Too much pluralism, not enough socialism: interpreting the unions–party link

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A central object of Labour's re-branding as 'New Labour' was to distance it from its trade union affiliates (Gould 1998: 257–8). The relationship was tense before and after the 1997 election, when Blair reduced the unions' formal power in the party, and restricted employment policy initiatives largely to his predecessors' promises (Ludlam 2001). But discontent was limited by real union gains, and tension eased markedly between Labour's mid-term election losses in 1999 and the 2001 election campaign, in which the unions played a crucial role. After the 2001 campaign, though, bitter conflict erupted over the Government's drive to place more public services under private sector management, and discontent over New Labour's stance on EU labour market policy became more intense. To younger students of British politics, this public conflict may have appeared novel. Since the mid-1980s most unions had supported Labour's organisational and policy modernisation under Neil Kinnock and John Smith. Only the occasional public reference to the allegedly 'bad old days' of the 1970s acted as a reminder of earlier conflicts.

Yet in the first post-war study of the labour alliance – the unions–Labour Party link – Martin Harrison (1960: 12) had dubbed it 'the most controversial relationship in British politics'. And thirty years later Lewis Minkin (1992: 646) echoed Harrison, describing 'a disputatious and controversial relationship – the most contentious in British political life'. Nevertheless, the relationship has attracted little specialist scholarship.

Between Harrison's and Minkin's seminal studies, just seven other monographs appeared: Irving Richter's studies of the politics of three affiliated unions (1973); Leo Panitch's study of incomes policy (1976); William Muller's study of union-sponsored MPs (1977); Lewis Minkin's study of the Labour Party Conference (1978); Derek Fatchett's study of the first struggle over political fund ballots (1987); Andrew Taylor's analysis of the link during the Social Contract era and its aftermath (1987); and Paul Webb's study of the link's institutional forms and of union members' electoral behaviour (1992).

These monographs have not generated a sustained academic dialogue about the linkage, although Minkin's *Contentious Alliance* was the result of an extended

engagement with the ‘new and dominant myth’, from the 1960s, that it was the unions ‘which, by finance and votes, controlled the Labour Party’ (1997: 78ff.), a ‘myth’ equally dismissed by Harrison in his earlier study (1960: 336ff.; see also chapter 11 of the present volume, by Eric Shaw).

Of course, many shorter studies of the linkage have appeared as chapters in more general works on trade unionism, economic policy and the Labour Party, and in biographical studies and memoirs, and it is probably from these scattered sources that students have mostly learned about the contentious alliance. This wider literature does, though, contain the perspectives of two distinct schools of thought: the liberal–social democratic pluralist perspective; and the perspective of socialist and Marxist writers. This chapter seeks to outline key features of the two perspectives and indicates some limitations to which they are subject. It illustrates these limitations by discussing neglected aspects of the crucial period that falls, roughly, between 1974 and 1983, years that cover both the collapse of the Social Contract and the labour alliance’s subsequent civil war.

Too much pluralism . . .

Pluralism, as political theory, celebrated the liberal democratic political system and portrayed it as driven by the free competition of parties and interest groups, from which preferences emerged that parliamentarians and a neutral state machine implemented. A good starting point for understanding the post-war perspective on the unions–party link of liberal and social democratic pluralists is the concept of ‘pluralistic stagnation’, applied to British politics by Samuel Beer (1965 and 1982), and in a series of studies of British unions by Gerald Dorfman (1974, 1979 and 1983) and Robert Taylor (1980, 1993 and 2000). The concept of ‘pluralistic stagnation’ depicted post-war Britain as characterised by a new producer-group politics, in which capital, labour and the State bargained collectively on a range of public policy issues. This pluralistic governance emerged from the war economy, and had underpinned the post-war settlement, above all the prioritisation of full employment. The latter implied restraint in wage bargaining. When, during the war, William Beveridge sought reassurance over this implication, the TUC insisted that the employment objective would have to be modified if it implied ‘methods incompatible with the rights of workpeople and the objects of Trade Unionism’; but it conceded that free collective bargaining might be restrained given a context of socially progressive economic intervention (TUC 1944: 419–20; and see Taylor 1993: 20ff.). Wage restraint thus became, in Allan Flanders’s words, ‘the greatest unresolved problem in existing relations between the trade unions and the state’ (1957: 159).

After Sterling had become fully convertible in 1958, so that governments could no longer restrict its sale, its vulnerability, and the perception of relative decline, pushed governments towards indicative planning and wage controls. Here the ‘stagnation’ component of ‘pluralistic stagnation’ emerged, as the TUC proved, on this view, to have insufficient authority to police wage behaviour among its affiliates and permit stable economic growth. Unions appeared unable to control shop

stewards and members in their multi-union, leap-frogging, wage drifting, workplaces. Here was *far too much pluralism*, and the 'union problem' became a central focus of political and academic debate. Dorfman (1983: 131) summarised it thus:

Collectivist politics thus failed to work in relation to the speed at which government took control of the economy and made consequent demands for union participation in bargaining and implementing economic and industrial policies. By the late sixties, the gap between government 'demand' and TUC 'delivery' had widened to a politically unacceptable degree.

When the (eminently pluralist) recommendations of the Donovan Commission (HMSO 1968) proved politically inadequate, Labour attempted to legislate against unofficial strikes, but failed to overcome opposition in the TUC, the Government and the party. Another pluralist writer echoed Flanders, commenting on this outcome of Labour's *In Place of Strife* proposals: 'The Social Democratic dilemma – how to contain the interests of organised labour within a broadly-based political party, and how to combine free trade unionism with the efficient management of the economy – remained unsolved' (Jenkins 1970: 166).

This background gives the pluralist literature its overwhelming focus: unions–government relations. This focus produced, in the 1970s, a burgeoning neo-pluralist literature on 'corporatism', a growth industry largely shut down, like so many others, by Margaret Thatcher. The link between affiliated unions and the party was thus viewed very largely, and narrowly, as an aspect of the conflict over wages and industrial relations. This perspective produces a number of problems.

In the first place, there is a tendency to *conflate* the appearance of union power in the institutions of tripartism with union power in the Labour Party. With so much constitutional weight in the party, union affiliates were portrayed as dominating party policy and management. As noted above, both Harrison and Minkin have comprehensively dismissed this portrayal on the basis of detailed analysis of the internal unions–party linkage (see chapter 11).

A second tendency, a kind of *monolithism*, treats unions as a single political entity. Students of politics, as a rule, do not make statements of the kind: 'In 1956, the political parties decided to invade the Suez Canal Zone', or, for that matter 'In the 1980s, the political parties decided to destroy the National Union of Mineworkers'. Yet the literature is replete with indiscriminate references to the actions of 'the unions', although even in the era when the unions' 'praetorian guard' fixed party conferences, several large unions routinely defied the party leadership, one reason why 'the stereotyped image of the unions as a sort of orthodox lump of suet pudding clogging the Party's progress is a potentially disastrous oversimplification' (Harrison 1960: 238). And, indeed, scholars in this school have conducted important disaggregated studies of individual unions (Richter 1973; Taylor 1980). Nevertheless, writing on the unions' role in Labour's civil war after 1979, Ben Pimlott identified 'a union decision to move into Labour Party politics more decisively than ever before, and to throw their weight heavily against the parliamentary leadership' (1991: 217). This particular belief is demolished by Minkin (1992: 194–5), who shows that union votes were evenly balanced on key issues.

Needless to say, these two assessments have deeply contrasting consequences for understanding the recent history of the unions–party link.

A third tendency is to explain the unions–party relationship in terms of a *bipolar* conflict between union leaders and union members, again emphasising the former's inadequate authority. In his analysis of the 'progressive dilemma' – how to reconcile Labour's working class origins with its electoral need to appeal to other classes – David Marquand discusses the collapse of the Social Contract. Portraying Labour ministers as slow to control wages, he asserts (1992: 196) that 'in spite of their assiduous servility to the union leaders, opposition from the rank and file of the trade unions eventually made their policies inoperative too' (see also chapter 9, by Steven Fielding and Declan McHugh). An undifferentiated union leadership was apparently confronted by a force from below. Yet by 1978 union leaders themselves were hopelessly divided over the Social Contract. In November 1978, the TUC Economic Committee's recommendation to re-open wage talks was dramatically abandoned, with the General Council split 14 votes to 14. By then, as I will suggest, the unions had been badly divided for some time.

A fourth tendency is to treat union leaders as mere *cyphers*, reactively defending industrial voluntarism. Where they used their clout in the party, they did so defensively, directing it industrially, Irving Richter (1973: 218) insisted, at 'simply the achievement, maintenance or restoration of "free collective bargaining", or, within the party, as Robert Taylor notes (1980: 100), at providing 'the only real counter-weight to combat the negative extremism of the constituency rank and file'. Yet union leaders have frequently participated as activists in Labour politics, often ignoring their unions' policies in the process. Biographical accounts often reveal political activists trying to drive Labour policy well beyond industrial relations' concerns: Frank Chapple (1984) on foreign policy; Frank Cousins on nuclear arms (see Goodman 1979); and Jack Jones (1986) on pensions.

The argument here, then, is that the pluralist focus on unions as unreliable partners in economic management, usually reflecting a normative commitment to Keynesian political economy, often neglects the full complexities of the unions–party relationship, and of union–union relationships, and thus inhibits full understanding of the labour alliance.

... not enough socialism

The other principal academic perspective on the post-war labour alliance is that of socialist and Marxist writers, who rejected the pluralist claim that the State was politically neutral, portraying it as overwhelmingly on the side of capital in its class struggle against labour. Much of this perspective was inspired by Ralph Miliband's *Parliamentary Socialism* (1961; see chapter 5 of this volume, by David Coates and Leo Panitch). This school explicitly aims to help identify viable socialist political strategies. The starting point is Miliband's analysis of Labour as an overwhelmingly parliamentarist party, whose political function was to integrate organised workers into parliamentary modes of action. Applied to the party–unions link, Leo Panitch elaborated:

The function of the Labour Party in the British political system consists not only of representing working class interests, but of acting as one of the chief mechanisms for inculcating the organised working class with national values and symbols and of restraining and reinterpreting working class demands in this light.

In particular, he argued, when Labour mobilised support for the (liberal capitalist) 'national interest' against union 'sectional' behaviour, it acted 'as a highly effective agency of social control against the objective expression of working class dissent' (Panitch 1976: 235–6).

Panitch's 1976 study focused on incomes policy and hence mainly on the party–government link. It portrayed a political economy context mirroring that of the pluralists: an emphasis on the relative weakness of British capital, its exposed currency, inadequate productivity and investment, and wage militancy. In this problematical world, Labour played an 'enhanced integrative role', promoting indicative planning and incomes policy. Labour's success, and part of its electoral appeal, 'depended primarily on its structural ties with the trade unions' (Panitch 1976: 240). In the clash between class and national interests, however, the unions–party link also acted as 'a structural constraint upon the ability of the Labour Party to act out its integrative role', not least when 'the basic dilemma of corporatism – coercion in the name of harmony – comes to rear its ugly head' (Panitch 1976: 247; 1986: 69, 73). Nevertheless, as David Coates (1980: 215) put it, the loyalty of key union leaders helped sustain Labour Governments when such dilemmas 'generated tension among the rank and file of the trade union movement which, had the Government been Conservative, the trade union leadership would have articulated more fully'.

Much of the emphasis in socialist work is thus on exposing the consequences for the labour movement of 'enhanced' incorporation of unions within the institutions and strategies of tripartite economic management. Socialist writers have insisted that while unions place their key social power over wage bargaining on the corporatist table, business keeps to itself its key power over investment. Hence where pluralist *bipolarism* saw union leaders immobilised by mass militancy, socialists saw militancy pacified by union leaders, and in some Marxist accounts this pacifying role is portrayed as far more significant than Left–Right factionalism inside unions (Cliff and Gluckstein 1988).

The socialist school sometimes shares the pluralist tendency to *monolithism*. Not that the role of factionalism – generalised internal political struggle – in the labour alliance is ignored: the school's founding purpose was to engage with such factionalism, and recent work is in this vein (Panitch and Leys 1997). Abstract opposition of Labour to 'the unions' is nevertheless sometimes characteristic. In an early essay Panitch (1986: 74) wrote: 'The result [of the party's integrationist ideology] is conflict between the unions and Labour Party over the very integrative character of the party and over party policy towards the economy and industrial relations'. Coates commented (1989: 96):

Between 1974 and 1979 the historic connections binding Labour politicians and union officialdom, the positive commitments of union leaders to the Labour Party,

and the close links that they enjoyed with Labour politicians, all left union leaders particularly prone to subordinate trade union demands to the general drift of government policy.

Such shorthand may be unavoidable – certainly Coates himself has warned that it is ‘always a mistake to treat the national trade unions as a homogeneous and undifferentiated bloc’ (1980: 212) – but it should be treated with caution by students of labour, and it may divert attention from insights that a disaggregated approach can produce, as I suggest below.

A second tendency of the socialist school is its emphasis on national *industrial* policy, a focus linked to identifying underinvestment in British industry as a principal explanation for relative economic decline, an alternative to the pluralist focus on labour militancy. This can divert attention from other policy conflicts. In his discussion of the political power of trade unionism in 1974–79, Coates concludes (1980: 226) that unions and the Labour Government were not ideologically divided over economic policy: ‘On the contrary, with the exception of left-wing pre-occupation with free collective bargaining, both groups operated within roughly similar definitions of the causes and consequences, the necessities and policy options that the crisis generated.’ It is suggested below that a disaggregated approach to the economic policy conflicts in the period reveals serious union division along another crucial dimension of the ideologically integrative role of Labour, namely the promotion of a *residualist* or *productivist* ideology in respect of public, and sometimes private, service sector work at a time of the neo-liberal assault on the welfare state. ‘Productivist’ here means the designation of some forms of work as economically productive, and others as unproductive; ‘residualist’ means the perception of public service spending as being limited to the resources left over after the needs of productive economic activities have been met.

The suggestion here then, is that accounts from the socialist perspective, for all the scholarship and passion it brings to the understanding of the labour alliance, can share with the pluralists some tendencies to what are here being termed monolithism and bipolarism, and a focus on industrial policy that underestimates the significance of sectoral divisions over fiscal policy within the alliance for both unions–government and unions–party relations.

The last but one Labour Government

To put into historical context the criticisms made above, the focus of this chapter is the decade after 1974, not because the criticisms are applicable only to this period, but because this was when the corporatist dilemmas identified by both schools as straining the labour alliance were most intense. This was a period, historically, of the closest integration of the alliance in the programme and institutions of the Social Contract, notably the new TUC–Labour Party Liaison Committee, in which the TUC, the party’s National Executive Committee (NEC) and the parliamentary leadership/Government were equally represented. It was a period of accelerating international inflation and currency instability, massive

deflation in the industrial states whose wealth was being redistributed to oil-producers and the return of mass unemployment. The period also witnessed the rise in ideological influence of neo-liberal political economy, incorporating a new assault on state spending for, allegedly, 'crowding out' the 'wealth-creating' sectors. A Marxist political economy of this 'fiscal crisis' (Gough 1979; O'Connor 1973) suggested new fractures within labour movements (Offe 1984), but was little pursued at the time in relation to the British movement (exceptions were McDonnell 1978; Fryer 1979). Fractions of capital proved much more interesting to Marxist academics than did fractions of labour. Responding to these economic and political crises, the Labour Government introduced 'the largest cuts in real public expenditure that have occurred in the last fifty years' (Jackson 1991: 73). These cuts, it should be emphasised, largely pre-dated the over-mythologised International Monetary Fund (IMF) deal of 1976 when, in a highly public manner, the Government was forced to announce more public spending cuts in return for loans to stabilise the Sterling exchange rate (Ludlam 1992). The social and industrial policy trade-offs in the Social Contract, supposed to reward wage restraint, were hit hard in the process, as, consequently, was the unions-party link.

A final justification for the emphasis on this period is its relative absence from the monographs. Even in Minkin's monumental studies the late 1970s receive less attention than, arguably, they deserve. They feature in the epilogue to the second edition of *The Labour Party Conference*, and more extensively in *The Contentious Alliance*, where divisions over fiscal policy are noted, but are treated only to a few suggestive paragraphs. Andrew Taylor's study (1987) contained the first detailed examination of TUC-government relations over fiscal policy in the 1970s, but did not directly address the sectoral division that, I argue, emerged at the time.

Three arguments are presented here about the unions-party link in this period, addressing the limitations of monolithism, of a bipolar counterposing of union leaders to members, and of overemphasis on industrial policy. Firstly, it is suggested that the period witnessed an under-analysed union division along public-private sectoral lines which revealed the presence within labourist ideology of a profoundly capitalist commitment to the primacy of 'productive' labour – the productivism or residualism referred to above. Secondly, this division is presented as central in understanding the collapse of the Social Contract. And, thirdly, it is argued that the hostilities thus generated help explain factional realignments within the unions-party link between 1979 and 1983.

Deserving versus undeserving workers: productivism and residualism

Over half the TUC's membership worked in the public sector by 1974. But public sector unions were grossly under-represented on senior TUC economic committees. The National and Local Government Officers' Association (NALGO) and the National Union of Public Employees (NUPE), the fourth and fifth largest unions, were excluded until 1977–78. This mattered because the TUC generally endorsed fiscal policy in 1975–76, as the biggest spending cuts and the non-inflation-proofed 'cash limits' on spending were introduced.

Anti-cuts motions were routinely adopted at TUC Conferences, but frustration at the TUC General Council's reluctance to act on them led NUPE and NALGO to picket the 1976 TUC and Labour Conferences, lead a huge national demonstration against cuts in November 1976 and then launch the National Steering Committee Against the Cuts (NSCAC). This unprecedented sectoral union pressure group was 'the official body established by eleven public sector trade unions and associations to combat the cuts in public expenditure' (NSCAC 1977: i). Like the TUC General Council, the giant general unions – the Transport and General Workers' Union (TGWU) and the General and Municipal Workers' Union (GMWU) – declined to support the pickets or the mass demonstration. A public service union's research officer wrote: 'The issue of cuts brought about a major split within the trade union movement in the mid-1970s . . . cuts were the primary union issue from 1975 to 1977' (Hall 1983: 10–11). The new sectoral cleavage may have been cross-cut by older factional loyalties, but its emergence is beyond dispute.

A major factor producing the public sector alliance was the need to confront the alarming new ideological discourse, the neo-liberal assault on public spending, that echoed older discourses on the 'unproductive labour' question (see Boss 1990). Contemporary socialist analysis of the 'fiscal crisis of the state', a 'good riddance' version of the neo-liberal analysis, offered anti-cuts unions little ammunition (Gough 1979; O'Connor 1973). The Left's AES did not break cleanly from liberal political economy on this point. As one union research officer put it: 'The way the AES treats public services is heartbreaking. They remain a problem of financing, a residual in the arithmetic of capitalism' (Hall 1983: 96). And the new Cambridge group of Keynesians, whose analysis of import controls appealed to the unions' Left, prescribed even deeper cuts than the Treasury (Crosland 1982: 342).

The labour movement echoed to the sound of residualist arguments, most dramatically from Hugh Scanlon at the TUC's 1976 Special Congress on economic policy. The Amalgamated Union of Engineering Workers' (AUEW) leader backed spending cuts because, 'if Britain is to get out of her undoubted economic difficulties, she can only do it on the basis of a viable, efficient manufacturing industry with emphasis on those who make and sell and, if necessary, somewhat less emphasis on those who serve' (TUC 1976a: 28). Of the 'crowding out' line (that a bloated public sector was asphyxiating free enterprise), NSCAC noted: 'This argument has been used by the Government to divide the trade union Movement. Cut back on the public sector, argues the Chancellor, and there will be more investment and therefore more jobs for trade unionists and the unemployed in the private manufacturing sector' (1977: 18). The records of unions in different economic sectors amply confirm this perception, though more often in the relative privacy of their journals and conferences (Ludlam 1991, 1995). The position in the giant general unions was more complex. Both had significant memberships in the public sector. In the TGWU the authority and political loyalty of Jack Jones moderated open protest, but public sector anger surfaced in the union's newspaper as soon as Jones was succeeded by Moss Evans. The GMWU's traditional loyalty to Labour leaders similarly constrained official expressions of anger until its leader, David Basnett, became alarmed at the mass employment that followed fiscal deflation. At its

conference in 1976, the GMWU's public services officer succinctly addressed the sectoral division and the resulting political dilemma for general unions:

The policy is intended to channel resources away from consumption and into productive investment. So those unions whose membership lies wholly in industry find no conflict whatsoever here between the public interest and their private interest. On the other hand those unions whose membership lies wholly in the public sector have an obvious interest in opposing the cuts . . . the real dilemma is forced on unions like our own who have a membership interested in both camps and which can either lose or gain. (GMWU 1976: 522)

A disaggregated approach to the unions–party link in this period, then, reveals the limitation of monolithism, and a dimension of Labour's 'integrative ideology' lying beyond corporatist industrial policy. This dimension reflects a fundamental tenet of capitalist ideology: the absolute primacy of traded commodity production, and an associated prejudice against the burden of 'unproductive' labour. The following sections consider the effects of this sectoral cleavage on union–government relations and on power relations within the party.

Sectoral division and the fate of the unions–party-in-government link

The Social Contract's disintegration in the 'winter of discontent' is blamed, conventionally, on the wage policy that inflicted the most serious real wage cuts in living memory and squeezed skilled workers' differentials (Ludlam 1999). This explanation neglects the impact of fiscal policy on union tolerance of wage restraint, and the related impact of the TUC's loss of cohesion as a bargaining partner, arising from the sectoral division noted above.

Wage restraint had been sold as part of a 'wider Social Contract' that included industrial relations' reform, industrial intervention and democracy, and, above all, social policy commitments – the 'social wage'. Demanding wage restraint at the 1974 TUC Conference, future Prime Minister James Callaghan insisted: 'The Social Contract was devised as a whole, and it will stand or fall as a whole. No one . . . is entitled to say that he accepts the part that pleases him but rejects the rest' (TUC 1974: 396). The Government's inability to maintain its end of this package deal progressively undermined the Social Contract wage deal.

Following early education cuts, the TUC's General Council threatened that 'restoration of the cuts must be regarded as part of the Social Contract' (TUC 1975: 167). The unexpected introduction of new cash limits on public spending almost reversed the TGWU Conference's approval of the 1975 incomes policy (Jones 1986: 297), and the 1975 TUC Conference passed an anti-cuts motion declaring that, 'further cuts in public expenditure . . . will be regarded as . . . a fundamental breach of the social contract' (TUC 1975: 483, 462). The TUC statement *The Social Contract 1976–77* subsequently accepted cuts already announced, but insisted that avoiding further cuts was central to the contract's progress (TUC 1976a: 40). In the wake of the IMF crisis, the TUC's 1977 *Economic Review* (1977a: 10) warned that unions could not oversee further wage restraint until the fiscal policy issue was settled. When Callaghan, as prime minister, appealed to the 1977

TUC Conference to maintain wage controls, the miners' spokesperson retorted: 'We have a mass of cuts in the social services that we were told would not take place if we accepted the Social Contract. I believe that this is the biggest con trick that has ever been pulled' (TUC 1977b: 459–60).

Larry Whitty recalled how opinion shifted in the conferences of the ultra-loyal GMWU:

By [19]77 from being pretty docile, they suddenly turned into quite substantial attacks on the union, attacks on the party and so on . . . you couldn't actually see the social policy being delivered. We know aspects of it were being delivered, but also publicly, and to a large extent in real terms, the Government's direction was to cut public expenditure covering those aspects of the social wage. (Interview)

Jones' successor as TGWU leader, Moss Evans, held a similar view:

The principle cause of undermining any sort of hope in a Social Contract with the government or any sense of understanding were the terms agreed by Denis Healey with the IMF . . . in layman's terms it would appear that the quid pro quos for the Social Contract could not be met by the Government because of the terms of the IMF loan . . . This disillusioned lots of people. (Interview)

NUPE's 1977 economic review *Fight Back!*, the most savage official union attack on the Social Contract, concluded:

Because the Government has failed to meet the expectations it raised among workers when it entered into the bargain, the Social Contract has been transformed, in the eyes of trade unionists, from an agreement about economic and social priorities into a vehicle for implementing a policy of wage restraint – and nothing more. (NUPE 1977: 9)

TUC General Secretary Lionel Murray recalled (in interview): 'In the end, it was the decision to batten down the hatches in the public sector that led to the uprising, to the so-called winter of discontent. That was the strongest thing.' Crucially, the frustration of public service unions at the TUC leadership's initial acceptance of Labour's fiscal policy, manifested in the formation of the sectoral NSCAC and its mass demonstrations described above, had, by 1978, undermined the cohesion of the TUC as a peak organisation. By the time the Social Contract collapsed, in 1978, distrust among unions over the top-table bargaining with Labour had made the TUC's core negotiating machinery unworkable. Moss Evans (in interview) recalled: '[T]here was so much suspicion that the whole of the General Council would have to turn up to meet the prime minister and the chancellor of the exchequer and the secretary of state for employment. The suspicion that had emerged had to be seen to be believed.'

If monolithism is abandoned, then, there is overwhelming evidence that sectoral division produced a catastrophic loss of cohesion within the TUC, rendering it impossible for the Social Contract negotiations to continue past 1977–78. So, did this less well-known dimension of labour movement politics produce new factional alignments that contradict the tendency, noted above, to treat union leaders as mere cyphers? Did it have implications for the cohesion of the party itself?

Realignment in Labour's civil war: the unions–party-in-opposition link

This section addresses two main questions. Was there a Hard Left–Soft Left division in the unions in the mid-1970s, related to sectoral divisions, that in any way prefigured the realignment in the party associated with the 1980s? And, if so, what impact did it have on the trajectory of the Labour Left in the late 1970s and early 1980s?

By the Soft Left–Hard Left split is meant the division that is conventionally dated from 1981 when Neil Kinnock led a group of Left – *Tribune* Group – MPs in opposition to Tony Benn's challenge for the party's deputy leadership. This realignment was crucial to Kinnock's construction of the Centre-Left block that gave him a clear run at the policy and party reforms that built the foundations for New Labour (Kinnock 1994). This conventional periodisation needs modification, irrespective of whether it was prefigured among the unions. We know that Michael Foot and Tony Benn had split over the party's 1973 public ownership programme, that Foot did not mobilise against Benn's sacking as industry secretary in 1975, and about Foot's estrangement from the *Tribune* Group in the mid-1970s (Castle 1980: 469; Hatfield 1978: 211; Jones, M. 1994: 358). Is there evidence of a similar Hard Left–Soft Left union split in the mid-1970s?

Firstly, the realignment of Jones and Scanlon is noted by academics, by cabinet diarists and by both men themselves (Benn 1989: 46, 61, 166; Castle 1980: 469–71, 679; Jones 1986: 304, 325; Minkin 1992: 163–182; Wickham-Jones 1996: 150 *et passim*; Scanlon 1979: 394; Scanlon interview). The reasons were straightforward: fear of hyperinflation; and a determination to keep Labour in office and Thatcher out. The divergence was occasionally very public, as when Jones attacked veteran Left MP Ian Mikardo at the 1975 annual *Tribune* rally, for suggesting that the unions were failing to protect workers. For Benn, this episode 'ended the pretence of a Left fighting a Right'. As Larry Whitty put it (in interview): 'Jack and Hughie, by that time, 1975–76, from being on the Left of the general council, had become the anti-public sector element.' Jones, Scanlon and GMWU leader David Basnett blocked calls for a TUC Special Congress on rising unemployment in January 1976, and lambasted *Tribune* Group MPs who voted against the March 1976 public expenditure White Paper – the most deflationary of the whole government (*Tribune* 19 March 1976).

The three leaders also called for a TUC–Labour Party Liaison Committee statement to override existing TUC and party policies, producing more factional tensions. In the early 1970s, the balance of political forces in the Liaison Committee had favoured NEC and trade union members of the Tribune Left. By 1976, with Jones and Scanlon defending wage controls and public spending cuts, NEC Tribunes were outgunned by an alliance of TUC and government representatives (Minkin 1978: 480; Taylor 1987: 71–2). Liaison Committee minutes in 1976 reveal a bitter struggle, lasting several months, over the wording of Treasury drafts on public spending for the key Social Contract statement *The Next Three Years and the Question of Priorities* (TUC 1976b: 416–24; see Liaison Committee Minutes of 26 April, 24 May, 21 June and 26 July 1976). Left-wing NEC members then published a report comparing this statement with Labour and TUC Conference policies,

demonstrating how far the Liaison Committee was abandoning the latter. Such disputes highlight a struggle by the NEC-based Labour Left against a Soft Left alliance of Foot with Jones and Scanlon.

So where, if anywhere, is a realigned union Hard Left emerging? The argument here is that two wings of the union left resisted the Liaison Committee line. Communist Party-influenced unions, and allied unions in the contemporary Broad Left, promoted a hard-line version of the 'Alternative Economic Strategy' (AES). After 1974, these unions systematically attacked the Social Contract and pushed the AES. What was new from 1975 was the Broad Left's alliance with newly-radicalised public service unions, behind resolution-mongering against the cuts and deflation, and for Hard Left versions of the AES. Murray's view (in interview), some years later, was that these two groupings 'did coalesce for the purposes of the campaign – very often for very different reasons. And I don't think there was a clear ideology underlying the joint action.' Murray had warned the Government of this alliance, fearing it might carry an anti-Social Contract motion at the 1975 TUC, if more cuts were announced.

However, although this Hard Left realignment was real, it was not easily sustained. From 1976 onwards softer versions of the AES were passed at the TUC, and to some of the anti-cuts' unions the argument seemed to have been won. Previously excluded unions were gradually admitted to the TUC's top committees, and the benefits were outweighing the costs of continued factionalism (NSCAC was wound up by 1981). And although 1976–78 saw the worst impact of pre-IMF deal cuts and 'cash limits', budgets after the IMF deal were all reflationary (if more by tax cuts than by restoration of spending cuts). Furthermore, the AES did not provide a very firm platform. Union versions of the AES differed widely in scope and radicalism (Sharples 1981). The Treasury worked hard to convince union leaders that retaliation against AES protectionism would be devastating. And the Social Contract years took a toll: the more service cuts and closures went through without successful resistance, the harder it became to mobilise (Neale 1983).

If the realignment of the union Left was relatively limited within the TUC, though, did it carry into the Labour Party? Apart from its NSCAC work, NUPE greatly intensified work inside the party. It increased its national affiliation to the party, and thus its conference vote, from 150,000 to 600,000 between 1974 and 1980. This has even led some, ignoring other unions' changed affiliations, to argue that NUPE's increased vote led to the party leadership's defeats over constitutional reforms (Healey 1989: 470; Minkin 1992: 199). NUPE, TGWU and the Association of Scientific, Technical and Managerial Staffs (ASTMS) routinely supported all three of the constitutional reformers' key demands: automatic reselection of MPs; widening the leadership election franchise; and giving the NEC the final word over election manifestos. The first two were adopted. The unions *en bloc* did not, as noted above, force reforms through after 1979, but, as Minkin (1992: 194–5) makes clear, enough did to get two of the demands through. But NUPE went further, becoming an early affiliate, along with other unions in the new leftist alliance, of the CLPD. Between 1975 and 1979, unions grew from 6 per cent to 49 per cent of CLPD affiliates. NUPE's Research Director Bernard Dix became CLPD vice-

president, and permitted his staff to devote union resources to the cause (Dix in interview). Dix and other NUPE officers became important union contacts in the proto-Bennite movement of the last years of the Labour Government (Benn 1989: 258; Kogan and Kogan 1982: 108).

The threat of Thatcherism was, however, acute by 1981, when Benn's deputy-leadership challenge against Denis Healey split the parliamentary Tribunites, causing consternation on the union Left. Bill Keys, a pivotal union left-winger on the party NEC, the TGWU's Evans and ASTMS' Clive Jenkins all opposed Benn's candidacy. NUPE held a branch ballot, which Healey won. The TGWU first backed Soft Left 'spoiler' John Silkin, then voted for Benn in the second round. In the first round Benn took 36.5 per cent of the union vote to Healey's 61.2 per cent. At the same conference, NEC election results revealed that a revived union Right had removed five left-wingers, which, combined with the Soft Left shift of some MPs, gave Foot an anti-Bennite NEC majority for the first time. Key unions now imposed a truce inside the party, in the so-called 'Peace of Bishop's Stortford' brokered at the ASTMS training college.

So there was realignment on the union Left in the 1970s, and it was the newly radicalised public service unions, seeking allies as sectoral division in the TUC left them vulnerable to Labour's fiscal deflation, that gave it a reach beyond the traditional Broad Left. And it did prefigure the Hard Left–Soft Left division of the 1980s. It was not a coherent force within the TUC for long, more a tactical alliance. There was intensive activity in 1975 and 1976, but much less thereafter, as the TUC as a whole became more critical of economic policy, and the outsider public service unions were permitted to come inside. The realignment did help to precipitate party divisions, by promoting the CLPD and providing enough block votes to give the reformers their victories. But, facing electoral disaster and anti-union legislation, key unions called it a day as far as generalised factionalism was concerned.

Conclusions

This chapter has suggested some limitations of the two main interpretative schools, and has demonstrated historically that important dimensions of the unions–party link need additional perspectives and more disaggregated methods of study if we are to deepen our understanding. It suggests, above all, that analysis should avoid both monolithism, treating the unions as Harrison's 'orthodox lump of suet pudding', and bipolarism, treating the labour alliance as a simple combination of 'the unions' with 'the party'. The existence of virtually permanent cross-cutting factionalism, in which individual unions take up opposing positions alongside distinct groups of party members and leaders, must be recognised. It is certainly difficult otherwise to make sense of the link in the New Labour era – for example, in relation to key issues on which unions are divided, such as the Private Finance Initiative (PFI) for the private financing and management of public services, employment law reform and European monetary union. The fact that the cross-cutting organised Labour Left of old has been less in evidence in the New Labour

era does not mean that there are no alliances on key issues between different unions and distinct groupings of party activists and leaders.

This chapter also suggests that analysis of the dynamics of the role of the unions in the labour alliance should also include a disaggregated perspective that pays attention to sectoral factors. Certainly union divisions in the face of New Labour's reform of the funding and management of public services has once again revealed, among Britain's merged super-unions, the contours of the sectoral divisions that were so significant in the 1970s. A most striking example was the support of the manufacturing union AMICUS–AEEU for PFI, a policy despised by public service unions. And, in that same area of dispute under New Labour we can see compelling evidence of the need to study union leaders as independent political actors, in particular as political agents within the party, rather than simply as political cyphers, or as subordinate bureaucrats, in the behaviour of the leadership of the General, Municipal and Boilermakers' union (GMB). In 2001, the GMB withdrew £2m of funding from Labour and launched an advertising campaign bitterly critical of PFI.

All interpretative approaches can benefit from a large dose of the sort of contemporary historiographical methods that Minkin's work exemplifies, combining documentary and interview-based materials with the study of values and ideas among union leaders and activists and the study of party constitutional and policy issues. In this last respect, what is suggested is specifically the extension of the 'integrationist' argument – on the ideological subordination of the labour movement to national capitalist economic policy strategies – to a discussion of subordination to more fundamental and abstract assumptions of liberal political economy, notably about the centrality to prosperity of the production of traded commodities as opposed to the provision of human services.

Analysing the unions–party link is not easy. Important aspects are hidden from scholarly view unless, like Minkin, the scholar is a lifelong participant observer. The political complexities of the important unions are subject to a variety of influences, both personal and constitutional, and above all to the unpredictable impact of economic change. In one decade, one of the most powerful and political of Labour's affiliated unions, the NUM, all but disappeared. But without attempting an understanding of Britain's unique and complex labour alliance, a complete understanding of Labour in Britain is not possible.

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