



# The retreat from Labourism

Mark Harrison Thu, 30/05/1991 - 10:59

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Tradition can be a valuable asset for the working class. It can embody noble principles of solidarity and struggle, carried from generation to generation and nurtured by the class? fighting organisations. Revolutionaries seek to transform such tradition into the collective memory of the working class, so that it can learn from past victories and defeats. Yet tradition can also be a dead weight, a substitute for clear thought, an exercise in romantic consolation for those who cannot or will not fight today?s battles, and a means of concealing the reality of the past from the new generation.

The British Labour Party thrives on this latter, negative, aspect of tradition. It covers the legacy of a century of class struggle, during which it has deliberately and systematically betrayed and attacked the working class, in a shroud embroidered with traditions?the singing of the Red Flag, the ritualistic commitment to Clause IV, the claims to be a socialist party, the use of the term ?comrade?, and more besides. All of this gives succour to its established members. With their long service badges, their annual conference clashes with the Parliamentary Labour Party, and their heartfelt sing-songs, they can console themselves. They may have failed (some may not even have tried) to change the party, but at least they remain part of ?this great movement of ours?. Likewise the young are blinded by the sentimentality of the ?tradition?, blinded to Labour?s past and current treachery, blinded to the tasks of the day. Come what may, all will agree, whatever their upsets and reservations, that Labour, after all, is ?the party that is for the working class? and there is no alternative to it.

The right wing are adept in using this argument in the name of party unity. They frighten the left with stories of the horrors of the political wilderness should they push their struggle too far. Yet it is normally the right who are prepared to split, prepared to find political homes in other bourgeois institutions. The left reformists are the ones most guilty of insisting that there can never be an alternative to the Labour Party. Eric Heffer, one of the leaders of the left in the 1970s and 80s, wrote, just after the left?s self imposed retreat and on the very eve of the its rout at the hands of Kinnock in the mid-1980s, that he rejected the attitude of those:

? . . . who refuse to understand why, with all its imperfections, the Labour Party retains the potential to be the instrument of socialist transformation. In my book, *The Class Struggle in Parliament*, I said that as an apprentice joiner I was taught that when my tools were blunted I had to sharpen them, not throw them away. There can come a point when a tool can no longer be sharpened, and then it does have to be replaced. However, we have certainly not reached that stage in the Labour Party, as the recent policy and organisational debates have proven beyond doubt.? 1

The overthrow of the results of those policy debates and the neutering of the organisational reforms by the Kinnock leadership demonstrated that the Labour Party is not a viable instrument for socialist transformation. Yet the Labour left continue to believe that it is a tool they can still sharpen and refuse to entertain the notion that a real socialist alternative needs to be built. They are convinced that all such attempts to build an alternative are inevitably doomed to failure.

While myth and tradition are important outward symbols of the continuing illusions Labour?s left and large numbers of workers? have in the Labour Party, they are not the fundamental reason for the existence of these illusions. The tradition that ?Labour is the party for the working class? is sustained by the real, contradictory nature of that party. With the affiliation of trade unions?millions strong?to the Labour Party, with the electoral support of millions of

workers, it is the case that Labour is the principal party of the working class in Britain. But that does not make it a real working class party, a party for the working class. In its policies, in its actions and in its leadership Labour is a party for the bourgeoisie, but based on the working class. Its role, and its use to the bourgeoisie, is to harness the support of the working class for the maintenance of capitalism. It is in this sense a bourgeois-workers' party. As Lenin put it:

'Of course for the most part the Labour Party consists of workers, but it does not logically follow from this that every workers' party which consists of workers is at the same time a 'political workers' party'; that depends upon who leads it, upon the content of its activities and of its political tactics. Only the latter determines whether it is really a political proletarian party. From this point of view, which is the only correct point of view, the Labour Party is not a political workers' party but a thoroughly bourgeois party, because although it consists of workers, it is led by reactionaries, and the worst reactionaries at that, who lead it in the spirit of the bourgeoisie and with the aid of the British Noskes and Scheidemanns, they systematically deceive the workers.'<sup>2</sup>

It is clear that Labour remains the principal obstacle to the building of a revolutionary workers' party in Britain. Today it is necessary to examine whether or not the contradictory nature of the Labour Party—and many of the tactics for revolutionaries that this nature makes obligatory—still exists in the 1990s, seventy years on from when Lenin penned his analysis. The starting point for such analysis has to be a recognition that the very term bourgeois-workers' party implies a living, moving contradiction. It implies a struggle between the contending classes within the party. Has the point been reached yet where one or the other has won out and resolved the contradiction? Is the Labour Party now merely a bourgeois party, indistinguishable from other bourgeois parties?

### **The political terrain Labour operates on**

The Labour Party was brought into being by the trade union bureaucracy for the purposes of serving it in Parliament.<sup>3</sup> It was not formed as a campaigning party with roots deep inside the working class, with newspapers and party organisations that played a living role in the daily lives of thousands of workers in the way that, for example, the German Social Democracy did. It was formed by a handful of small organisations, such as the Independent Labour Party (ILP), on the initiative of the trade union leaders. It was not originally open to individual membership, and to this day its mass membership exists courtesy of union affiliations. Its orientation was set out in very clear terms when the Labour Representation Committee was finally established in 1900. Theodore Rothstein describes the events as follows:

'At the initial conference of the trade unions and the socialist organisations in February, 1900, the two sections met in battle. The social democrats moved that the working class should form a 'distinct party . . . separate from the capitalist parties, based upon the recognition of the class war, and having for its ultimate object the socialisation of the means of production, distribution and exchange'; whereas the ILP moved that the working class representatives in Parliament should establish 'a distinct Labour group who shall have their own whips and agree upon their policy, which must embrace a readiness to co-operate with any party which, for the time being, may be engaged in promoting legislation in the direct interests of labour or in opposing measures having an opposite tendency'.<sup>4</sup>

The ILP motion was carried by 53 votes to 39. It was a clear adaptation to the Liberals, it prevented Labour being formed as a socialist party and it framed Labour's activity in purely parliamentary and legislative terms. It set the tone for Labour's entire history, establishing the party as what it is to this day, a party that exists, purely and simply, for the purposes of winning elections.

Very rarely in its history has Labour been a campaigning party. Of course, its members, its thousands of trade union supporters, have been involved in countless campaigns and industrial disputes. But the party itself virtually always remains aloof from the struggle beyond Parliament. Histories of the 1926 general strike have little to say about Labour's role, for that role was negligible. And today the two mass campaigns of 1990-91 in Britain—against the Poll Tax and against the Gulf War—existed despite the Labour Party, not because of it. Even at the height of left advance in the early 1980s the party and its basic structures never got much beyond being local electioneering units. Campaigns and industrial disputes are, for the Labour Party leadership, at best a diversion, at worst vote-losing disasters.<sup>5</sup> Kinnock described the year long miners' strike as the 'wasted year' because it got in the way of his attempt to refashion the

electoral image of Labour.

This commitment to the overriding importance of Parliament, and therefore to elections, is enshrined in the Labour Party's constitution. Object 1 is: 'To organise and maintain in Parliament and the country a political Labour Party.' The efficacy of parliamentary 'action' is not in doubt for Labour. No matter that their forces did not inflict a single defeat on the Tories in the voting lobbies, no matter that their feats of rhetorical brilliance in the Westminster monkey-house, have not stopped one significant Tory attack on the working class throughout the 1980s, no matter that real power in society does not reside in Parliament, it is still the place where Labour lives and breathes. It is the supreme focus for the Labour Party's attention, it is the place they need to capture if they are to govern. It is their *raison d'être*. As such it expresses perfectly the bourgeois character of the Labour Party.<sup>6</sup> Today, however, Labour's fixation on Parliament exposes the strategic problems it faces.

## **Electoral decline**

Since 1951 Labour's electoral support in the country as a whole, and within the working class in particular, has been in more or less continuous decline. There have been fluctuations, and in 1966 Labour's support surged to one of its highest ever levels. But overall, and in particular since 1966, the trend has been downwards with Labour becoming ever more the party of a shrinking minority of the working class. A Fabian study of the 1987 defeat reached some very illuminating conclusions. First of all it revealed the limited scope of Kinnock's 'success' in turning Labour around as an electoral force after Foot's last stand, Labour's very own Little Big Horn massacre, in 1983:

'The increase in the Labour vote in 1987 came from a higher turn-out amongst Labour supporters rather than from any growth in identification with Labour.'<sup>7</sup>

The problem identified by the Fabian authors goes deeper. Not only was there no real increase in Labour's support in 1987 but also the basic core of traditional Labour supporters had become demonstrably smaller. Taking the evidence of various electoral surveys the pamphlet recognises that Labour can no longer rely on the majority of the organised working class to give it automatic support:

'In 1966 47% of the British Elections Studies' sample were Labour identifiers. Twenty years later, just 29% of the 1987 British Social Attitudes sample were.'<sup>8</sup>

Even allowing for the vagaries of psephologists in the compilation of the figures that lead to these conclusions, Labour's shrinking support amongst the working class in general and the organised working class in particular, is clear. In 1983 Labour received only 35% of the skilled workers' votes as against the Tories 39%. In 1987 Labour's share of votes from skilled workers went down to 34%. And amongst trade unionists generally Labour's share of the vote in 1987 was 42%.<sup>9</sup>

It is well to remember that these estimates of Labour's declining support amongst workers come from Labour supporters. We are not dealing with Tory propaganda. Indeed, both the left and the right agree that Labour has suffered a real decline and while they propose differing methods of rectifying the situation they identify similar reasons for its existence. These reasons boil down to variations on the theme of Eric Hobsbawm's 'Forward March of Labour Halted'.<sup>10</sup> Labour's decline, so it is argued, mirrors the decline in the traditional working class. The Fabian authors quoted above conclude:

'The growth of home ownership, the decline of the smokestack industries and the shift of population from city to country have all been major factors in the reduction of Labour's social base. These far outweigh those changes in social structure, such as growth in numbers dependent on benefits and in public sector employment, which might be expected to help Labour.'<sup>11</sup>

Eric Deakins identifies the erosion of collectivism amongst the working class, the end of the famous working class community, as contributing to Labour's decline:

?Collective needs are today as great as ever but there is no longer the collective concern and automatic support for action to meet them. People excluded from collective consideration are left without hope and with no prospect of making a contribution to society. An inevitable result has been more cynicism and apathy about politics, especially among those who could be expected to benefit from a Labour government.? 12

Deakins equates the lack of Labour support amongst the working class and the poor with apathy for politics?an equation that the anti-Poll Tax struggle demonstrated was patently false. Nevertheless he rightly observes Labour?s lack of support amongst workers as a palpable reality that has to be confronted by the leadership.

The right?s solution to Labour?s declining support amongst the poorest sections of the working class is to appeal to prosperous workers and middle class people. Even whilst opposing these conclusions the left concedes that the decline is real. Clare Short, for example, argued:

?We must also be clear about whose votes we need to win. All the talk of enlarging our appeal to the prosperous ignores the fact that we won the votes of only 51% of the unemployed, half of the unskilled and semi-skilled workers?eight million of whom are low paid?31% of pensioners, 42% of trade unionists, 57% of council tenants and 34% of first time voters. It is simply not true that the poor and dispossessed supported us. The erosion of our vote flows right across the income spread.? 13

To one degree or another all of these assessments of the 1987 defeat reflect the idea that the forward march of Labour has been halted. A mood of pervasive pessimism?articulated most clearly by the middle class sirens of Marxism Today?had the left and the right firmly in its grip after 1987. All were doubly perplexed because Labour?s decline had not been arrested by what both wings of the party had regarded as a marvellous election campaign spearheaded by Kinnock. It was lauded as professional, energetic, snazzy, dynamic and based on clear cut policies?all the things that were missing in the 1983 debacle. Even Tony Benn hailed it as Labour?s best campaign since 1959. Yet still Labour lost, and lost badly at that. It had failed to re-create the alliance with middle class voters that had brought it victory in 1945 and 1966. It was left with its working class core, which itself had been reduced in size over the preceding two decades.

### **A cyclical history of Labour?**

Neither the left nor the right, however, were able to confront the underlying truth revealed by the defeat and by the long term decline of Labour?s voting base. It is not the case that the forward march of Labour has been halted. There has never been a ?forward march?. The history of the class struggle this century is a history of both advances and setbacks for the working class, and for Labour. The Labour Party became an electoral force because of the growing strength of the organised working class. From the victories of new unionism in the late nineteenth century through to the syndicalist upsurge before, during and immediately after the First World War, the organised working class asserted itself as a decisive force capitalism had to reckon with.

A reformist political party, capable of restraining that force and channelling it into parliamentarism was a vital necessity for both the trade union bureaucracy and the capitalist class itself. That bureaucracy, in alliance with sections of the liberal bourgeoisie and middle class who deserted the fading Liberal Party, formed the Labour Party for that very purpose. The elemental power of the class struggle was diffused into the struggle for a bourgeois Labour government, a struggle given added impetus after the defeat of the 1926 general strike and the retreat inside the trade unions that this gave rise to.

In 1929 Labour achieved governmental office, for the second time, as a minority government. The bourgeois character of the party revealed itself quickly when MacDonald attacked the unemployed. The pressure of the workers, directed against this betrayal, led to splits and disarray within the party, first with MacDonald joining the Tories in a national government and then, in 1932, with the lefts of the ILP splitting to form a separate party. The defection of MacDonald created widespread bitterness amongst workers, but the resistance to him waged by others in the party, backed by the trade union bureaucracy, kept alive the hope that a majority Labour government would still meet the needs of the

working class. Towards the end of the Second World War a combative working class, expectant of change after its economic privations in the 1930s and the sacrifice of thousands of its youth in the war, created the conditions for the election of a Labour government.

Capitalism itself was crying out for reconstruction. Ailing industries had to be saved by state intervention. The working class needed to be nurtured by improved health care and education if it was to be fit to match the requirements of a modernising capitalism on the eve of the long post-war boom. More than this, Labour had proved its loyalty to the bosses by being Churchill's most loyal supporters in the war cabinet. Once Labour had achieved the immediate tasks of reconstruction and, through its systematic military strikebreaking, demobilised the working class things for the bosses, it faced a crisis of direction.

Whilst its popular support held up in the 1950 and 1951 elections it fell victim to Britain's unfair voting system and in 1951 went into opposition. For thirteen long years it sat powerless as three successive Tory governments reaped the benefits of booming Britain. Only in the 1960s, when capitalism required a new regime of technological modernisation was Labour called upon to rule. And last, but by no means least, when the working class, in the period of crisis that arrived at the end of the 1960s, once again threatened to take its struggles beyond the limits of capitalism, Labour found itself called upon to play the same role it had fulfilled in the 1920s—as the focus for hope by a combative working class and as the pivotal means whereby that hope could be dashed and militant working class organisations demobilised. Such was the character of the 1974 -79 Labour government.

This is no forward march. It is a history of struggle in which the balance of class forces changed as a result of struggle and in which Labour prospered in Parliament because of those changes. Labour's long term decline needs to be understood in this context if we are to avoid the practical conclusions of the pessimists, right and left, inspired by Hobswam—namely that the decline of the working class and of the class struggle itself is an inexorable process requiring a new political agenda based on a strategic alliance between the working class, the middle class, the new 'social movements' and sections of the capitalist class.

It is undeniably true that demographic changes, combined with industrial restructuring have changed the British working class. Greater numbers of workers are employed in smaller concerns, and live in new towns rather than in the old industrial conurbations. It is also true that the trade union movement, even despite the growth of employment in the mid-1980s, has continued to dwindle in numbers.<sup>14</sup> Home ownership is on the increase, living standards amongst many workers, especially the skilled, have risen. But none of this explains the fall in Labour's support, or the fall in the level of industrial militancy.

Still less does it prove that under Thatcher the Tories were able to shape a new popular consensus of greed and selfishness, anti-welfarism and conservatism. Thatcher's own fall in 1990 and the obligation the Tories were under to present themselves as a caring and socially responsible party are proof that the attitudes and ideology associated with Thatcher were essentially ephemeral, subject to dramatic shifts under the impact of objective developments in the economy (the recession) and the class struggle (the anti-Poll Tax campaign).

The crisis of militant trade unionism in the late 1980s and early 1990s does not signal the end of the class struggle. It signals the scale of the defeats suffered under the Tories in the 1980s. Taken together the defeats that Thatcher inflicted on the steel workers, the public sector workers, the miners, the printers, the seafarers and the dockers, represent a strategic defeat for the working class. By this we mean a defeat of such scale that the possibility of the working class, in the short term, regrouping the forces for a generalised assault on capitalism, or even a generalised resistance to its onslaughts, is temporarily removed.

The defeat is of such a scale that the working class is forced for a period to carry out limited, largely sectional and fragmented struggles (guerrilla war as opposed to full scale war). The cumulative effect of the defeats of the 1980s, in particular the defeat of the miners, has been to create such a situation. Class struggle doesn't disappear because of this, nor does the working class. Within the guerrilla struggles a new generation of worker militants will be forged. The class will regroup. A new period of generalised struggle will eventually open up.

## Labour in office

The scale of Labour's decline in the 1980s can, however, only be partly understood by the defeats of the industrial struggle.<sup>15</sup> However, as we saw from the earlier discussion of Labour's decline, there is a deeper cause at work. It is rooted in the role Labour has played when it has been in government.

Labour governments epitomise, in a chemically pure way, the bourgeois side of the Labour's Party's character. They are elected with the promise, to one degree or another, of fulfilling the aspirations of working people. In 1945 the Attlee administration promised a 'new social order' to replace the two decades of war and slump that capitalism was indelibly stained with. Its manifesto, *Let Us Face the Future*,<sup>16</sup> declared:

'The Labour Party is a socialist party, and proud of it. Its ultimate purpose at home is the establishment of the Socialist Commonwealth of Great Britain.'<sup>17</sup>

Its actions in office demonstrated the deceit embedded in these words. While it introduced the welfare state and nationalised the utilities and coal it also systematically betrayed the working class, imposing post-war austerity programmes, holding down wages, breaking strikes, with the repeated use of troops and states of emergency. It ensured that the nationalisations carried through were those that benefited the bosses (propping up essential industries necessary to the functioning of capitalism as a whole but no longer profitable enough to sustain private capitalist ownership). Vast compensation was paid out to the bankrupt private owners of the mines. Meanwhile the workers were denied any element of real control within those industries. Labour failed to introduce a single fundamental change to the capitalist system. It created the conditions for capitalist prosperity which, after the 1951 defeat, enabled the Tories to secure two further election victories.

Again in 1964 Labour came to power promising fundamental change. Its programme was nothing like as radical as the 1945 manifesto, but it mobilised its working class support by pledging an advance to socialism. Harold Wilson was hailed as a dynamic, left leader, committed to clearing out the cobwebs after thirteen years of Tory rule. Tony Benn was his Postmaster General, and later Minister of Technology. Thousands of young workers and radicalised intellectuals were seduced by these new men into actively supporting Labour and helping them win a majority of four in 1964 and then 96 in 1966.

Wilson's brand of socialism—and it was one that appealed to the British bosses at the time—could be summed up as the dramatic modernisation of the economy. Wilson's Britain would be 'forged in the white heat of a technological revolution'. His appeal to the working class lay in his promises that they would not be made to bear the economic brunt of the reforms that were needed to carry this revolution through. He stated:

'You cannot go cap in hand to the bankers . . . and maintain your freedom of action, whether on policies of maintaining full employment here in Britain or even on social policies.'<sup>18</sup>

Yet, in office, Wilson perfected the art of doffing his cap to the bankers. Faced with appalling balance of payments deficits undermining his expansionary technological programme, faced with financial pressure from the bankers, he turned on the working class. Wages and jobs were savaged. Pay freezes were imposed. The seafarers in 1966, who struck against Wilson's policies, were subjected to a vicious anti-communist witch-hunt. US imperialism was given full support throughout its merciless war against Vietnam. And, towards the end of his reign Wilson attempted, unsuccessfully, to steer through the anti-union package, *In Place of Strife*, which was a direct attempt to destroy the organised power of rank and file workers, in particular shop stewards.

The story repeated itself yet again. The betrayed hopes of the working class led to a Labour defeat at the polls. Only as a result of the massive upsurge of trade union militancy against Ted Heath's Tory government in the early 1970s was Labour able to present itself so quickly as a revived alternative for the working class. Only by pledging itself to a very different programme in 1973 was Labour able to harness the support of a combative and confident trade union rank and file. The talk of technology was replaced, once again, with the talk of traditional socialism.

While Wilson made clear that he would not be bound by a decision to include the nationalisation of the top 25 companies in the Manifesto the decision itself was highly significant of the leftward move Labour had been obliged to take. The 1973 Manifesto, like *Let us Face the Future* in 1945, was a radical programme of nationalisation, this time with a good measure of 'worker participation' in company decision making included, plus the repeal of Tory anti-union laws, the extension of significant rights to the trade unions and economic planning. The draft approved by the 1973 party conference read:

'The challenge in this Programme is a socialist one. Our economic strategy reflects this challenge. For we intend to use our strategy to . . . bring about a fundamental and irreversible shift in the balance of power and wealth, in favour of working people and their families.'<sup>19</sup>

With the inexorable logic of a Greek tragedy the promises that brought success at the polls in October 1974 (after a six month period of a minority Labour government) were reneged upon by the Wilson/Callaghan government. As in 1945-51, troops were used to break strikes. As in 1964-70 wages were cut by incomes policies. The pledges to nationalise extensive sectors of industry were dropped and Tony Benn, the architect of the plan to fulfil these pledges through a National Enterprise Board, was sacked from the Ministry of Industry after Wilson won the referendum to take Britain into the Common Market in 1975. The new feature of this Labour government was the scale of its attack on the working class. It presided over rising mass unemployment. It perfected the police Special Patrol Group as a picket busting squad. Under the terms of the Social Contract with the leaders of the unions, particularly the 'left' terrible twins, Jack Jones and Hugh Scanlon, workers' real wages were cut, according to the *Economist*, by 7%.<sup>20</sup> It is well to remember that, in the original Manifesto, the Social Contract was described as being 'not concerned even primarily with wages' and promised a 'newly restored right of free collective bargaining'. Once again faced with the demands of the bankers' for financial stability Labour, in a bid to secure money from the IMF, paved the way for Thatcherite monetarism. Labour, not Thatcher, broke the post-war 'consensus' of Keynesianism, of state economic management based on expanding public spending. In his speech to the 1976 Labour Party conference, as the most savage cuts in public spending since the war were being carried through by Chancellor Denis Healey, the new leader James Callaghan made his famous declaration on the end of Keynesianism, let alone socialism, in the Labour Party:

'We used to think you could spend your way out of a recession, and increase employment by cutting taxes and boosting government spending. I tell you in all candour that that option no longer exists, and that in so far as it ever did exist, it only worked on each occasion since the war by injecting a bigger dose of inflation into the economy, followed by a higher level of unemployment as the next step.'<sup>21</sup>

And with that Thatcherite declaration still ringing in conference delegates' ears Labour slashed billions off public spending, cutting it, as a percentage of Gross Domestic Product, from 27.1% in 1975 to 23.2% in 1978. Health, education, social services'everything, in short, that Labour was pledged to maintain and expand'all fell under the axe. Having paved the way for Thatcherism in 1976, Labour was powerless to prevent it winning the 1979 election. Workers deserted Labour in droves. It reached a scale of unpopularity that surpassed that suffered by Wilson in 1970. Since its defeat it has lost another two elections.

It is tempting to explain this history in purely cyclical terms. Workers tire of long periods of Tory rule. The middle classes themselves grow disaffected with Toryism. Labour revivifies itself in opposition, recapturing its support, enters government, betrays and pays the consequence with a further period of opposition and the whole process begins anew. While there is an element of truth in this view of Labour's ebbs and flows, it does not tell the whole story. For in each cycle what we have witnessed is ever more diminished working class support for Labour. It is, through its betrayals, eroding its own natural constituency. While the mass of Labour voting workers do not expect the party to deliver socialism, they do expect it to fulfil its pledges to reform capitalism to some degree.

Each Labour government has betrayed those expectations. Each Labour government has reneged on its own reformist promises when faced with the need to prioritise the interests of capitalism.<sup>22</sup> Only at points where reforms and capitalism's needs have directly coincided (1945) was this process mediated. In general, however, Labour's actions in office have contributed, more than anything else, to its decline over the last forty years.

Labour retains the possibility of electoral success by continuing to harness the support of large numbers of workers, both through the efforts of the trade unions and through its own willingness to carry through a number of limited reforms that will cushion workers from some of the worst effects of the capitalist crisis, albeit in a manner that is far removed from the crusading reformism that typified Labourism in the post-1937 period. Likewise, it can pursue a middle class constituency to whom it can offer the hope of personal prosperity.

But the cycle of renewal followed by betrayal, followed by a new bout of renewal, to the extent that it does exist, is like an ever decreasing circle. Labour is paying the price for its betrayals with diminished support amongst its natural supporters, the working class.

### **Labourism and the working class**

The Labour Party has never tried to systematise its own ideology and practice, but the term 'Labourism' emerged during the first three decades of this century to describe what was distinctive about this British form of political reformism. Labourism can be defined as the political ideology which resulted from the particular origins of the party as a bourgeois workers' party. It is the ideology of Labour as not just the party of the working class, which is common to all strands of social democracy, but of Labour as the party of, by and for, the trade unions.

The British working class had formed trade unions very early on its life and had even given birth to one of the first independent proletarian political movements in the form of Chartism. But it was very late in forming a separate parliamentary party.<sup>23</sup> Mass new unionisation in the 1880s and 1890s meant that pressure developed within the trade union movement as a whole for reforms for the mass of workers that could not be accommodated within the framework of the trade union bureaucracy's existing allegiance to the Liberal Party. The initiative for setting up the Labour Representation Committee in 1900 came from a resolution of the TUC the previous year and effectively meant that the Labour Party came into being as the parliamentary fraction of the trade union bureaucracy. Until 1918 the party had no individual membership. Since 1918 individual membership has been secondary, in terms of funds and policy making, to the trade union affiliations. Through national and local affiliation the trade unions' or more precisely trade union officialdom' dominate the Labour Party.

In the period from 1900 to 1918 the seeds of many of the ideological facets of Labourism were sown: opposition to the class struggle and a search for social peace plus an unshakeable belief in the neutrality of the state. But the effect of the First World War was to shake up the Labour Party. Under the impact of Bolshevism and syndicalism it developed its commitment to state intervention and forms of 'common ownership'. After 1918 it was redefined organisationally, attracted millions to vote for it and, during the 1920s and 1930s, gradually reshaped and added to its ideological armoury aspects that were to make it more clearly distinguishable from the Liberals.

The 1920s witnessed two minority Labour Governments. These had very little distinctive political colouration to mark them off from the Liberals. The 1930s saw a Labour Party once more banished to the political wilderness, suffering splits and defections, which left the official Labour Party up to 1937 politically no more than an echo of the Liberals. Only with the 1937 programme did the trade union link and pressure make itself felt, giving the Labour Party a distinctive outlook. From here through to the end of the Second World War Labour was able to fashion modern Labourism: a unique role for the trade unions as equal partners in political life in bourgeois society, tied to a comprehensive system of welfare provision for the mass of the population within the framework of the capitalist economy.

The unique role ascribed to trade unions was an enduring feature of Labour in the post-war world up until the 1980s. Already represented in Parliament through Labour, the unions were to find a place assigned to them in the corridors of Whitehall and on the boards of nationalised industries. It was this place in bourgeois politics that the Tories, under Thatcher, targeted for destruction. Under Kinnock Labour has redefined its ideological basis in such a way as to completely change the political role of trade union bureaucracy in society. This has naturally had consequences for the role of the unions within the Labour Party itself. All in all the main ideological prop of Labourism is being kicked away both by Kinnock and the trade union bureaucracy itself. The Kinnock reforms have not succeeded in uncoupling the

objective bourgeois-worker structure. But they have created a situation where subjectively the leadership presents itself as no longer under union control, the bureaucrats present themselves as no longer desiring control. Today Labour's organic relationship to the unions still remains central although that relationship is being recast in a manner that is incompatible with its original labourite content.

But Labourism as an ideology is more than just its link with the trade unions and a conception of their role in society. It also includes a commitment to welfarism. The importance of welfare provision to the working class cannot be ignored as a factor in the rise of the party. Prior to the Second World War miserable housing, means tested and meagre unemployment benefits, expensive health care, unsanitary living conditions, restricted access to education, were all real features of working class life.

From the early days of Fabianism's 'gas and water' municipal socialism, through Herbert Morrison's house and school building programmes in pre-war London, right up to the construction of the welfare state after 1945, Labour promised the masses that it would ameliorate the miseries of capitalism by introducing welfare reforms. Its achievements in local government did much to break the hold of the Liberal Party on working class voters. Its betrayal of its commitment to welfarism, when MacDonald tried to cut unemployment benefit, led to a major split in 1931. In both the 1930s and the 1980s Labour's role in local government enabled it to sustain and reproduce its support within the working class through local welfare programmes. Of the earlier period John Gyford pointed out:

'By the late 1930s it was already clear that Labour controlled councils were providing more generous public assistance benefits, more extensive maternity and child welfare services and more spending per child on education.'<sup>24</sup>

Clearly this welfarism benefited the working class. It directly affected the daily lives of millions of workers. It brought them tangible gains, particularly in the 1930s, which promised a better life and which strengthened the prospects of a Labour government getting elected to do nationally what Labour councils were doing locally. For this very reason loyalty to Labour amongst workers increased. This was reinforced by the trade unions, Labour's transmission belt to the mass of the working class. For while there was nothing distinctively socialist or proletarian about Labour's welfare reforms (the architects of the system were Liberals' Beveridge and Keynes) the fact that it was a working class based party that was carrying them through enabled Labour to engender widespread support for Labourism.

Even in today's right wing party it would be hard to find anyone from any section of the party who does not regard Labour's commitment to social welfare as important. Labour is the party of the welfare state. Public ownership of industry has been dumped. Labour now accepts the need for legal curbs on the rights of trade unionists. Labour is firmly committed to the market and has no commitment any longer to full employment. Yet it remains, defiantly, the champion of the NHS, of education, of welfare provision.<sup>25</sup> But increasingly this commitment has very little to distinguish it from that of the Liberals. The organised working class has no real role left in the administration of the health service and no special place as consumer.

It is not just that the ideology of Labourism is under attack from above, by its leaders under the impact of the open bourgeois parties. Its hold upon the working class communities has declined as a result of significant changes in the social structure of British capitalism and the political mechanisms for transmitting the ideology of Labourism. As to the latter aspect, Labour never simply relied upon the trade unions. Many class conscious workers identified with Labour as a socialist party and it could count on the direct participation of the working class membership of the constituency parties to renew the commitment of broader layers of the working class to Labour.

Moreover, the existence of large and highly concentrated communities of workers in the industrial conurbations and the amelioration of their living conditions by Labour councils helped create and sustain a powerful labourist tradition inside the working class. The party appeared to reflect their collective needs and offered them collective solutions. Even the Co-operative movement, formally affiliated to the Labour Party, offered its members and users an experience of collective practical solidarity. The simple explanation of the decline of this outlook is the economic development of capitalism in the post-war period and the Labour Party's record in dealing with this development. In the 1950s Labour

was a victim of its own success. Having played a key role in restructuring capitalism Labour found its appeal undermined by the post-war boom. Its welfare programme had been fulfilled and was now being presided over by a Tory government able to sustain it thanks to the long boom. Welfarism, claimed the Tories, was just as much their policy as Labour's.

Welfare had receded as an issue until the Callaghan government of the mid-1970s undermined its base by attacking the welfare state after its conversion to monetarism. His government was presiding over a new period of serious economic crisis. His attacks on the working class, his failure to expand and develop welfare provision and his open clash with the unions over a statutory incomes policy, all contributed to the weakening of labourite traditions in the working class.

In addition the objective changes in the working class which have resulted from the restructuring of industry, changes in demography and the defeat of the workers' movement in the 1980s have also weakened and in some cases demolished the organisational and cultural mechanisms whereby a new generation of workers in the industrial heartlands was won not just to voting Labour but to conscious identification with Labourism as an ideology. The distinction between voting for Kinnock's Labour Party and in being a conscious labourite is crucial for understanding the tasks we face with regard to rebuilding working class militancy and class consciousness. The erosion of Labourism does not mean that new generations cease to be reformist. Far from it; their illusions in the transformation of capitalism into a workable and fair system are even less expressed as a desire to peacefully reform capitalism in a socialist direction. Nor does it mean that Labour's electoral decline is inevitable. But it does mean we are witnessing the decline of a specific form of reformist class consciousness and its retreat to the terrain of pure bourgeois liberalism,<sup>26</sup> led by the party leadership and facilitated by the atomisation of the vanguard.

### **Neil Kinnock and the Labour Party**

After the 1983 election the 'dream ticket' of Kinnock as leader and Hattersley as deputy leader was installed by the electoral college. But the establishment of such a college, with a 40% share of votes to the unions, 30% to the constituency parties and 30% to the Parliamentary Labour Party (PLP), was, together with the mandatory reselection of MPs, a major organisational reform won by the left in the 'civil war' in the party of 1979 to 1981. These reforms had prompted the split by the Gang of Four (Owen, Jenkins, Williams and Rodgers) to form the Social Democratic Party (SDP). They were used by the Bennite left to stand Benn himself for the deputy leadership in 1981, and he came within a whisker of beating Healey.

The Bennites had turned their entire attention to getting Benn elected as deputy leader. Struggles outside the Party, based on trade union or community action, were deemed entirely secondary to this goal. After he failed he dutifully turned his back on the left movement he had been the figurehead of and promised to put 'unity' under 'the existing policies and the existing leadership' above carrying on the struggle. In 1982 at a trade union stately home in Bishop Stortford he made his peace with the right. In 1983 he was one of the Labour MPs to lose his seat.

Inevitably the right and the majority of the trade union bureaucrats blamed the left for the 1983 defeat. Despite their 1982 truce they, not the SDP splitters, were branded as the wreckers in the party. They had foisted on the party a lengthy programme full of left wing commitments, described by the Labour rightist, Gerald Kaufman, as the 'longest suicide note in history?'. The real weakness of the 'left' advance, however, was shown after Kinnock was elected leader. The great reform produced a man who has taken Labour further to the right than any leader since Gaitskell, and it proved useless in enabling the party to hold him, or any of his loyal MPs, to account. Initially the left consoled itself by suggesting that Kinnock was a true born son of their wing of the party and would defend and preserve party democracy and the left policies agreed at successive conferences. Ken Livingstone commented:

'The left has to have a positive approach to the leadership. You've actually got to proceed on the basis that the party has elected the leadership it wants.'<sup>27</sup>

With the left behind him Kinnock was well placed to carry through his project of building the 'new model Labour Party'. He set about doing this with a vengeance. From 1983 to today Kinnock has succeed in carrying through the

most complete rout suffered by the left of the party since its formation. He has re-organised the policy-making machinery of the party so as to eliminate the age-old contradiction between the annual conference, which was the traditional voice of the mass of the party members, and the PLP.

He has refashioned the image of the Labour Party from being seen as workers' party, however imperfect and deceitful the image was, into being seen as a reliable national party, capable of governing capitalism, albeit in a more caring manner than the Tories. He has overhauled the party's base organisations—the constituency Labour Parties—in such a way as to destroy the influence of ordinary rank and file members. Last, but not least, he has won the party to a policy review that will go down in history as one of the most right wing programmes Labour has ever fought an election on.

Neil Kinnock took over the leadership of the Labour Party after its worst ever election result since 1931. Its share of the total vote was a miserable 27.6%, a mere 2% ahead of the Liberal/SDP Alliance and 15% below the Tories.<sup>28</sup> Labour was reeling in the aftermath of this catastrophe. Its role as the official 'opposition' in Britain's two party system was in real jeopardy. The hapless Michael Foot had presided over a disaster.<sup>29</sup> Neil Kinnock made clear from the moment of his ascent to the throne of leadership that his job was, exclusively, to reverse the party's electoral fortunes and make it once again the only viable parliamentary alternative to the Tories. Laying the blame squarely on the shoulders of the Bennite left, who had challenged for control of the party in the early 1980s, he said at the 1983 conference:

'[The Tories] are the enemy, they must be defeated and we must defeat them together. If we try by groups and factions we won't do it. If we give greater attention to arguments amongst ourselves than our enmity against them we won't do it . . . We must defeat them together. That is our purpose. There must be no activity in this Labour movement that is superior to that purpose.'<sup>30</sup>

This enemy had to be beaten by unity, said Kinnock, as he prepared to smash the left, and it must be beaten in Parliament, not on the streets or on the picket lines. This quickly became apparent during the miners' strike. Here was a struggle that united thousands against the enemy. Here was a strike that could have driven a stake into the heart of Thatcher's anti-working class government. And here was a strike that diverted everyone's attention away from Kinnock's real goal of reviving Labour's electoral fortunes. He was slow to express support for the strike, quick to make his hatred for Arthur Scargill known and adamant in his condemnations of the strike's extra-parliamentary dimension and potential. At the TUC Congress in 1984 he stood up and denounced the miners for violence and asserted:

'This Congress and its affiliated unions, its leadership and its rank and file, have repeatedly demonstrated and asserted the abiding belief that trade unionism is for changing conditions. General elections—and only general elections—are for changing governments. This Congress and British trade unionism has never in its 116 years of history preached or practised any other creed. And it never will.'<sup>31</sup>

Kinnock was, throughout the 1980s, prepared to sacrifice the vital interests of the working class in its life and death struggles with the bosses, to his parliamentary ambitions for a refashioned Labour Party. No clearer proof of the party's fundamentally bourgeois character could be needed.

Kinnock's strength in carrying through this revolution was not only his tactical and organisational skills, his choice of allies and his sheer determination, though all of these things played their part. His main strength, however, came from a different source—the inability of the left, the refusal of the left, to provide a coherent answer to his oft repeated slogan, victory in an election, no matter what the cost.

The left have no answer to this, for like Kinnock, their overriding concern is to get Labour elected. They are prepared to pay the price of yet more betrayals, yet more attacks by Labour on its working class supporters, yet more doses of 'socialist austerity', in order to achieve this. They are terrified of breaking ranks, never mind splitting, with the right wing leaders because they can envisage no transition to socialism other than through the portals of Parliament dominated by a Labour majority.<sup>32</sup>

Kinnock understood this all too well. He broke up the left bloc that was united only around the goal of supporting Tony

Benn, not around a clear policy or distinct ideology that could really confront the right's system of ideas and the right's means of realising those ideas, a victory for Labour at the polls. One by one Bennites went over to him (notably Tom Sawyer and Michael Meacher). He won control over the National Executive Committee (NEC) and reduced the 'hard left' to an insignificant minority, accused by their former allies of fighting yesterday's battles instead of confronting tomorrow's challenge (the next election). With this support he carried through a further purge of Militant supporters, using the Liverpool Council débâcle to full effect.

By establishing his authority in these struggles Kinnock was, although with the occasional minor setback, able to undermine the left and begin organising the party as an efficient, modern electoral machine. Campaigning was transformed for the 1987 election from the traditional emphasis on canvassing, public meetings, hustings debates, to a media spectacle. With the former student leader, Charles Clarke, as his political adviser and with Peter Mandelson, a media expert par excellence, at the head of the newly formed 'Communications and Campaign Directorate' the photo-opportunity, the television soundbite, the cultivation of a presidential aura for Kinnock, all became the hallmarks of the Labour campaign. Another of Kinnock's clique, Patricia Hewitt, summed up the new approach in her 1986 memo, 'Finding the Best Places to Visit':

?. . . good photo-ops for the stills photographers, and good locations for the TV should be the top priority . . . we want places that are modern, that show the best of Britain . . . places that encapsulate Kinnock's Britain . . . We do not want any closed factories, derelict housing sites, run-down hospitals, industrial wastelands of Thatcher's Britain . . . [we want] bright attractive people presenting an image of the broader base Labour has to capture?not people who present an image of old-fashioned Labour die-hards.? 33

Decoded, this means Labour should ignore those whose lives had been wrecked by Thatcher's offensive?the workers?and concentrate on the bright young things who had benefited from her policies. Labour followed these guidelines to the letter in 1987.

But none of it succeeded. The Tories romped home. In 1987, when the election came, all Kinnock's expulsions of Militant supporters and other left wingers, all of his denunciations of violence and all of his policy modifications that shifted Labour dramatically to the right, achieved minimal results. Labour was trounced once again. Its share of the total vote rose by a mere 4.4%. The Tories had a 102 seat majority. Labour faced the prospect of another five years of parliamentary impotence.

But this did not change the direction of Labour's campaigning style. More money was spent on creating the right image. More measures were taken to transform the party. Mass membership campaigns were organised on the basis of convincing people that they would never have to attend a 'boring' meeting. Recalcitrant local parties were suspended. Moves were launched, still underway, to transform the conference into a purely consultative body discussing reports from policy making commissions dominated by unaccountable MPs and experts. All of the NEC's policy making committees?which had been the left's main base in the late 1970s and early 1980s?were stripped of their powers. 'Labour Listens' was launched by Kinnock, and spearheaded by the former Bennite NUPE leader Tom Sawyer, as a prelude to a full scale policy review.

In 1987 Kinnock transformed the style of the Labour Party from one that emphasised class to one that emphasised prosperity. Since then he has transformed the policies of the party as well. The 'modern' style needed modern policies. All of the policy gains of the left were overthrown. After years of 'consultation'?in fact of policy making by a tiny handful of Kinnock's lieutenants?Looking to the Future was produced as the basis of Kinnock's election campaign for the 1990s.

Compared to the 1945 manifesto, from which this takes its name, this document reads as though it has been produced by an entirely different party. Socialism, even of the gradualist variety, doesn't get a look in. The old bugbear of nationalisation, even of the industries Thatcher has privatised, has been replaced by commitments to limited public ownership of the utilities, with 'regulation' by government watchdog bodies standing in for state ownership. A state run National Investment Bank, a new Department of Trade and Industry and government money for training, research

and investment replace the old 'planning agreements' of the 1964 and 1973 programmes. Trade unions will remain pinned down by the legal restrictions introduced under Thatcher, though the bureaucracy's ability to determine how low their members' wages will be is to be enshrined in a tripartite National Economic Assessment body, to discuss the distribution of the nation's wealth.

Even Looking to the Future was considered too radical as the prospects of an election loomed in 1991. A new draft manifesto, Opportunity Britain, was launched in April 1991. It mentions socialism once, in Neil Kinnock's introduction. And his description of it is instructive:

'If individuals are to flourish and society to thrive in freedom, people need the means to develop their potential; economies need the vitality of competition that is both fair and efficient; and countries need the practical advantages and the self-confidence that come from a real sense of community. They need government that is accountable not arrogant, enabling not meddling. That is the essence of modern democratic socialism.' 34

It is not at all clear what this essence is, but Kinnock's choice of words is instructive. It is the language of modified Thatcherism, with a stress on the individual, on competition and on an enabling government not an interventionist one. Democratic socialism has become fair minded Toryism.

Labour's new programme is different from Thatcherite neo-liberal economic policies, but what is distinct about Opportunity Britain and Looking to the Future is the absence of any clear commitments to fund expanded welfare provision through some measure of wealth distribution. Every promise is hedged with the warning that the amount Labour will spend will depend on the amount the country can afford. Thus, it is not at all clear whether Labour will put the amount of money into the NHS that the service requires to compensate for the systematic underfunding it has suffered during the last decade. The same is true for education and for local government.

In the past Labour always betrayed its promises, but it felt obliged to make them. Today we have only promises that Labour will spend no more than what the country can afford—the country, of course, meaning the capitalists and bankers who control the country's wealth. After years of Thatcher's onslaught on jobs, on rights, on health and education, on the local councils, Labour cannot bring itself to name any figure, will not pledge any amount, designed to repair the damage. It will only say that everything will have to be costed once the party gets into office.

All Labour can promise is that, unlike Thatcher, its government will build a new Britain based on partnership, between the state and the market, the workers and the bosses:

'... a modern economy must be a partnership economy. Britain needs a partnership between the private and the public interest, between management and work people, a partnership between both sides of industry and government at local and national level. Private business must do what it can do best: the public sector should do what it does best. Business where appropriate: government where necessary.' 35

And lest any boss is worried about the purpose of this partnership Labour is emphatic that socialism does not enter into it:

'We will work on the basis of these principles to secure our economic goals: stable and balanced economic growth, a reasonable equilibrium in the balance of payments, the control of inflation, and the highest possible levels of skilled and rewarding employment.' 36

It is amazing that even in 1983 and 1987 Labour was still echoing its slogan of the 1960s, for 'full employment'. Today it gives no such promise. Such is the scale of Kinnock's transformation of the Labour Party. And here we see an important difference to previous periods of Labour in opposition. Labour has used its periods of opposition to refurbish its support amongst the workers it has betrayed while in office. On the one occasion when the 'revisionists', Gaitskell and Crosland, tried to modernise the Labour Party by ditching Clause IV—the commitment to common ownership of the economy—they were roundly defeated and the way was cleared for Wilson to enter stage left and rekindle the hopes of the working class in Labour. This time round Kinnock has managed, de facto, to ditch Clause IV. In 1986 John Smith

began this process in a policy statement, 'Social Ownership, A Vision for the 1990s', which rejected:

'... the crude rhetoric of an unspecified checklist for nationalisation which contains no strategy for implementation, no plan for how the economy would be run, no sense of practicality and amounts to posturing rather than serious policy making.' 37

The 1945 government combined welfarism with an interventionist approach to the national economy, up to and including the nationalisation of certain industries. This interventionism became part of Labour's political outlook and was transmitted to the working class by a trade union bureaucracy that saw, during the post-war years, its own ability to play a role in the management of the national economy enhanced. In the hands of the left reformists Labour's interventionist dimension was presented to workers as part of the transition to socialism. They sought to improve it through extending it to profitable industries, through introducing industrial democracy, planning agreements etc. All of this contributed to the collectivist tradition of Labourism.

All of it has gone. Having discredited public ownership of industry Labour have now junked it altogether. Their new programme reflects the new situation capitalism finds itself in, a situation in which the industrial policies that defined Labour in the 1930s through to the 1970s are redundant. Since Labour is pledged, in advance, to the management of capitalism, it has been obliged to adapt its programme to the most successful ways of fulfilling that task. In the 1990s they no longer include nationalisation. Kinnock has obliged the bosses by excising it from the party's plans.

New realism and the Labour Party

'I want to say to our friends who have joined us in this political movement, that our predecessors formed the party. It was not Keir Hardie who formed it, it grew out of the bowels of the Trades Union Congress.' 38

Bevin's identification of the link between the party and the union bureaucracy is accurate. Labour is a workers' party because of its organic link with the trade unions. This link operates in a whole number of ways, all of which shape the party's character. Unions are affiliated to the party, giving it a mass membership and considerable funds. Additionally unions directly sponsor approximately one third of all Labour MPs. Within the unions the bureaucracy will readily facilitate Labour MPs addressing conferences, workplaces and schools for union members. Between the Labour Party leadership and the trade union bureaucracy various official and semi-official bodies have existed to ensure co-operation between the two. Gaitskell secured his victory over the unilateralists thanks to the actions of a secret cabal of union leaders who met with him regularly.

Until the 1960s there was a National Council of Labour within which the two wings of 'the movement' met and deliberated on policies. In the 1970s this was replaced by the Liaison Committee, the body responsible for framing, and eventually enforcing, the Social Contract. Today the joint meetings of the Labour Party and TUC are less frequent, yet there are thousands of threads between Labour politicians and union leaders that enable both to exert influence on each other. The success of Tony Blair in persuading the TUC to accept Labour's proposed anti-union laws was directly dependent on these informal links.

Yet while the unions are so important to Labour's survival, they are also a problem for it. Denis Healey, the stalwart of the Labour right and a bosses' man through and through, accurately summarised the dilemma Labour faces with regard to the trade unions:

'The trade unions are probably the Labour Party's greatest problem; yet there can be no solution without at least their acquiescence . . . Fortunately there is a new generation of trade union leaders who have come to terms with the new political realities. They recognise that the Labour Party will have less chance of winning an election so long as it remains dependent on trade union money, and so long as the trade unions insist on controlling its policies through their votes at its Annual Conferences.' 39

Healey is highlighting the problem of the specific nature of Labour's bourgeois-worker character, its link with the unions. The experience of 1979, and the Benn deputy leadership campaign did show that problem in sharp relief.

Labour was seen to be in hock to the unions and Thatcher's crusade to mobilise the middle classes and skilled workers played on this by citing 'union power' as the root of all evil. When the Tories came to power in 1979 their strategic goal was to break the strength of the trade unions in order to help the bosses restructure their industries and restore profitability. Following the victories of the dockers, and especially the miners whose 1974 strike had effectively brought down the Heath government all sections of the bosses recognised the need to take on the unions and in particular break the strength of shopfloor and workplace based organisation.

The Labour government of 1974-79 did its bit to help the bosses. Through its wage cutting incomes policy, the Social Contract, it attacked the living standards of the working class. Through its productivity deals it divided the miners, area against area. Through its participation schemes it drew the shopfloor militants into collaboration with the bosses, especially in sections of the car industry. It won a seal of approval from leading stewards and convenors for job cuts, speed-ups and wage restraint. It used troops to break the strikes of firefighters and health workers. It oversaw the training of special police units notably the Special Patrol Group to take on and smash picket lines. The methods used to attack the picket lines of the miners in 1984-85 were pioneered in 1977 during the union recognition dispute at Grunwick's in North London.

Labour had demobilised the working class and helped undermine powerful shop floor organisation. However, the strikes of 1979, the so-called winter of discontent, had demonstrated to the bosses that Labour was, to an extent, hamstrung by its links with the unions. The Social Contract was a deal with the leaderships of the unions. It was able to work for so long because for the union leaders the Labour Party was their political voice, at one with them in the need to curb the power of a too militant rank and file. Through the union block vote at conference the bureaucrats could shape the Party's policies. Through their hefty donations they had a major say in how the Party was run. Through the sponsorship of MPs they enjoyed influence right up to Cabinet level.

The bosses have never liked this link between the Labour Party and the unions. At certain times, such as 1974, it is useful to them as a means of controlling the labour movement. Generally, however, the Tories have always been the bosses' preferred instrument of government. Their toleration of Labour in the second half of the 1970s lasted after the crisis of 1974 because for a whole period Labour's links with the unions enabled it to carry through wage and public spending cuts with resistance to them being policed by the union leaders. When the union leaders were compelled, by the pressure of their low paid members, to call for a relaxation of the incomes policy in 1978-79 the negative side of the link, from the bosses' point of view, was revealed.<sup>40</sup>

The Party's reliability was called into question, it was portrayed as a prisoner of the unions, and its link to them was transformed from being a mechanism for controlling the rank and file into a means through which the rank and file could make their pressure felt on the government. The lasting effects of this pressure, and the rupture it caused between the union leaders and the right wing parliamentary leaders, was the cause of the years of conflict and crisis Labour suffered from 1979 to 1982.

As a party of government Labour had outlived its usefulness. It could not carry through the radical measures of union bashing and slump politics that were demanded by the crisis wracked British economy. Thatcher was an ideal alternative. Her programme hinged around attacking the working class, while avoiding the risks of generalisation that had brought Heath to grief. She took on section after section in set piece battles that cruelly exposed the limitations of apolitical militant trade unionism. The defeats she inflicted brought to the fore of the trade union movement Healey's new generation of leaders who understood the new realities the so-called new realists. In particular, the defeat of the miners acted as the catalyst for the advance of these new unionists.

If the weakness of the left was what allowed Kinnock to embark on this revisionist course, it was the complicity of the union bureaucracy that has allowed him to complete it. The unions have had a hand in the process of transforming the party throughout. But the manner of their involvement has created the possibility for the most significant weakening of Labour's organic link with the working class through the unions since the Party was founded.

Prior to the miners' strike new realism had been the doctrine of the hard right inside the TUC around Alastair Graham

of the CPSA, Hammond of the EETPU and Duffy of the AUEW. After 1984-85 it was embraced by the dominant centre left at Congress House Willis (TUC general secretary), John Edmonds (Basnett's successor in the GMB), Bickerstaffe (NUPE) and even Ron Todd, the supposedly left leader of the TGWU. Their brand of new realism did not involve the open scabbing that became Hammond's trademark, but it did involve a concerted campaign to turn unions away from the 'traditions of solidarity' and towards becoming service outfits, winning and holding members through their ability to offer them financial packages such as credit cards and cheap mortgages, sweetheart arrangements, on a single union deal basis, with the bosses.<sup>41</sup> Where action was inevitable new realism meant that the leaders tried to limit it to selective or one day strikes and keep all disputes strictly within the limits set by the anti-union laws.

This line of march dictated by the bureaucrats needs to secure their own financial privileges and their position as negotiators, through maintaining their membership rolls was justified, initially, on two counts. First, they reasoned, if the miners could not win, how can anyone else? This diverted attention from the fact that they had been the real architects of the miners' defeat by their criminal refusal to deliver the necessary solidarity. Secondly, they argued, that further action would damage the chances of getting a Labour government elected. This stupid view ignored the fact that Thatcher's victory over the miners ensured that the bosses would do everything they could to secure her re-election. Of course, when she was re-elected in 1987 the bureaucrats merely decided that they had not been new realist enough.

The age of share ownership and popular capitalism meant that they, along with Kinnock's Labour Party, had to adapt their thinking to the realities of Thatcher's Britain. They had to embrace whole chunks of Thatcher's ideology including acceptance of privatisation, getting the unions to look after small shareholders and so on. Under Kinnock Labour has declared its commitment to most of Thatcher's anti-union laws and the unions have agreed to this. They discovered quite early on that the laws on ballots, for example, proved to be a weapon in their hands, giving them greater control over the actions of their members. The laws and the legacy of defeats had immeasurably strengthened the bureaucracy against the rank and file, despite weakening their political role in society as a whole.

Another argument used to justify new realism was that changes in the workforce itself required a new approach to organising the unions. The decline in union membership was primarily due to unemployment, particularly in the manufacturing unions. During the early 1980s the core workers in industry was considerably reduced. In the context of the defeated struggles this decline led sections of the left, notably the Communist Party of Great Britain, to argue that the 'traditional' methods of the blue collar unions' strikes, mass pickets, militant protests, solidarity action were outmoded.

Just as 'Thatcherism' has (supposedly) transformed what was left of the working class from collective wage earners into individual aspiring property and share owners, so it had radically transformed industrial relations to the point where traditional class struggle methods had become ineffective. New alliances with the middle class and their political representatives including, as the People's March had, 'wet' Tories were necessary. The unions would become one component of such alliances. New forms of struggle, all aimed at winning over 'public opinion', had to displace unpopular actions such as strikes and pickets.

The new realist bureaucrats were quick to seize on such analyses to justify their turn towards new model, moderate unionism. John Edmonds (GMB), Bill Morris (TGWU) and Rodney Bickerstaffe (NUPE) amongst others, began to develop new realism in a manner that had profound implications for the relationship between the unions and the Labour Party. The drive for a mass, passive membership base for the Labour Party, for state funding for political parties and for the progressive diminution of the power of the block vote all have the support of these union leaders.<sup>42</sup> They are not yet talking about a complete break in the historic organic relationship, but they are talking about helping fashion a Labour Party that is no longer subjectively defined as the political party of the unions, either by the party leadership or the union leaders themselves.

Moreover, the politics of such new unions will not centre on the Labour Party, except perhaps at elections, but rather, on promoting sports, rock concerts and 'popular culture' in general. In providing a service for the isolated worker the unions could help 'build self-supporting communities and networks, based, wherever possible, on a pooling of information and advice and a genuinely collective provision and exchange'.<sup>43</sup>

This is a far-reaching redefinition of trade union politics, but as Edmonds explains:

?All of this seems to me to represent something which is very far from a non-political trade unionism. If beyond that, it is hard to classify such ideas into one camp or another that just may be a sign of how far what passes for politics in trade unions has become impoverished and introspective.? 44

This is a call to redefine politics in classless terms. Politics become the cultural and consumer needs of the individual worker and the union must reflect that. Collectivity, solidarity, political struggle against a class enemy are all jettisoned. The Labour Party becomes the best vehicle to stimulate such new politics, not a vehicle for collective social change. As such the centrality of the unions to the party and vice versa, diminishes. This is the indisputable logic of new unionism. It is a logic in keeping with Kinnock?s vision of partnership Britain, which is why the union leaders will still opt for Labour. But they will push the policies that flow from this logic whatever government is in power. The new unions will offer a pledge to the bosses and the government, a pledge to stamp out the class struggle in exchange not for power in the old corporatist sense, but for protection and a place within society at large.45

### **?Democratic socialism?**

Kinnock has achieved something unique in Labour Party history. While in opposition the party has never been so dominated by right wing thinking as it is today. By these means he hopes to prise the south east, and other Tory heartlands, away from the Conservative Party and to vote Labour, instead of Liberal. What does this reveal about his, and the Labour Party?s claim, still made though less publicised than hitherto, to be socialist, or as he puts it, ?democratic socialist?? Labour has always been weak on theory and ideology. It never had a theoretical journal until New Socialist (already deceased) was launched in the early 1980s. Yet today there are attempts by the right to justify their revisionism in ideological terms. Deputy leader Roy Hattersley is foremost in the attempt to develop a philosophy of ?democratic socialism?. He sees the lack of ideological grounding as Labour?s key weakness in the face of Thatcher?s strongly ideological modern Toryism:

? . . . British democratic socialists have lacked the intellectual confidence to challenge the establishment?s concept of liberty with a radical definition of what freedom really means. That reluctance was the product of the Labour Party?s traditional suspicion of ideology, its conviction that British democratic socialism needed no theory with which to justify its practice.? 46

This failure has resulted in Labour government?s taking their cue from Herbert Morrison?s maxim that ?socialism is what the Labour Party happens to be doing at any one time?.47 The Tories and, according to Hattersley, the Trotskyists, have been able to profit from this by putting forward simplistic dogmas that appear to be based on firm ideological ground. He therefore sets as his task a clear definition of the foundations for, and practice of, democratic socialism. In so doing he draws on the tradition of socialist ?revisionist? thinking from Eduard Bernstein, theorist of the German Social Democratic Party in the 1890s, through to Anthony Crosland, but extends their conclusions to imbue democratic socialism with a spirit of individualism that he believes is required for the 1990s and beyond.

Both Bernstein and Crosland based their revisionism on the permanence of capitalism and the impossibility of revolution. Both expounded their theories amidst periods of capitalist boom and expansion that appeared to provide a material base for their gradualism. The working class could improve its situation within capitalism through the democratic reform of that system and its enlightened management by social democratic reformists. Democracy?empowering individuals?became the keynote of Bernstein?s thinking. Capitalist crisis would militate against democracy, and therefore socialists should be in favour of maintaining capitalist prosperity. Bernstein argued:

?The prospects for socialism depend not on the regression but on the increase of social wealth.? 48

Bernstein thus based his ?socialism? on reconciling the interests of the workers and the capitalists, democratically protecting the former and, in a limited fashion, restraining the excesses of the latter. Both shared an interest in working together for greater prosperity for both would benefit from this, workers through higher living standards and bosses

through greater profits. The partnership would serve the common good and the role of the state, with a reformist government at the helm, was to promote the partnership.<sup>49</sup>

Anthony Crosland took Bernstein's theories a stage further in the 1950s. Crosland had been a regular contributor to *Tribune* in its early days, but his ideas had little in common with left reformism. He believed that Labour had gone as far as it could with public ownership by 1951 and urged Labour to administer the economy in order to maintain full employment. For him this, and this alone, would take society forward to socialism. In his major work, *The Future of Socialism*, he argued that the class struggle in any form was irrelevant because capitalism itself had already been superseded by 'statism' and the 'mixed economy'. Of this new economy he argued:

'. . . with its arrival the most characteristic features of capitalism have all disappeared—the absolute rule of private property, the subjection of all life to market influences, the domination of the profit motive, the neutrality of government, typical laissez-faire division of income and the ideology of individual rights.'<sup>50</sup>

The goal of the Labour Party became to ensure that this new economy was administered in a fair manner. Crosland, like Bernstein before him, did not deny that there were negative aspects to the existing political and economic order, merely that they could be resolved by methods other than those of class struggle. While the full logic of Crosland's position—the formal rejection of Clause IV—was prevented from being carried through in the late 1950s and early 1960s, the substance of his position was embodied in Wilson's modernising programme. Through the expansion of prosperity and the maintenance of full employment, capitalism, under Labour, could afford to sustain and develop welfarism, greater educational opportunity for working class children and a health service that went some way to meeting people's needs.

Thus policies for prosperity triumphed, absolutely, over policies for socialism, even of a left reformist variety. Ownership and control of the great industries and finance houses were removed as objectives and Clause IV, though still enshrined in the party's constitution, was a dead letter in practice.

The credo of democratic socialism was tested when capitalism went into acute crisis (the First World War for Bernstein and the late 1960s for Crosland) and proved itself incapable of maintaining prosperity and full employment. In the aftermath of the recession years of the 1980s Hattersley, Kinnock, Austin Mitchell and others, have been obliged to modify their view of democratic socialism. They still share its original goal of partnership and prosperity, but they have added a new ingredient that was never decisive for the earlier 'revisionists'; namely, counterposing the rights and liberties of individuals to the very idea of collective interest and, by extension, any form of public ownership.

In so doing they have created a new platform for democratic socialism that takes it a long way from traditional Labour thinking. In the economic sphere prosperity is necessary to enhance equality, they argue, and therefore that which produces the greatest prosperity—the market and private enterprise—needs to be stimulated by a Labour government. The state becomes not the owner of industries, but a financial prop organising capitalist investment. Socialism can then be disentangled from the sphere of the economy altogether and is redefined simply as individual liberty. Hattersley expresses this perfectly:

'The true measure of socialism is not the extent of public ownership, the degree of central planning or the degree of government regulation. Indeed, in some cases, central planning and government regulation may limit freedom and thus be the enemies of socialism. A socialist society is judged by the extent to which it succeeds in providing, for the largest possible number of its citizens, the power to exercise rights which, under other forms of organisation, are either denied or made available only in theory.'<sup>51</sup>

This view leads to a new version of the 'mixed economy', redefined under the pressure of Thatcher's 'popular capitalism' and prompted by the collapse of the command economies of the Stalinist states. The markets are not only accepted but, according to Hattersley, for socialism to triumph 'there must be markets'.<sup>52</sup> It is Labour's mission not to strive for common ownership, but to regulate private ownership and to compensate for its shortcomings by ensuring that state capitalism provides the infrastructure and welfare service necessary for the smooth functioning of

The model for this new brand of socialism is the Nordic countries. Increasingly, however, Labour politicians point admiringly to Japan, where the state promotes the private sector and invests in it, where it regulates industrial relations on a 'partnership' basis and where prosperity supposedly abounds. This is the front bench vision of what Labour's Britain will be like.

Socialism, then, is no longer an economic system but merely a means of making capitalism prosperous and thereby enabling greater freedom to the individual. The way to make capitalism prosperous is to rebuild the economy—specifically manufacturing—through the market, through the state acting as both a prop and an investor, and through a regime of class harmony. All goals traditionally identified as Labour policies that might get in the way of this are jettisoned. Socialists are, in the words of Kinnock, merely liberals who are prepared to commit resources to expanding industry. When asked if he would call himself a socialist as distinct from a liberal he replied:

'Yes, and the reason being that a lot of people, who are not conservatives but won't think of themselves as socialists desire very similar ends, of individual liberty and fair and generous organisation of care, what the Europeans call social solidarity—and understand also, the need to ensure that the market works for people and not the other way round. But liberals and social democrats won't commit the means to doing it. That's the big difference, socialists will commit the means.' 54

Socialism agrees with liberalism's ends. It is merely more determined in committing the means to achieve them. This is a crystal clear demonstration of how anti-socialist Labour is, and how much more brazen its anti-socialism has become under Kinnock. It reveals the bourgeois character of Labour's socialism. It is a means of calming, of taming the working class, of subduing the class struggle, of obstructing the real advance to socialism, the seizure of the wealth, property and power of capitalism.

### **The left reformist challenge**

Kinnock's counter-revolution in the Labour Party has gone unchallenged by the left. True Benn and Heffer challenged for leadership in 1985, but only when they knew they couldn't win and on the feeble basis of acting as the 'conscience of the party' not as its potential leaders. After the 1981 leadership challenge the left collapsed. It is at its nadir. Having apparently won the organisational battle, it united behind the still entrenched leaders. Having lost the political battle, it consoles itself with powerless think-tanks, irrelevant Socialist Movement conferences, setting agendas for the future that will never be acted on and the odd appearance on Question Time. Patrick Seyd identifies the problem faced by the left after their triumphs in the early 1980s as follows:

'The left needed a coherent programme yet it displayed ideological uncertainty, programmatic weaknesses, and strategic myopia. The 'revolutionary reformists' lacked ideological clarity concerning the nature of democratic socialism which left them vulnerable to attack from both the revolutionary left and the radical right. The nature and extent of collective ownership and provision, and the characteristics of socialist internationalism, needed to be stated with conviction. The Labour left still relied too much on Clause IV of the Party constitution with its commitment to common ownership and popular administration but did not make clear why and how this objective was relevant in the last quarter of the twentieth century . . . The left avoided strategic thinking.' 55

A damning, and entirely justified, assessment. The left believed that their policies, pioneered in the early 1970s and packaged as the Alternative Economic Strategy (AES), answered all of Britain's problems. The only job they needed to do was to ensure that the party carried out these policies when it was in office. Hence the exclusive emphasis on the organisational reforms. When their policies failed to produce a left Labour government in 1983 they were incapable of offering a coherent response to the revisionist onslaught carried out under Kinnock.

The AES was flawed from beginning to end. Its two fundamental premises were economic nationalism and a gradualist encroachment by the state on the private sector, paving the way for economic planning. It harked back to the days of

the long boom and argued that Labour's Keynesian policies under the Attlee government had created the possibility for limitless economic expansion. The problems of the British economy that followed the end of the long boom resulted from the abandonment of Keynesianism under the pressure of global capital. The task of the AES was to seal Britain from this malign foreign pressure. This was to be achieved through import controls, through exchange controls to restrict the ability of British capitalists to invest abroad and through withdrawal from the EEC. By these means Britain would be able to 'self-govern' its way out of the crisis. As one of the prime movers of the AES put it:

'The Alternative Strategy seeks to counterpose democratic national self-government against the anarchic pressures of a global market system.' 56

This implies that Britain's crisis is specific and that its economy can be rebuilt behind the windshield of protectionism. It ignores the international character of capitalism itself, the supremacy of the world market in the epoch of imperialism and the fundamental rule of capitalism that investment follows profit irrespective of national boundaries. Global pressure, while it undoubtedly exists, is not the cause of Britain's economic malaise. Capitalism, including British capitalism, is. Withdrawal from the EEC or remaining within it cannot alter this state of affairs.

Indeed, in the context of the growing regionalisation of capitalism withdrawal would, from a purely economic point of view, do severe damage to the British economy, and this something the proponents of the AES are at pains to avoid doing. Likewise import controls, from a capitalist point of view, would result in trade wars that would damage the export potential of the prosperous British economy the AES is supposed to create. Only by approaching the economic crisis from a revolutionary socialist standpoint is it possible to avoid coming up with measures, like import controls, which are nationalist and reactionary. Import controls imply the export of unemployment. They pit the workers of Britain against the workers of Europe, Japan etc.

A socialist response to the crisis is internationalist because it does not start from the idea that there is a common national interest between Britain's workers and bosses. There is a conflict of interests, and in that conflict, and the struggles that arise from it, internationalism in the form of international solidarity, can become decisive. In other words, the economic nationalism, at the heart of the AES answers the needs of either the capitalist class, whose system demands a world market, or the working class whose struggle demands international solidarity. The AES could not overcome these contradictions and today, while the Labour left stays generally silent on the questions of import controls and the EEC, it has not developed any alternative to them.

The gradual encroachment of capitalism, the second premise of 'socialist' planning and nationalisation on the AES, is similarly flawed. For a start the sort of public ownership and planning it envisages has nothing to do with socialism. For many of the original AES's key supporters the strategy is a left alternative for capitalism, a radical interventionist state capitalism that can render the economy more efficient. Michael Meacher, who along with Cripps worked on the AES under Benn's auspices in the Department of Industry in 1974, explained it in these terms:

'For once the left is pushing a policy which is a practical alternative to what we have—one which also offers elements of socialism, and so the left can then say to its supporters 'it's socialist' and to the country at large 'it's going to give you growth and expansion'.' 57

The AES was conceived as a means of developing Labour's public ownership policy away from the old model of the state corporation and towards one in which both state and private industry would be subjected to state regulation through compulsory planning agreements. These planning agreements would introduce an element of 'industrial democracy' into the mixed economy as well as curbing the excesses of the market. This was one of the 'socialist' elements that the AES supporters hoped would sell the strategy to the working class. In its most left version creeping public ownership and industrial democracy would gradually break the dominance of the market itself. According to the Conference of Socialist Economists (CSE) London Working Group it would work as follows:

'Public ownership is identified, however unjustified this may be, with inefficiency and bureaucracy. This is where the AES, with its industrial strategy combining a progressive extension of public ownership of dominant profitable firms

and overall planning?by direct and indirect means?of the remaining private firms is at its strongest . . . It provides the opportunity for new forms of successful public ownership, allowing new relationships between workforce and management?and provides hope for improvement in areas where there is a popular perception of failure.? 58

All of this leaves out of account one insurmountable problem?that capitalism is an economic system protected by a political state. If you take capitalist enterprises into state ownership when that state is capitalist you do nothing to alter their essential economic character?they remain capitalist. Worse, if the new relationship you envisage between the workforce and management is one of tripartite liaison?government, bosses, unions?you end up with workers? participation in capitalist decision making. The full effects of this were revealed in the participation schemes at British Leyland under Labour in the 1970s.

The trade unions were given a say on the boards and then made responsible for carrying through boardroom decisions. This meant that having had their say the unions became the instruments of imposing the closure of plants, the sacking of workers and the policing of rotten pay deals. They had no control, no veto, over management decisions, but the price paid for participation was taking responsibility for the decisions of others. Amazingly the AES in its early 1980s version, does not go beyond the participation model. One version of the AES argued simply that:

?Compulsory planning agreements, in which the trade unions, management and government are equally involved in determining companies? future plans, would give workers a strong bargaining lever.? 59

The CSE London Working Group simply insist that ?workers should have a say over decisions made at the point of production?.60 How can a common decision be reached by bosses who want, and from their own point of view need, to make profits at the expense of workers, and workers who are compelled to fight against the ill effects of their own economic exploitation? These interests are irreconcilable, yet the AES, in the name of socialism, gives both sides, along with the government, an equal say.

When the left?s attempt to ensure that a future Labour government could be placed under control floundered, particularly after 1983, the AES became ever more a pipedream. By 1983 Francis Cripps was arguing that the AES?s implementation, even if Labour were re-elected, would take years to have any effect. This pessimism was lodged in the very nature of the AES?a strategy for capitalism that the capitalists did not want, a strategy for workers that could no longer even promise them an end to unemployment, let alone socialism.

On today?s Labour left only Ken Livingstone has attempted to refocus the AES towards contemporary problems. He was astute enough to recognise the power of the financiers in shaping Britain?s economy. He was no Marxist and therefore could not understand the basic fusion of banking and industrial capital into finance capital under imperialism. Like the entire Labour Party, from Kinnock to Benn, he espouses the cause of industry over the cause of the City in a bid to woo manufacturing capitalists to Labour?s cause. He goes further than Kinnock is prepared to, however, in proposing a rewriting of company laws in order to curb the short term, ?fast buck? mentality of the City financiers. At first reading his recipe for financial control as a means of funding economic reconstruction appears as a radical alternative to Kinnock. Here is the voice of a new, reborn, left in the Labour Party. A second reading rapidly dispels this illusion. Livingstone argues:

?I believe that if a government was confident, built popular support for its policies and was clearly committed to a long term modernisation of the economy, it could not be resisted by the City. If it was, then the very act of economic disloyalty would itself create a public backlash, allowing the government to impose its will on any domestic financial institution either via an imaginative policy of punitive taxation or by controls which allowed the government to direct investment into Regional Enterprise Boards.? 61

But nowhere in his book, do we find any calls for the nationalisation of the banks and finance house or the placing of them under workers? control. Their power is to be checked by a government, but not broken. Their ability to sabotage the economy is to be punished, not removed. In this sense Livingstone?s radicalism is a retreat from even the AES. It is a strategy that accommodates both to Thatcherite entrepreneurial values and Kinnock?s new realism. Thus the main

thrust of his economic policy is directed at the new share owners, the middle classes, the "people who are natural allies of a Labour Party which wants to modernise Britain via investment led growth".

His entire book is an echo of Kinnock's themes of modernisation, expansion, productionism. It is radical chic Kinnockism, without a shred of socialism. It is a measure of left reformism's retreat and disorientation, a dramatic proof of left reformism's "ideological formlessness", as Trotsky called it. After more than a decade of Tory rule and right wing advance in the Labour Party not only are the left at their weakest ever, they have nothing distinct to say.

### **The future of Labour**

In the context of the right wing's advance in the Labour Party and the left's disarray tradition again rears its head. Despite everything Labour is the hope of the workers. After all, the party still has Clause IV. Tony Benn describes this as "the clearest and best possible statement of the democratic, socialist faith",<sup>32</sup> while Neil Kinnock claims he wanted it printed in full in Labour's Statement of Aims and Values. It is worth reprinting the Clause to expose this particular piece of tradition as a cunning disguise for a party that is not, never has been and never will be a socialist party:

"To secure for the workers by hand or by brain the full fruits of their industry and the most equitable distribution thereof that may be possible upon the basis of the common ownership of the means of production, distribution and exchange, and the best obtainable system of popular administration and control of each industry or service." <sup>62</sup>

The whole Clause leaves unanswered every vital question a socialist has to pose in relation to the capitalist economy. What are the "full fruits" and who decides this? What is the limit, implied by the use of the phrase "may be possible" on workers receiving an equitable share of the full fruits? What is "common ownership", common between who, between the classes? And what on earth does the "best obtainable" system of popular control mean?

That we are obliged to ask such questions is not at all accidental. Clause IV was conceived by the Labour leadership in 1918 as a means of heading off the spread of revolutionary communism (Bolshevism) and militant syndicalism. It was phrased as it was to leave Labour administrations the option of deciding how much, and what form of common ownership, they might introduce. As the author of the Clause, Sydney Webb, put it:

"This declaration of the Labour Party leaves it open to choose from time to time whatever forms of common ownership, from the co-operative store to the nationalised railway, and whatever forms of popular administration and control of industry, from national guild to ministries of employment, and municipal management may, in particular cases, commend themselves." <sup>63</sup>

In other words neither the expropriation of the capitalists nor workers' control are implied by Clause IV. Public ownership and popular administration can easily be reconciled with the existence of the capitalist system on this basis.<sup>64</sup>

Clause IV does not mention capitalism because it is a recipe for capitalist management. The right know this, which is why Kinnock retains it and Gaitskell was stupid to try and get rid of it. The left are blind to it. Thus, when a Labour government with an overwhelming majority had the opportunity, in 1945, to implement Clause IV, it did so in a manner designed to rescue ailing capitalist interests and under a form of organisation, concocted by Herbert Morrison, that was profoundly bureaucratic and anti-working class. Hattersley himself points out that Labour has, by and large, restricted itself to nationalising only public utilities, and, as such, was serving the common (working class and capitalist) good. As he puts it:

"The Attlee government of 1945-51 "nationalised" one public utility for each of its six years in office . . .

"What appeared in the programme was what seemed necessary to its authors and was justified by them in practical language, which made their opponents appear old fashioned, prejudiced, doctrinaire and motivated by self interest . . . Whether the Labour Party knew it or not, it was evolving a theory of public ownership for the public utilities." <sup>65</sup>

The Labour leader did indeed know it, for Clause IV was merely a national version of the 'gas and water' municipal 'socialism' pioneered by the Fabians when many of them were still in the Liberal Party. It is a 'theory' which has allowed them to transform their arguments about common ownership into the modern forms of Employee Share Ownership, worker participation in job cutting exercises, nationalised corporations that provide subsidised coal and energy to the rest of the capitalist class. In short it is a theory that proves beyond doubt that Clause IV is not a socialist objective at all, which is why the Labour leadership are happy to retain it, even when the entire emphasis of Labour's policy is on the individual, the market and the regeneration of private enterprise through an enabling state.

The left have no alternative to this. They embrace Clause IV and beaver away at strategies, at an AES, at future agendas, that they hope will one day bring it to fruition, without realising that, even if they were successful, it would not take the working class—who are always left on the sidelines of the struggle by the left, while the important business of the class struggle in Parliament is carried on—an inch closer to socialism.

This should serve as a warning to every worker who looks to Labour for salvation from the misery they have had wrought on them by years of Tory rule. In office the pragmatic Labour Party has never been anything other than a servant of the bosses. Today Neil Kinnock is promising that his party will keep faith with this tradition. Indeed he is reassuring them on a number of fronts in a way that is new. In trying to build a mass party he is pledging that the bosses' greatest fear about the Labour Party, its dependence on the unions, will be gradually diminished. If his reforms go through a million inactive individual paper members will be used to reduce the vote of the trade unions within the party. He has humbled the left in the party in a way that Wilson and Callaghan failed to do. He has restructured the party so as to weaken the voice of the rank and file activist and strengthen that of the regional officer and publicity agent. He is on the way to changing the policy making machinery of the party to ensure that there are no more upsets for the leadership.

At a personal level he has promised that nuclear weapons will remain in Britain, despite his long time commitment to unilateral nuclear disarmament. He is a man without principle except in one respect, he worships the principle of power. But it is not the power of the working class, the power of the masses, the power that has brought every fundamental change in society throughout history. It is the power of the enemy that he worships and covets. And the ability of the Labour Party to exercise that power, against the working class and for the development of a modern capitalist Britain is his overriding principle.

Of course, it remains more than possible that Labour could claw back popular support to a level sufficient to give it a parliamentary majority. Neither reformist illusions nor their material base in class society have disappeared. Many older workers have become apathetic and disillusioned. But many younger workers have never known a Labour government and its crimes, but they are all too well acquainted with the Tories' record. Just as there has been no uninterrupted 'forward march' so there need not be an uninterrupted decline. But it is clear today that were Labour to win back enough of the 'middle ground' to secure a majority in Parliament it would be achieved at the price of diluting everything distinctively 'Labourite' in its policies to the point where the party's programme is almost indistinguishable from that of the post-Thatcher Tory Party.

What does this mean for our understanding of the Labour Party as a bourgeois-workers' party? The policies of Labour are right wing, but that is in the nature of labourite reformism. The leadership are bosses' men. Yet that has always been true of the Labour Party. Labour defends capitalism. This can only come as a shock to those who know nothing of reformism or its history.

What remains decisive for our tactics is that Labour still retains its organic connection with the working class. So long as this link remains it will remain a bourgeois-workers' party. But the form of that link could change. Like many continental social democratic parties, Labour could rely upon its working class electorate, its organised support within particular unions and its relations with the trade union bureaucracy, rather than on formal organisational ties with the unions. For example, there could be a situation whereby the unions no longer had voting rights but continued to use their political funds to support Labour. This would still enable Labour to continue to play its historical role of delivering up the working class to the capitalists as a bourgeois workers' party, but of a social democratic rather than a

labourite kind.

But if the pressures of the class struggle or even a further election defeat lead Labour to abandon altogether any reliance on union funding and support?preferring to lean upon state funding and the integration of a section of the bourgeoisie?then we could say that Labour had completed the transition to an open bourgeois party.

But we are not at this point yet and there are strong counter-pressures against this tendency. The history of the SDP and the Alliance is instructive here. The bosses? supported the SDP primarily so that it could wreck Labour?s chances of victory in 1983 and 1987, while the right wing in the Labour Party gathered its forces for the counter-reformation against the left. The ultimate failure of the SDP to displace the Labour Party shows that there is a strong strand of bourgeois opinion that recognises the need for a bourgeois-workers? party in Britain given the size and strength of the working class, one that can contain and dissipate its future struggles. The ?organic link? with the working class to achieve this can be redefined within limits to minimise the pressure of the base upwards while retaining the ability of the capitalist state to channel its influence downwards through the party into the working class.<sup>66</sup>

Partly for these reasons we should recognise that for the moment Kinnock?s project is the ?social democratisation? of the Labour Party, but one that is presently constructed around the dangerous contract with the unions not to activate the organic link. However, a further election defeat could well open up a new debate over the need for further social democratisation or even the actual total bourgeoisification of the Labour Party and its class base.

Such a conclusion, however, does not make us complacent with regard to the Labour Party. Such a development would signal a renewed period of struggle inside it, within which revolutionaries would be obliged to intervene vigorously. It may even lead to a split in the Labour Party, still leaving in place a sizeable bourgeois-workers? party. It means that we must redouble our efforts, through many tactical means, to break the strategic hold that Labour and labourism has on the decisive sections of workers. Revolutionary politics will never become a mass organised force in Britain without destroying the present place that Labour occupies in the hearts and minds of hundreds of thousands of class conscious workers.

But we cannot even take the first step forward along this road if we fail to understand the way in which Labour has, thus far, remodelled and re-equipped itself. Its version of ?democratic socialism? needs to be argued with in every workplace, union and Labour Party branch. The further organisational counter-reforms need to meet with bitter resistance. The right wing policies need to be opposed in practice. Only by these means will workers who today place their hopes in Labour learn through struggle that Labour is the party that betrays rather than obeys.

## Endnotes

1 E Heffer, ?Socialists and the Labour Party?, New Left Review No 140 (July-August 1983) p45

2 V I Lenin, British Labour and British Imperialism (London 1969) p267

3 The character of Labour as a bourgeois-workers? party does not, in the final analysis, rest on how right or left wing its policies are. It rests on Labour?s organic link with the working class. In Britain that link is presently embodied in Labour?s relationship with the trade unions.

4 T Rothstein, From Chartism to Labourism (London 1983) p284

5 In the 1987 general election the Labour Party made a concession to popular culture in order to garner the youth vote by encouraging initiatives such as Red Wedge. In 1991-92 even these ?mass? campaigns will not figure; all will be left to the TV.

6 A former Labour MP, Eric Deakins, explains very well why the parliamentary Party takes precedence over everything else:

?In recent years, there have been increasing claims for the virtues of extra-parliamentary action when the Party faces a huge Tory majority in Parliament. The two kinds of opposition are not incompatible, but Parliament?s role is much more important. It is the only national forum where the issues at stake can be properly debated: it is still the centre of national political life, a place where Tory attacks can be exposed and Labour?s alternative expounded.? E Deakins,

What Future for Labour? (London 1988) pp54-55

7 D Lipsey, A Shaw and J Willman, Labour's Electoral Challenge, Fabian Research Series 352 (London 1989) p3

8 Ibid, p4. The authors also note: 'For it is not even true that Labour can rely on this traditional base of support. Labour has failed to hold on to its support among working class people . . . trades unionists have been deserting Labour disproportionately.' pp5-6

9 Object 2 of the Labour constitution reads: 'To co-operate with the General Council of the Trades Union Congress or other kindred organisations in joint political or other action in harmony with the party constitution and standing orders.'

It is a measure of Labour's historic tendency to act in harmony with the bureaucrats of the TUC (though even then there have been clashes) against the interests of the mass of rank and file trade unionists that less than half of the members of TUC affiliated unions voted for Labour in 1987.

10 E Hobsbawm, 'Forward March of Labour Halted?', Marxism Today (September 1978)

11 D Lipsey et al, op cit, p5

12 E Deakins, op cit, p10

13 C Short, New Socialist No53, p45

14 TUC membership stands at just over eight million today, a drop of four million since 1979 when the Tories came to power. Total trade union membership (including non-TUC) has not declined so dramatically; it stood at a peak of 13.3 million in 1979 and 10.2 million ten years later, a fall of nearly a quarter. The relatively more shallow decline in non-TUC membership is partly explained by the fact that they are professional or even scab outfits that eschew the methods of class struggle. There has also been a growth in the numbers of self-employed in trade unions.

Between 1979 and 1986 union membership fell in line with the drop in employment but between 1986 and 1989 union membership fell by more than 300,000 while employment increased by 1.4 million. These figures serve to underline the severity of the retreat of trade unionism after the miners' strike. See Financial Times 6.6.91, p7

15 Certainly one effect of the defeats has been to remove the need of the bosses to turn to Labour in the way they did in 1974 when the CBI supported key aspects of Labour's policies as a means of harnessing the working class and demobilising its struggle. Labour is not needed, in the present period at least, as a panic button for the capitalists.

16 Kinnock of course, bereft of originality, has pinched this title for his 1990 programme 'Looking to the Future

17 Quoted in R Eatwell, The 1945-1951 Labour Government's (London 1979) p34

18 Quoted in P Foot, The Politics of Harold Wilson (Harmondsworth 1968) p154

19 Quoted in G Hodgson, Labour at the Crossroads (Oxford 1981) p229

20 Other estimates suggest the cuts in real wages were as high as 15% in the years 1976-79.

21 Quoted in G Hodgson, op cit, p124

22 Michael Foot, when he was still the darling of the left, wrote: 'A party climbing to power by articulating the demands of the dispossessed must always wear a predatory visage to the property owning class . . . although all the time its heart is tender with the promise of peaceful gradualism. It knows that the limited vision of the workers will behold only its outward appearance, but it hopes that the gods of private enterprise will look upon its heart. In either case, one must be deceived. To satisfy the workers, the Labour Party must fulfil the threat of its face, and so destroy the political conditions necessary to economic gradualism. To calm the fears of private enterprise it must betray its promise to the workers, and so lose their support.' Quoted in D Coates, op cit, p102

23 The reasons for the 'backwardness' of the workers of the world's first capitalist country lay in the world dominance of pioneering British capitalism. In addition to the fruits of the exploitation of British workers the bourgeoisie was wealthy by dint of its massive exploitation of the colonies. By its trade union action the labour aristocratic top 10% of the working class were able to win pay increases up to two and half times that of the mass of workers. The employers and trade union leaders tied them to the major political party of the capitalists - the Liberals; Britain's prominent position seemed to hold out the vista of an endless series of reforms within the framework of capitalism. Thus reformism in Britain was born as Liberal-Labour politics.

24 J Gyford, The Politics of Local Socialism (London 1985) p5

25 Although Opportunity Britain promises very little, its few firm commitments are in this field: uprating of pensions, child benefits and more (unquantified) money for the NHS.

26 Far-sighted Labour politicians have long had this as their goal. Morgan Phillips, the party's general secretary during

the 1945 election campaign wanted to 'remove from the outset any lingering impression that the Labour Party is a class party.' Quoted in L Panitch, 'The Impasse of Social Democratic Politics?', *Socialist Register 1985-86* (London 1986) p62. Harold Wilson pitched himself against the unions by trying to make Labour the 'natural party of government' representing the nation not the working class. Neil Kinnock is following the same path. The extent of his success is significant, outstripping Phillips and Wilson by a considerable degree.

27 Interview in *Socialist Action*, 4.11.83

28 David Coates puts this defeat into grim perspective for Labour: 'In 1983, Labour's vote per candidate was at its lowest since 1900. Its share of the poll was its lowest since 1918; and its absolute vote, at under nine million, was less than Labour had captured at any general election since 1935. Less than four trade unionists in ten voted Labour in 1983; and more skilled workers voted Conservative than Labour that year for the first time since the war.' David Coates, *The Crisis of Labour* (Oxford 1989) p98

29 While Foot was a faithful servant of the right he did have close links with the union bureaucracy and he came from the party's left. He was symbolic of the parallelogram of forces that existed after 1979 between the union bureaucracy and the PLP right wing.

30 Quoted in M Leapman, *Kinnock* (London 1987) pp 26-27

31 *Ibid*, p49 (emphasis in original)

32 The left are in complete spiritual dependence on the right. They are bound to it because of their own parliamentary cretinism. Leon Trotsky pointed this out many years ago about left's who were every bit as radical as Benn and Heffer, if not more so:

'The left wing muddlers are not capable of power; and if in the course of events power got into their hands, they would hasten to hand it over to their elder brothers on their right . . . The party continues to be led by extreme right wingers. This is explained by the fact that the party cannot be restricted to various left ventures, but is bound to have a generalised system of politics. The left wingers have no such system, their very nature prevents this. The right wingers have a system: they have behind them tradition, experience, routine; and most important of all, bourgeois society as a whole is thinking for them and thrusts ready-made decisions under their noses . . . The weakness of the left wingers comes from their lack of cohesion and this arises from their ideological shapelessness.' L Trotsky, *On Britain* (New York 1973) p164

33 Quoted in Hughes and Wintour, *op cit*, p23. Michael White stressed the centrality of television to the Labour leadership thus: 'But the imperatives of wooing voters via television is what drives communication strategy. Deregulated by politics and goaded to frenzy by instant technologies like fax and mobile phone, the medium demands a clear, understandable message, relentlessly hammered home, which is why Labour is constantly re-issuing its policies ('never knowingly under-launched' as Peter Lilley quipped). . .?' *The Guardian*, 8.6.91

34 *The Labour Party, Opportunity Britain* (London 1991)

35 *The Labour Party, Looking to the Future* (London, 1990) p6

36 *Ibid*, p6

37 Quoted in *New Socialist* No 42, October 1986

38 Ernest Bevin, quoted in L Minkin and P Seyd, 'The British Labour Party', by in W E Patterson and A H Thomas (eds), *Social Democratic Parties in Western Europe* (London 1977) p101-02

39 D Healy, *op cit*, p582

40 Looking at the defeat of 1979, Healy concludes: 'Unfortunately the Labour Party's financial and constitutional links with the unions made it difficult for us to draw too much attention to their role in our defeat. Jim Callaghan belonged to the generation of Labour leaders which had come to depend on the trade union block vote for protection against extremism in the constituencies; moreover, the trade unions had provided his main political base in the previous decade.' *Ibid*, p467

41 At the level of organisation Edmonds argued that the new unions needed to conquer old sectional divisions by becoming vast, general unions organising a wide spectrum of workers in a wide spectrum of industries. He was a pioneer of the 'merger mania' that swept the union movement in the late 1980s and continues today. With such sizeable organisations the funds would be there to transform the union from a collective organiser of those with common interests into commercially viable enterprises able to concentrate on protecting the rights and servicing the

needs of the new, highly atomised, working class: See J Edmonds, 'Goodbye to Confrontation?', *New Socialist* No 54, p19

42 In the summer of 1990 an agreement was reached to lower the weight of the block vote in conference from 90% to 70% to 40%. See *The Guardian*, 6.6.91

43 J Edmonds, *op cit*, p15

44 *Ibid*

45 Edmonds spelt out this logic after the 1987 defeat in chilling terms. In a long polemic against strikes and confrontation he put forward new unionism's agenda: 'The test of success will be when people ask "what are unions for?" The first answer that comes to mind should not be "to fight the employers?". It should be "to help their members?". If we succeed, trade union membership should be the most natural thing in the modern industrial world.' *Ibid*

46 R Hattersley, *Choose Freedom, The Future of Democratic Socialism* (London 1987) pp xvi-xvii

47 Quoted in *ibid*, p3

48 Quoted in M Salvadori, *Karl Kautsky and the Social Revolution* (London 1979) p61

49 It is ironic that Hattersley and others accuse Trotskyists of not being able to go beyond ideas that were formulated in the nineteenth and early twentieth centuries when what they are serving up is a rehash of Bernstein's late nineteenth and early twentieth century ideas on democratic socialism.

50 A Crosland, *The Future of Socialism* (London 1980) p30

51 R Hattersley, *op cit*, p22

52 The title of chapter eight of Hattersley's book (*ibid*)

53 Neil Kinnock, in his own bid to define democratic socialism, explains this new 'mixed economy' in very clear terms: 'Competitive markets can stimulate innovation and productive efficiency, and provide an economic environment in which individuals can experiment, can pursue their own economic ideas. The market is a good servant. But the market is a bad master. In many areas, such as health or education, private market calculations are not efficient for the society as a whole.' N Kinnock, *Making Our Way* (Oxford 1986) p42

54 Interview with Neil Kinnock, 'Arguments for Change?', *New Socialist* No 56, p7

55 P Seyd, *The Rise and Fall of the Labour Left* (London 1987) pp175-177

56 F Cripps, 'The British Crisis? Can the Left Win?', *New Left Review* No 128, p93

57 Quoted in D Coates, 'Labourism and the Transition to Socialism?', *New Left Review* No 129, p5. Since Meacher's original conception of the AES was so cynical it is little wonder that he has, since 1974, accommodated himself quite comfortably in Kinnock's right wing Shadow Cabinet. He eschews his former, formal commitment to the AES, by arguing that ownership is no longer the issue for socialists, decentralisation of decision making is:

'There is no going back to the era of state control and public ownership as the characteristic feature of Socialist political economy . . . Socialism is no more identified with nationalisation or East European type bureaucracy than capitalism is with slavery.' M Meacher, *The Guardian*, 10.12.90

Meacher's conversion from the AES to Kinnock style Opportunity Britain is more than the passage of one wretch into the arms of the right. It is a poignant symbol of the AES's inability to serve as any sort of model for a socialist economy or as a viable alternative for a crisis ridden capitalist economy.

58 CSE London Working Group, *The Alternative Economic Strategy, A Labour Movement Response to the Economic Crisis* (London 1980) p75

59 Francis Cripps, John Griffith, Frances Morrell, Jimmy Reid, Peter Townsend and Stuart Weir, *Manifesto, A Radical Strategy for Britain's Future* (London 1981) p169

60 CSE London Working Group, *op cit*, p82

61 K Livingstone, *Livingstone's Labour* (London 1989) p32

62 T Benn, *Arguments for Socialism* (London 1979) p39

63 Quoted in O McDonald, *Own Your Own, Social Ownership Examined* (London 1989) p14 (emphasis in original)

64 Even when Labour was refitting itself in the 1930s, this pragmatic approach continued. R H Tawney wrote of public ownership: 'Whether in any particular instance it is desirable or not is a question to be decided in the light, not of resounding affirmations of the virtues of either free enterprise or of socialisation, but on the facts of the case.' Quoted in R Hattersley, *op cit*, p13

65 Ibid, pp176-77

66 Staunch Tories such as Norman Tebbit and Sunday Telegraph editors even go so far as to defend the Labour Party's special links with the trade unions.

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