunnel would take the ships over even if the cooperative does not get off the ground.

SNCF will offer generous severance payments, to enable the employees to finance a cooperative.

Nicolas Sarkozy has intervened himself in the situation, asking SNCF to pay even larger indemnities and suggesting that SNCF could buy the ships and rent them to the cooperative.

SNCF is offering 500 jobs to ex-employees, but not necessarily in the same region or in the same type of job, coach driving being offered.

Le Figaro's online English version (9.1.12) is not a translation of any one article, but a sort of summary in English. It is much more forthright than the French. Titled:

“French government decides to sink ferry service SeaFrance,” it continues: “The shipwreck of SeaFrance is official. Earlier today, a government tribunal finalized the decision to liquidate company SeaFrance. Last week, the union of SeaFrance workers, Scop, launched a 50 million Euros project to take over the ailing ferry service. Today, the French government deemed the union’s offer “non-valable” [not valid], saying that Scop did not have the financial means to successfully restart the ailing company.”

Mafia-like unions?

The national leader of the CFDT union disavowed the Calais-SeaFrance branch, to the point of deciding to expel them and of telling members not to invest their redundancy money in the proposed cooperative; Chereque, the leader, appeared on television saying he was ashamed at the behaviour of the Calais members.

The national media took this up. The Calais CFDT “operated like a mafia, giving jobs to friends and relations (35% more employees than required to run the ships), giving out promotions and bonuses on the same basis (workers giving

each other bonuses!). It dealt with opposition by thuggery, moral harassment or beatings. It was also corrupt and lining its own pockets.

The local paper *La Voix du Nord* also followed suit, except in one article which gave details of the accusations against the union.

Regarding violence, this amounted to a union official sentenced in 2009 for the beating in 2005 of a rival (CGT) union member; later two officials were sentenced for an attack on a plain-clothes policewoman during a demonstration.

So this is not a reign of terror against employees of SeaFrance.

Regarding corruption, an allegation that 720 000 Euros worth of perfume, tobacco, and whisky had disappeared from ship stocks got nowhere, even after checking members’ bank accounts. The SeaFrance works council’s accounts came under attack, but the CFDT won a libel case defending its honesty.

Firms have to hold elections among employees regarding union membership; last September’s election resulted in 76% voting for CFDT. The firm might have been successful if management and unions had worked together, but they were at loggerheads. The branch accuses the new executive manager of SeaFrance of a concerted campaign against them since 2008.

Eurotunnel however do not seem to be ruling out supporting the union.

Finance as the enemy?

This was the rallying cry of the supposed presidential favourite, F. Hollande, at his first big rally Sunday 22 January. It might sound good. But looking at the two cases above, you see that finance is what you need to preserve industry and skilled employment.

The problem is that financial institutions are in a situation where aiming at maximum profit is their only option. Considerations that would end up lowering profits are outlawed. They must invest only where maximum returns are

expected. So any firm showing signs of going through a bad patch will not find the credit it needs. Presidential candidates should be saying to people: be prepared to invest and get a low rate of return, for the good of your countrymen. The state will look after you, so stop putting your money into private pensions and private insurance and private health care. Then we won’t have these massive funds that only go for maximum profit, at your detriment. But no one will say that.

Fear And Loathing In The High Street

They can afford to kill
children abroad

but will they pay for their
welfare at home.

Union Jacks fly, the dead
are monochrome.

Military wives sing loudly to God,

where is your conscience
one would like to ask,

only Nazis required
to have had one?

A female army medic
has some fun,

shot her first Afghan and
in *The Sun* basks,

though don’t try this at home.

Too late, they have: a dad killed
all his family in despair.

One called for England
to be Alcatraz,

for when the pips squeak
the streets declare.

A fat-faced parliamentarian
chav joins the ranks of
the visually-impaired.

Wilson John Haire.

