

CONFRONTATION

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Taking on Labourism

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EDITORIAL

Taking on Labourism

The second issue of *Confrontation* goes to press at the opening of the 1987 general election campaign. In many ways however, the contest between the mainstream parties of British politics had been decided even before the campaign opened. For eight years Margaret Thatcher has triumphed over her opponents by her success in defining the terms of political debate. Despite her government's disastrous economic record, she has succeeded in making law and order, anti-trade union prejudices, the defence of the nation, the family, and even the virtues of private enterprise central themes of a new consensus. The extent to which all the opposition parties have adopted policies upholding firmer policing, anti-union legislation, higher military spending, family values and a mix of public and private ownership is a true measure of the achievement of the Thatcher years.

The Labour Party's pathetic attempts under Neil Kinnock to steal the Tories' patriotic, militaristic and authoritarian clothes guaranteed its defeat long before polling day. The election campaign could only decide the scale of Labour's defeat and the role of the Alliance parties in the new parliament. Whether or not Labour wins more seats than it did in 1983, a third Thatcher victory will be a heavy blow to the party, confirming its shrinking social and geographical base and chronically declining influence.

If another Tory victory will be bad for the Labour leadership, it

will be catastrophic for the left. In 1983 it could take refuge in its new power bases at the GLC, in Liverpool, Sheffield and in other municipal strongholds; its campaigns such as CND could still mobilise hundreds of thousands; it still had its broad-left groups in the unions and friends like Arthur Scargill and Jimmy Knapp in high office, and Tony Benn and Eric Heffer were still on Labour's national executive. Today the left's organisations are mere shells and its old leaders mere shadows of their former selves.

By retreating before Kinnock's attack, left wingers thought they could dig in and live to fight another day. Some even thought they could avoid the blame for Labour's demise and that the left could rise again when the right was for once forced to take the rap at the election post mortem. But in the end the left's refusal to challenge Kinnock has only reinforced its role as scapegoat for all Labour's failures. Acquiescing by its silence to the label of 'loony', the left is destined to become the main victim of the election debacle.

The events of the years between 1983 and 1987, culminating in the June election, have fully exposed the conflict between the strategies of the leaders of the official labour movement and the interests of the working class. In both the unions and the Labour Party, the labour bureaucrats have tried to save their own skins by coming to a closer accommodation with the representatives of British capital. In industry and services, union officials have been ready to negotiate rationalisation plans and in-house tenders which accept mass redundancies, inferior working conditions and restrictions on union rights—such as the effective withdrawal of the right to strike. To retain token union membership and the regular flow of dues to head office, union officials have sacrificed the jobs and rights of thousands of workers.

Meanwhile in the political arena, Hattersley and Healey and the rest have adopted policies on the economy, public spending and trade union affairs that accept permanent mass unemployment, wage controls, restrictions on welfare spending and state interference in union ballots and elections. In their desperate attempts to secure their own positions, the labour bureaucrats have adopted policies that can only accelerate the forces of division and demoralisation within the working class. Because the most politically aware sections

of the working class remain loyal to Labour, Kinnock's humiliation is not simply a problem for the labour bureaucracy—Labour is dragging the working class down with it.

Early in 1987 the Revolutionary Communist Party issued an open letter to all left-wing organisations and individuals, proposing the formation of *The Red Front*. We appealed to others to join us in putting forward a slate of candidates to stand in the general election on a basic platform which put forward the cause of working class unity. Our aim was to take advantage of the debate around the election to mobilise a core of resistance to the mounting capitalist offensive against the working class before, during and beyond the election itself.

In the event most of the surviving groupings of the far left put their fear of challenging Labourism at the polls before their formal commitment to building a working class alternative. While many individuals and some smaller groups in particular areas supported *The Red Front*, the larger left-wing organisations chose to campaign for the Labour Party. From the moment the campaign opened, the left's much-vaunted hostility towards electoralism in general and Labour in particular vanished as its supporters became the most enthusiastic canvassers and flyposters for the party that paralyses the working class. Relying on the limited resources of the RCP, *The Red Front* was unable to make the national impact in the election we had originally intended.

Nevertheless, *The Red Front* put down a significant marker in the 1987 general election. At a time when the rest of the left was in abject retreat it pointed the way forward to unite and strengthen the working class for the battles ahead. While the electoral focus of *The Red Front* does not extend beyond 11 June, the wider project of building a working class alternative to Labourism will become even more important after the election. Hence the major article in this issue of *Confrontation* focuses on the conflict between Labourism and *The Red Front*. Linda Ryan synthesises elements in the critique of Labourism published in past issues of *the next step*, and clarifies the purpose of *The Red Front* in the context of the wider objectives of the Revolutionary Communist Party.

In the second article John Gibson provides a largely empirical

discussion of the impact of the Thatcher years on the working class. One of the consequences of Labour's defeat in 1983 was a revival of theories of the demise of the working class that first became widely discussed in the British labour movement after Labour last lost three consecutive elections—back in 1959. We can now expect further attempts to explain Labour's political failures by sociological commentaries on the changing structure of the working class. We hope to continue this discussion in future issues of *Confrontation*.

The final article in this issue—Frank Richards' discussion of the theory of state capitalism—has no direct bearing on the debates around the general election. Yet it exposes a theoretical weakness of the British left which permeates its political practice and incapacitates it from acting as an independent force. In the immediate post-war years, anti-Soviet ideology played a central role in consolidating the Western alliance and in marginalising radical movements in the West. The traditional association of the left with the Bolshevik Revolution became the most powerful propaganda weapon against any anti-establishment movement.

One section of the left came up with an ingenious response to the right's familiar 'get back to Russia' gibes. It adopted a novel analysis of Soviet society, declaring it to have become another form of capitalism—state capitalism. The slogan 'Neither Moscow nor Washington' summed up the dismissal of both East and West as equally detestable variants of the same social system. It provided a way of dodging Cold War accusations that the left was soft on Soviet communism, and also neatly corresponded with the Labour left's project at the time: finding a 'third way' between the Soviet and American systems.

Frank Richards shows that the theory of state capitalism means applying a label to Soviet society at the cost of emptying the concept of capitalism of any specificity in relation to Western society. The result is an inability to understand the movement of either the Soviet Union or the West. The renewal of Cold War tensions in recent years has given a new lease of life to the notion of state capitalism—and the slogan 'Neither Moscow nor Washington' has also been revived. At a time when the emergence of a Soviet leader skilled in modern public relations and media presentation has led to a wholesale revision of

superficial Western theories about Soviet totalitarianism, the need for a scientific understanding of Soviet society is greater than ever before. Through a critique of the theory of state capitalism, Frank Richards clarifies the Marxist approach to this key question.

We welcome comments and criticisms on any of the articles in *Confrontation*. We hope that pressures of resources will allow more frequent publication in the future.

Mike Freeman, June 1987

The Red Front?

As election fever mounted through the early months of 1987 the disintegration of the Labour Party became a central theme of public debate. The left is the most immediate casualty of Labour's decline. A panic-stricken Labour leadership has shifted further to the right and stepped up the attack on the left. Left wingers have been ordered to keep quiet and local party organisations in London and Birmingham have been placed under central control.

The leadership's onslaught on the left over the past three years has proved to be a very uneven contest. Left wingers have responded to the mounting attack from the national executive by indicating and keeping their heads down. When prominent members of the Militant Tendency were purged, the rest of the left made only perfunctory protests. Leading left wingers like Tony Benn publicly emphasised their loyalty to the Kinnock-Hattersley leadership. When in January 1985 various newspapers speculated that Benn was considering a challenge to Kinnock, the left indignantly proclaimed its innocence of charges of factional activity.

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LINDA RYAN

Labour or The Red Front?

As election fever mounted through the early months of 1987 the disintegration of the Labour Party became a central theme of public debate. The left is the most immediate casualty of Labour's decline. A panic-stricken Labour leadership has shifted further to the right and stepped up the attack on the left. Left wingers have been ordered to keep quiet and local party organisations in London and Birmingham have been placed under central control.

The leadership's onslaught on the left over the past three years has proved to be a very uneven contest. Left wingers have responded to the mounting attack from the national executive by retreating and keeping their heads down. When prominent members of the Militant Tendency were purged, the rest of the left made only perfunctory protests. Leading left wingers like Tony Benn publicly emphasised their loyalty to the Kinnock-Hattersley leadership. When in January 1985 various newspapers speculated that Benn was considering a challenge to Kinnock, the left indignantly proclaimed its innocence of charges of factional activity:

'An unholy alliance tried to provoke the left into challenging Neil Kinnock for the party leadership. Had the provocation succeeded then it would have been used in a propaganda campaign accusing the left of splitting the party.'

Since 1985 the left has made a virtue of not fighting back against the leadership. Yet the strategy of cowering in retreat has failed to deflect the accusation that the left is to blame for Labour's apparently inexorable decline. Indeed the left has become so firmly established as the villain of the piece that it is likely to bear the burden of the blame for the re-election of Margaret Thatcher for a third term. The term 'loony left' has become widely used in the labour movement itself and most of the left is now wary of promoting policies which the media might label as extremist.

The collapse of the Labour left is, in itself, of little consequence. The problem is that, in the process of its demise, the left has discredited progressive ideas and policies throughout the working class. Even the most militant sections of the labour movement have been influenced by the left's paralysis, drawing the conclusion that now is not the time for resistance. The very silence of the left seems to confirm that there is no alternative to Kinnock. Meanwhile others are busy providing more right-wing options — such as tactical voting for the SDP/Liberal Alliance. To counter these trends it is necessary to begin by examining the defects of the strategy of the Labour left.

An unyielding dogma

For the British left, it has long been regarded as beyond question that it should support the Labour Party in elections. Over the 80 years since the foundation of the party this position has become so firmly established that it has acquired the status of an incontrovertible truth. The left's devotion to the cause of electing Labour to government is such that the leadership can count on the loyalty of the left irrespective of its conduct or policies. This is how *Labour Briefing*, the journal of one hard-left faction, sums up the left's approach:

'So the prospects for 1987 look gloomy. What should the left be doing? Despite everything, we must campaign vigorously for a Labour victory. Only a Labour victory can open the door to any of the political initiatives

to which the left is committed. A third Tory government would be a huge defeat for us — and for the cause of the oppressed.

‘But as we fight for the election of a Labour government, we must say clearly that we have no faith in the capacity of the present programme — or leadership — to solve any of the severe problems facing the working class.’²

The fact that *Labour Briefing* has no faith in Labour’s programme has little consequence because it endows the party itself with special powers which hold the key to the future of the left. This standard ‘critical support’ formula is regarded as axiomatic for the Labour left.

As long ago as 1922 the newly formed Communist Party of Great Britain was already calling for critical support for Labour in its monthly trade union journal:

‘Wise tactics demand that we should do our utmost to return the Labour Party to power. Nobody knows the shortcomings of the Labour Party better than we, but we must be prepared to temporarily overlook those shortcomings and establish the political United Front.’³

The Communist Party’s appeal for support for Labour caused little internal dissension. It required the Communist International to remind the British party that the task of communists was not to overlook but to expose the shortcomings of Labour. Over the past 65 years countless British left wingers, even some who considered themselves revolutionaries, have repeated the call for critical support for Labour. After the early twenties the Stalinist degeneration of the Communist International removed the external corrective to the powerful tendencies towards opportunism in the British left.

The left’s approach to the 1979 general election — the election that first brought Thatcher to power — provides a more modern illustration of the consequences of the critical support strategy. One now defunct far-left paper suggested that ‘socialists inside and outside the party have to face the grim reality that there is no alternative but to call for the return of a Labour government.’⁴ The

same sentiment of resignation led even organisations which remained outside the Labour Party to summon their supporters to the polls. 'We can't pretend that a call to vote Labour again can be made without choking back our disgust,' argued the Socialist Workers Party, 'but at least the devil we know has one advantage for the left.'⁵

The left often tempers its disgust at calling for a vote for Labour with attempts to discover something positive in Labour's programme. Back in 1922 the Communist Party argued that 'the Labour Party returned to power means a distinct break with the political past of this country: it means that the organised working class movement can have much influence on future legislation.'⁶ It is perhaps understandable that left wingers could have high expectations at a time when the Labour Party had yet to form its first government. Since that time Labour has formed governments on eight occasions (in 1924, 1929, 1945, 1950, 1964, 1966, February and October 1974). It should now be apparent even to those who are most resilient to learning from experience that putting Labour in government is no guarantee that the cause of the working class will prosper.

It seems that on the British left dogma triumphs over reason time after time. In fact the left has generally become more reluctant to spell out what is positive about Labour's programme. One exception is the tradition associated with the Socialist Workers Party. In the early sixties it could discover radical elements in the policies promoted by a solidly moderate leadership:

'Nobody in the Labour Party will benefit from a split in the party; only the Tories will benefit.... We of the left cannot reduce or minimise our differences with the Labour right; but we can fight in the same party for such radical proposals as Anthony Crosland's reforms for the educational system and proposals for really punishing redistributive taxation, which would lead on towards income equality.'⁷

After the Wilson-Callaghan governments of the sixties and seventies, it is rare for Labour's policies to receive such enthusiastic commendation from the left. Before considering the arguments the

left now uses to justify its continuing support for Labour, let's look back at the revolutionary Marxist approach to the Labour Party.

The Marxist tradition

In contrast to today's far left, for revolutionary Marxists it was inconceivable that the Labour Party could play a progressive role. Whereas the British left has consistently emphasised the tactic of critical support, Marxists have always stressed the importance of independent working class organisation.

As early as 1881 Frederick Engels urged the English working class to establish an independent political party. The fact that the working class had 'contented itself with forming...the tail of the "Great Liberal Party"', he described as 'a political position unworthy of the best organised working class of Europe'. He noted that 'everywhere the labourer struggles for political power, for direct representation of his class in the legislature — everywhere but in Great Britain.' He bemoaned the fact that 'the English working class allows the landlord, the capitalist and retail trading classes, with their tail of lawyers, newspaper writers, etc, to take care of its interests.'⁸ In the last 10 years of his life Engels encouraged all tendencies towards the establishment of a working class party.

Engels' efforts were in vain. A number of socialist organisations — including the Independent Labour Party and the Social Democratic Federation — were launched in the 1880s and 1890s, but no effective working class party emerged. It was not until 1900 that the trade union leaders set up the committee to push their interests in parliament that renamed itself the Labour Party in 1906. Although the new party was supported by workers and socialists, it was itself neither working class nor socialist. It was directly sponsored and controlled by a labour bureaucracy that had already drawn closer to the state than it was to the rank and file. The bureaucrats' political outlook was closer to the British Liberal Party than to the European social-democratic parties.

The Labour Party's application for membership of the Socialist International in 1908 provoked a divided response. Right wingers

argued that Labour should be admitted on the grounds that it was a working class organisation, independent of bourgeois parties and involved in waging the class struggle — even if its leaders denied its existence. Left wingers opposed Labour's admission until the party recognised the principles of class struggle socialism. Speaking for the Russian Bolshevik Party, Lenin rejected the right-wing argument as opportunist and the left's as formal and static. He recommended approval of Labour's application, not because of what Labour was, but because of what it could become. Although it was tied to the ruling class, the Labour Party was a move in the right direction. It was 'the first step on the part of really proletarian organisations of Britain towards a class conscious policy and towards a socialist workers' party'.⁹

Lenin repeatedly urged British socialists to go beyond their organisational break with the Liberal Party and forge an independent political approach. He constantly criticised the policies of the Independent Labour Party, which now formed the left flank of the Labour Party. Focusing on the key word in its title, Lenin wrote that the ILP was 'independent only of socialism and dependent on Liberalism'. The strictures of the Bolsheviks reached a climax in the years after 1914. On the outbreak of the First World War, the leaders of the Labour Party and the leaders of European social democracy supported the imperialist policies of their respective national ruling classes and betrayed the international proletariat.

For the Bolsheviks, the First World War was a watershed. It marked the total capitulation of the social-democratic parties (including the Labour Party) to the class enemy. To move forward the working class had now to establish new communist parties separate from the old socialist parties of the labour bureaucracy. Once they had seized power in Russia in 1917, the Bolsheviks made the formation of a new Communist International to replace the discredited Socialist International a top priority.

Britain was one of the world's leading powers and had a highly organised working class movement. Lenin and the Bolsheviks devoted considerable energy to promoting the formation of a communist party in Britain. Lenin advised British communists to

follow a distinctive anti-capitalist line on all political issues:

'In Great Britain the communists should constantly, unremittingly and unswervingly utilise parliamentary elections and all the vicissitudes of the Irish, colonial and world-imperialist policies of the British government, and all other fields, spheres and aspects of public life.'¹⁰

Lenin was unrelenting in his condemnation of the Labour Party. It was a 'thoroughly bourgeois party led by reactionaries'. It was 'an organisation of the bourgeoisie which exists to systematically dupe the workers'.¹¹ Lenin advised a clear break with the Labour approach, advising British communists to work 'in a new way, in a communist way, in the spirit of the Third (communist) International, not the Second (reformist) International'.¹²

Following Lenin's death Trotsky maintained the continuity of the Marxist tradition. In his writings on Britain in the twenties, Trotsky rated the issue of building the Communist Party as the 'question of questions'. He emphasised that the Communist Party could only be built 'in the process of a permanent and irreconcilable struggle' against the politics of 'the conservative bureaucracy in the trade unions and the Labour Party':

'The Communist Party will prepare itself for the function of leadership only by a merciless criticism of the entire dominating staff of the English labour movement, only by a constant unmasking of its conservative, anti-proletarian, imperialist, monarchic, lackeyish function in all fields of social life and the class movement.'¹³

The need to build an independent party, from scratch in the 1880s, through the Labour Party up to 1914, and by destroying it after the First World War, is the central theme of the Marxist tradition on the British labour movement.

Marxists and the Labour left

The Marxist tradition's emphasis on class independence stands out sharply against the practice of the British left. The contrast between the two approaches is particularly highlighted in their attitude to the

Labour left. Although often critical, the British far left has adopted the cause of the Labour left as its own and it has often appeared indistinguishable from it.

At the beginning of 1923 the Communist Party rejoiced at the election of a new group of Labour left MPs. One party periodical commented enthusiastically that 'for the first time they have introduced politics into the Labour Party; for the first time they raised the standard of socialism in the Labour Party.'¹⁴ The experience of the past 60 years has done little to diminish the far left's affection for radical parliamentarians. Linking up with the Labour left against the leadership has become a standard far-left strategy.

In the early fifties the faction associated with Gerry Healy, which later became the Workers Revolutionary Party, paid tribute to the popular figure of Aneurin Bevan, then the leader of the parliamentary left:

'The basis for a socialist programme already exists within the Labour Party — the majority of the party is prepared to fight for this "new policy" against the pro-capitalist policies of the right wing. This is the significance of the Bevan movement, which so far as it aims at mobilising the ranks against the right wing transcends all "sectional" and personal quarrels.'¹⁵

Healy's rivals in the faction that subsequently became the Socialist Workers Party agreed on his assessment of Bevan. Under the headline 'First task of socialists to defend Bevan', *Socialist Review* argued that 'in the course of the struggle wide sections of the rank and file will develop far beyond the ideas of Bevanism and will begin to forge a leadership really serious in its determination to achieve socialism.'¹⁶

In the steps of Bevan came Tony Benn. Three decades later the SWP made the 1981 campaign to elect Benn deputy leader of the party a key focus of activity. Noting that many militants were 'excited about Benn's stand' and were 'developing an interest in all socialist ideas', the SWP boasted that 'it has become easier to sell *Socialist Worker* as a result.'¹⁷ Four years later the problem for the SWP was that Benn was not doing more: 'He has good ideas but no strategy for putting them into practice.'¹⁸ As in the fifties, the far left

had its criticisms of the leaders of the Labour left. But given the fact that the left considered that its own future depended on the patronage of the Labour left these criticisms had little consequence. In fact the far left rarely questioned Labour left policies — only its willingness to fight for them. The implication of the far left's approach is that it is willing to provide the foot soldiers if only the reluctant generals of Labour would give a lead. *Socialist Worker* chided Benn in a tone more sorrowful than angry:

'By refusing to take on Kinnock, he does a disservice to everyone who wants to fight Thatcher.'¹⁹

The deferential attitude of the far left to the parliamentary left is alien to the Marxist tradition. Take the views of Engels on Keir Hardie, one of the founders of the Labour Party, revered by generations of left wingers as a pioneer of British socialism. Engels had scant respect for his moralistic socialism, his chauvinism and his opportunism. He dismissed him as 'over-cunning' and as a man 'whose demagogic artfulness one cannot trust'.²⁰ Trotsky was equally scathing in his polemics against the Labour left of the twenties. He concentrated his fire on George Lansbury, still praised by the left today as a pacifist and council campaigner in Poplar, and the Clydeside group of the Independent Labour Party — John Wheatley, James Maxton and David Kirkwood. In contrast to the far left today, Trotsky emphasised not what was distinctive about the left wingers, but singled out the crucial views they held in common with right-wing Labour leaders such as railway workers' leader Jimmy Thomas:

'The characteristics of conservatism, religiosity, national conceit, will be found in varying degrees in all the present-day official leaders, from the extreme right Thomas to the left Kirkwood.'²¹

Trotsky's scathing dismissal of the Labour left stemmed from his recognition of its subservience to the labour bureaucracy. The left wing of the party has no political alternative that is independent of the labour bureaucracy. Even if it wants to do something positive

for the working class, the left lacks the power to influence events. Inside the Labour Party it has to accept the terms set by the labour bureaucracy. If the left steps out of line it is vilified and threatened with expulsion. The suppression of the left is always an option for the Labour leadership. The recent expulsions of Militant leaders and the clampdown on the London left expose the sham of left-wing influence inside the party.

Why then does the labour bureaucracy tolerate the left? The Labour leaders recognise that the left plays a useful role in retaining the party's influence in the working class. Throughout the miners' strike it was left-wing activists who kept up links between the mining communities and the Labour Party, while the party leaders scabbed on the strike. The very people who despise Kinnock, but still cry that there is an alternative, play a crucial role in preserving Labour's image as a party of the working class. Without its left-wing activists the Labour Party could not continue to dominate the working class. This point is well-understood by the more astute Labour politicians. Former cabinet minister Richard Crossman explained how the leadership manipulates the left:

'The Labour Party required militants... politically conscious socialists to do the work of organising the constituencies. But since these militants tended to be "extremists", a constitution was needed which maintained their enthusiasm by apparently creating a full party democracy while excluding them from effective power. Hence the concession in principle of sovereign powers to the delegates at the annual conferences, and the removal in practice of this sovereignty — through the trade union bloc vote on the one hand, and the complete independence of the parliamentary Labour Party on the other.'²²

Excluded from effective power inside the party, the left is allowed to perpetuate the myth that Labour has the potential for advancing the cause of the working class. It is a myth shared — consciously or unconsciously — by much of the far left.

The United Front

Many left wingers who identify with the Bolshevik tradition point to the United Front tactic recommended by the Communist International to justify their policy of critical support for Labour. Indeed the United Front is invoked to justify virtually every tactical manoeuvre of the far left in relation to the Labour Party. In fact the left's conception of the United Front has little in common with that of the Communist International. The left has ignored the central purpose of the United Front and merely adapted some of its organisational aspects — notably Lenin's 1920 appeal to British revolutionaries to join or affiliate to the Labour Party.

The United Front tactic was a specific policy designed for specific circumstances. The tactic was developed in the period when the international working class upsurge that followed the Russian Revolution and the end of the First World War had passed its peak and was losing momentum. New communist parties had been established in most European countries, but often too late to take decisive advantage of the moment of revolutionary ferment. The result was that significant numbers of workers remained with the established social-democratic organisations. The problem facing the Communist International was how to overcome the isolation of the communist vanguard through winning the masses away from the influence of the reformist parties.

The United Front tactic was designed to help the communist parties win over the mass of the working class to the side of the international vanguard in the unstable situation that prevailed in Europe in 1920 and 1921. This tactic has no immediate relevance for the isolated currents of revolutionaries in Britain in the 1980s. We are forced to undertake more modest tasks: to create the class conscious working class vanguard that is the indispensable first step towards winning mass influence. Without at least a nucleus of a new working class leadership it is futile to attempt to win mass support. The reasoning behind the adoption of the United Front tactic in the early twenties shows how inappropriate it is for modern conditions.

In his famous, but widely misunderstood, pamphlet, *'Left-wing' Communism: An Infantile Disorder*, Lenin based his whole argument

on the assumption that an authoritative class leadership was already in existence:

'The chief thing has already been achieved: the vanguard of the working class has been won over, has ranged itself on the side of Soviet government and against parliamentarianism, on the side of the dictatorship of the proletariat and against bourgeois democracy.'²³

Having clearly established this first step, Lenin proceeded to focus on the next step—'the search after forms of *the transition* or *the approach* to the proletarian revolution'.

Lenin repeatedly insisted that the proletariat could not move forward towards taking power unless the communist party had already won the vanguard:

'The proletarian vanguard has been won over ideologically. That is the main thing. Without this, not even the first step towards victory can be made.

'Now that the vanguard exists revolutionaries can turn to the task of winning the proletarian masses to their sides. To do this requires that the masses must have their own political experience.'

Lenin emphasised that the masses must see for themselves the dead end offered by the social-democratic parties. This was the purpose of the United Front tactic. By offering the hand of unity to the reformists, Lenin hoped to engage the masses in a common struggle in defence of working class interests. The object was that through the experience of joint struggle the masses would see the inadequacy of their reformist leaders and appreciate the relevance of revolutionary politics.

The Bolsheviks emphasised that the United Front tactic was specifically designed for mass work. According to Lenin, 'As long as it was (and inasmuch as it still is) a question of winning the proletariat's vanguard over to the side of communism, priority went and still goes to propaganda work.' Lenin was precise about the scale of 'practical actions by the masses' he had in mind. He remarked that 'in these circumstances, one must not count in thousands, like the propagandist belonging to a small group that has not yet given leadership to the masses, in these circumstances

one must count in millions, and tens of millions.'

Trotsky too gave precise guidance on circumstances in which the United Front tactic was appropriate:

'In cases where the Communist Party still remains an organisation of a numerically insignificant minority, the question of its conduct on the mass struggle front does not assume a decisive practical and organisational significance. In such conditions, mass actions remain under the leadership of the old organisations which by reason of their still powerful traditions continue to play the decisive role.

'Similarly the problem of the United Front does not arise in countries where — as in Bulgaria, for example — the Communist Party is the sole leading organisation of the toiling masses.

'But wherever the Communist Party already constitutes a big, organised, political force, but not the decisive magnitude; wherever the party embraces organisationally, let us say, one fourth, one third or even a larger proportion of the organised proletarian vanguard, it is confronted with the question of the United Front in all its acuteness.'²⁴

In Britain in 1987 revolutionaries are a numerically insignificant minority. In the absence of a vanguard in the working class today, the United Front tactic is quite inappropriate.

It could be argued that the 5000 or so British communists Lenin advised to affiliate to the Labour Party in 1920 were a marginal political force. But any such parallel between revolutionaries in Britain today and 65 years ago ignores crucial differences. Although it was not a mass party, the early Communist Party influenced strategic sectors of the trade union movement. It brought together activists with two decades of experience in building trade unions and fighting for decent wages, and veterans of agitation among the unemployed and in support of women's rights and Irish freedom. The communist militants enjoyed widespread influence in a working class in which a substantial section was profoundly hostile to the capitalist system and identified strongly with the proletarian movement which had seized power in Russia and was taking to the streets throughout Europe. In 1920 hundreds of thousands of British workers were prepared to take industrial action and march in solidarity with the revolt against British rule in Ireland. The difference from today is clear.

The Labour leadership had only a precarious grip on the British working class. Beatrice Webb, the Fabian writer whose husband penned Labour's 1918 constitution, captured the anxieties of the labour bureaucrats in her diaries:

'Meanwhile the leaders of the labour movement are distinctly uneasy about the spirit of revolt among the rank and file, which openly proclaims its sympathy with the lurid doings in Petrograd.'²⁵

In these circumstances even the relatively small numbers of British communists had the potential to challenge Labour's hegemony over the working class.

The radicalisation of the working class forced the Labour leaders to move carefully. The bureaucrats still lacked a secure hold on the Labour Party and had to deal carefully with dissidents lest they provoke the rank and file. Until 1924 it was still possible to be an open communist and a member of the Labour Party. Despite the protestations of the leadership, some constituency parties adopted Communist Party members as parliamentary candidates. In the November 1922 general election, two Communist Party members were elected to parliament—Walton Newbold in Motherwell and Shapurji Saklatvala in Battersea. Several other communists stood unsuccessfully as Labour candidates. Backed by a thriving international vanguard, linked up in the Communist International, the Communist Party of Great Britain had a fighting chance to connect with a radicalised working class and channel its energies into a challenge to the still feeble labour bureaucracy.

Taken out of context the United Front tactic ceases to be an effective weapon against reformism. If a vanguard does not exist, the tactic cannot provide an effective challenge to the labour bureaucracy. An insignificant movement cannot expose a mass party. Its plea for unity makes no sense to the working class since Labour already unites the masses behind it. Under such circumstances the plea for unity or its contemporary parallel, for critical support, can mean only subservience to Labourism.

Experience confirms that the left's indiscriminate attempts to pursue the United Front tactic lead only to its further subordination to the Labour Party. Advocates of the tactic have made careers out

of finding and securing a niche in the Labour Party machine. This approach is antithetical to that recommended by the early Communist International, which intended to support Labour 'in the same way as the rope supports a hanging man'. The original emphasis was on destroying the Labour Party, not on helping it to succeed. For Lenin there was no virtue in permanent residence inside the Labour Party:

'If the British Communist Party starts by acting in a revolutionary manner in the Labour Party, and if the Hendersons are obliged to expel the party, that will be a great victory for the communist and revolutionary working class movement in Britain.'²⁶

This attitude stands in sharp contrast to the behaviour of the leaders of today's Militant Tendency. After being expelled from the Labour Party, they crawled to the capitalist courts to demand 'natural justice' so that they could return to their home. The Bolsheviks understood that anybody who pursued Marxist policies would not survive long in the party of the labour bureaucracy.

The United Front tactic has no relevance for today. The most pressing task of the moment is the struggle to forge a revolutionary vanguard. Until we create a vanguard the influence of the labour bureaucrats in the working class will continue without an effective challenge and they will continue to get away with their betrayals. Only by building an independent alternative can we give workers' anger with Labour a coherent focus.

The lesser evil

The real reason why left wingers cling doggedly to the United Front tactic is their understandable fear of facing up to their isolation from the millions of workers who vote Labour. This is why the left has abandoned any attempt to take on Labour at the polls. The left has long settled for trying to push Labour in a left-wing direction, rather than pursuing the arduous task of challenging the arguments of Labourism.

The instinct of self-preservation governs the left's relationship to Labour. Because of the irrationality of the loyalty of many left

wingers to Labour, their arguments often appear muddled and incoherent. Some resort to the argument that because the Labour Party, like the unions, is supported by workers, left wingers have a duty to work within it. The simplistic equation of the trade unions and the Labour Party misses one essential point. Revolutionaries support the goals of trade unions, but consider that protecting wages and working conditions is not enough to defend the working class. Revolutionaries do not support the goal of the Labour Party — a reformed capitalist system. Here the problem is not that Labour's policies do not go far enough, but that they contradict the interests of the working class. This explains why every Labour government turns against the class that elected it into office.

The only consistent argument the left advances to justify its support for Labour is that it is not as bad as the Tories. Given the difficulty of quantifying degrees of evil it is not surprising that it is difficult to find a coherent argument for this point of view. Old campaigners sometimes reminisce about the achievements of the post-war Labour government and imply that Labour is still capable of great deeds. Such selective historical accounts ignore the fact that governments of all political complexions in all advanced capitalist countries implemented similar policies of nationalisation and welfare reform. These policies were necessary to meet the requirements of a restructured capitalist order. While state intervention in industry and welfare may have brought some benefits to the working class, it cannot be regarded as a monument of distinctively socialist achievement.

The left's attachment to the lesser evil argument also verges on the irrational. Thus two respected left-wing academics — Ralph Miliband and Leo Panitch — can conclude a rigorous critique of social democracy with the following statement:

'Socialists in Britain have to support the return of a Labour government; and American socialists, presented with no alternative in many states, may even have to vote for Democratic candidates. In the constricted choice offered at the present time, it is clearly of great importance that the most reactionary bourgeois politicians should be driven from office.'²⁷

Miliband and Panitch accept 'the constricted choices offered at the present time' as the starting point for their strategy. But why? Marxists have never accepted the terms offered by capitalist society, but have always sought to project a new alternative. From a Marxist point of view there can be no justification for choosing the lesser evil. Indeed there is no justification for Marxists to vote for non-Marxist parties. And who are the 'most reactionary bourgeois politicians'? What is the difference in content between the policies of right-wing Thatcher, Reagan and Kohl, on the one hand, and left-wing Mitterrand, Gonzales and Papandreou, on the other?

Many far-left groups in Britain which give critical support to Labour agree that a Kinnock government would be no less reactionary than another Thatcher administration. Yet they still call for a vote for Labour. Given the intellectual incoherence of this approach, we can only conclude that above all it expresses a reluctance to tackle Labour and to fight for an alternative. This reluctance is based on the understandable fear that in challenging Labour the left risks political isolation and the charge that it is splitting the labour movement. Whilst this is a fear that cannot be easily dismissed, it scarcely provides the foundation for a political strategy.

The ultimate evasion

If the British left came out and openly admitted that it was simply incapable of challenging Labour then at least the air would be cleared for further discussion. Unfortunately, sections of the left have tried to make the best of their subservience to Labour's electoral ambitions, by arguing that elections are not all that important anyway. The standard approach is to argue lamely that there is no alternative to Labour, but also to note that matters of great consequence in the class struggle are not resolved at the polls. The alleged irrelevance of elections is supposed to minimise the embarrassment of recommending a vote for Labour.

Denouncing electoralism and parliamentarianism sounds very left-wing. Any Marxist can agree that the power exercised by the capitalist class through the state executive and repressive machinery

effectively circumscribes the influence of elected assemblies. But the charade of bourgeois democracy is not under debate in Britain in 1987. For millions of people their vote in the general election expresses an important political choice. If there is no challenge to Labour at the polls, then its claim to be the legitimate representative of the working class will go unchallenged.

Those who dismiss general elections as irrelevant are simply justifying their fear of confronting Labour at the polls. After advising socialists to vote Labour, Miliband and Panitch suddenly discover the defects of parliamentary democracy:

'The outcome of elections has certain effects. But the reforms that may flow from electoral outcomes are limited and vulnerable. That is why the purpose of political action for socialists must not only be the achievement of immediate defensive victories, but the widening of the basis of support for reforms which open the way for more fundamental transformations.'²⁸

It is all very well to argue for 'defensive victories'. But why abstain from the arena which most people recognise as the centre of political life? If the working class has no distinctive voice in the political sphere it will not be winning many victories of any sort.

The Socialist Workers Party has been the most consistent exponent of the view that elections are not very important for the working class. Back in 1964 it urged workers to direct their energies elsewhere:

'Rather than ask of a future Labour government to act in ways we know to be unrealistic, socialists should be directing their energies to the point of production where the real and ascribed interests of workers are to be found.'²⁹

If it is unrealistic to expect anything from a Labour government, then why call for a vote for Labour? Dismissing the election and focusing on the point of production can easily lead to restricting the class struggle to the economic sphere and neglecting wider political issues. Encouraging the separation of economic from political activity, while allowing Labourism unchallenged sway in the political sphere, may well result in Labourism also extending its

influence over the economic struggle.

Leading SWP theoretician Alex Callinicos has reasserted the old formula in relation to the 1987 general election:

'The only way out is to break with electoralism altogether, to cease to make votes a criterion of success, and instead to focus on the consciousness and combativity of workers themselves.'³⁰

Callinicos' declaration that votes are irrelevant sounds very revolutionary. In fact it amounts to an apology for giving up on the political struggle against Labourism. It means letting Kinnock get on with the job of defining the political outlook of the labour movement, while the SWP pretends that it is all an irrelevance. It seems a strange way to 'focus on the consciousness' of workers by ignoring an election that constitutes the focus of political concern and discussion for the vast majority of workers. At a time when workers are turning in desperation from the wreckage of the trade unions and consciously looking for solutions in the sphere of politics, the SWP leaves the field to Labour and looks back with nostalgia to the good old days of trade union militancy.

In reality the British left is well aware of the importance of the general election. That is why all those who proclaim the irrelevance of elections called for critical support for Labour from the moment the general election campaign started. If Callinicos and the rest really believed that votes were irrelevant they would not have consistently called for a vote for Labour at every election in living memory.

The hallmark of the old opportunist error of *economism* in British politics today is the acceptance of Labour's right to dictate the terms of working class politics while restricting left-wing activity to day-to-day struggles in the workplace. The consequences are disastrous. No matter how militant particular workplace struggles become, they will remain dominated by the politics of Labourism. Class consciousness cannot emerge from militancy alone — it requires a struggle against the Labourist politics that influence the working class.

Some left wingers are embarrassed about drawing out the

consequences of their economism. When challenged on the urgency of making a stand against Labour in the elections, their standard reply is that this is merely a matter of tactics. It seems that the left's tactical flexibility is highly selective. The attempt to confront Labourism in the here and now is just a tactic, while the evasion of this task can readily be justified with reference to the eternal United Front tactic.

The Red Front

After languishing for 65 years in the shadow of Labour it is not surprising that the left remains isolated today. In the past the Communist Party used to boast that although it did badly in elections, it had considerable support in the unions. A closer look at this base in the unions would have revealed that much of the Communist Party's authority in industry rested on the organisational and administrative efforts of a layer of trade union officials. However, most workers who supported communist shop stewards at work generally voted Labour in elections. This division of functions between the Communist Party and Labour has been implicitly accepted by other left-wing groups. The result is that the left has become a prisoner of the Labour Party. At the same time the left's silence on the wider political front has given the message to the working class that there is no alternative to Kinnock.

The Red Front is an attempt to forge an alternative political focus to Labour. At the same time it is an invitation to choose. Those who genuinely want real change have to ask themselves whether they want to put their faith in the Labour Party or in the working class. For those who want to fight for the working class, not just in words, but also in action, *The Red Front* provides an opportunity to construct an alternative. Given the inability of the Labour Party to make any headway against the Tories after eight years of Thatcher, the urgency of this initiative is self-evident.

The decline of Labour has inevitably been interpreted as meaning the demise of working class politics. Labour's decline has led many to question the relevance of class politics. Others have simply lost confidence in the power of the working class. For those angry with

Labour's betrayals there is no coherent focus through which their class anger can be expressed. *The Red Front* is a direct response to this state of affairs. It fights to re-establish the credibility of class politics. It aims to provide an argument for fighting back through example. The experience of the past 65 years has shown that without an independent organisation the working class cannot enforce its will on society. This experience has also shown that it is not possible to live in peace with Labour. The very creation of an independent proletarian movement demands a consistent struggle against Labour.

The Red Front aims to take on Labour in the very area where it has been allowed to operate without any serious challenge — at the polls. No effective movement can be built on the sidelines of political life. The British left will have to learn to work independently if it is to influence events. The alternative is another 65 years in the wilderness.

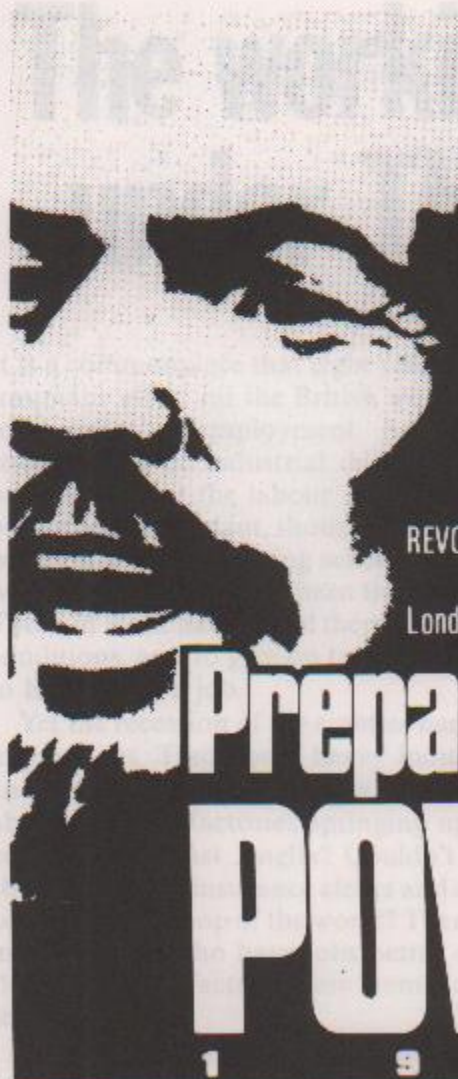
The future of the British working class depends on the fundamental re-orientation proposed by the Revolutionary Communist Party. At a time when the employers stand ready to launch a new offensive the labour movement will pay a heavy price for lack of solid organisation and clear direction. Only by getting Labour off our backs will we succeed in advancing the historic destiny of the working class.

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The working class under Thatcher

It is a commonplace that eight years of Tory government have had a traumatic effect on the British working class. The creation of long-term mass unemployment has proved the most damaging consequence of industrial decline and the Tories' most powerful weapon against the labour movement. Thousands of workers have been made redundant, thousands more have been unable to enter the world of work on leaving school. The young, the old, the unskilled, women and blacks have been the particular victims of the jobs crisis. Those in work have found themselves forced to work harder in worse conditions, and to give up traditional rights and protections, simply to hold on to a job.

Yet the recession of the eighties has produced many contradictory impressions. Traditional heavy industry is collapsing in Clydeside and Tyneside, in the Rhondda, Lancashire and Yorkshire, but what about the new factories springing up in Silicon Glen, the Western corridor and East Anglia? Couldn't Britain survive as a nation of shop assistants, insurance clerks and software salesmen, just as it was once the workshop of the world? There may be more out of work, but are not those who have jobs better off than ever before? For every derelict mill or factory there seems to be a new shopping mall and a leisure centre.

The aim of this article is not so much to answer these questions or to challenge the prevailing prejudices about the state of the working

class in 1987, as it is to provide the basic information necessary to begin this task. Before we can understand the impact of the Thatcher years, we need to know what has really changed and what is mere speculation or prejudice. Here we provide the facts; in the next issue of *Confrontation* we will attempt to draw out some of the political consequences of the current transformation of the working class.

1. Employment and unemployment: an overview

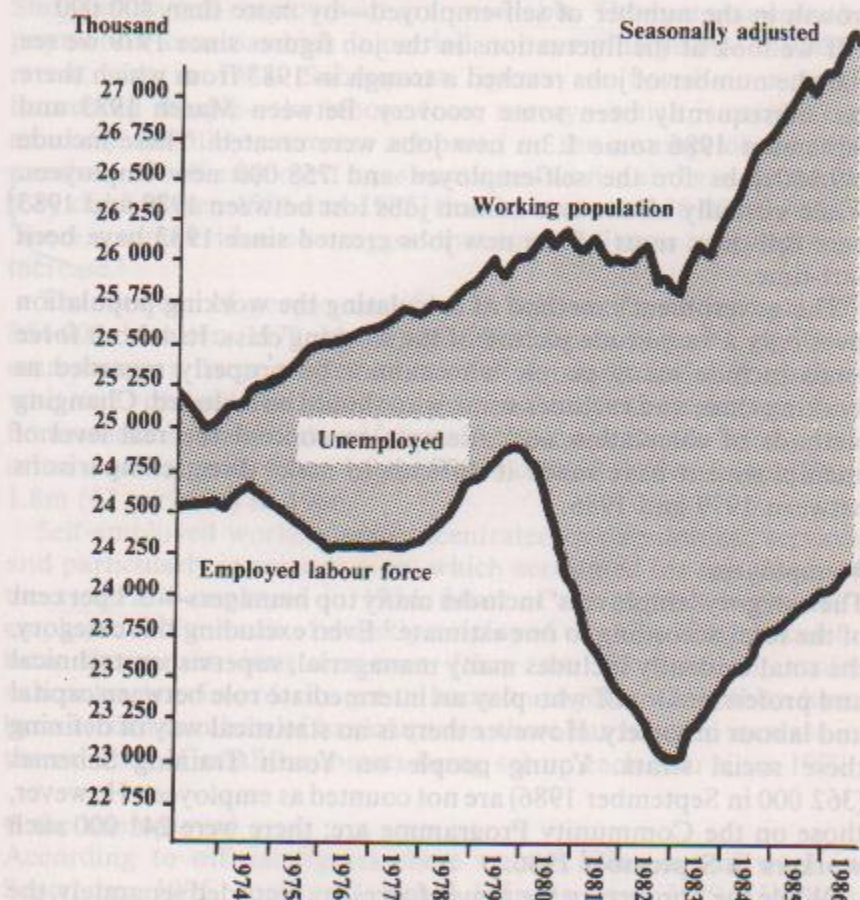
The government defines the 'working population' or the 'economically active' as those of working age who are employees in employment, plus those who are unemployed (including all those without a job who are seeking work whether or not they are claiming benefits), plus the self-employed, plus Her Majesty's armed forces.¹ The economically inactive population includes full-time students, full-time houseworkers (mainly women), those taking early retirement and the permanently disabled. The officially defined working population obviously excludes the expanding twilight sector of 'illegal' immigrants, child labour and other forms of illicit working.

Table 1	June 1979	Sept 1986	%change
The working population (thousands)			
Working population	25 969	27 376	+5.4
Employees	22 638	21 160	-6.5
Unemployed	1 175	3 198	+172
Self-employed	1 842	2 696	+46
Armed forces	314	323	+2.8

The employed labour force (the working population minus the unemployed) was 24 794 000 in June 1979 and 24 178 000 in September 1986. (Source: *Employment Gazette*, Historical Supplement No 1, February 1987)

Graph 1

Working population and employed labour force



Source: *Employment Gazette*, Historical Supplement No 1, February 1987

Despite an increase in the overall working population (which reflects a growing number of young people entering the labour market, see Graph 1) the number of employees declined by nearly 1.5 million between 1979 and 1986 (see Table 1). Apart from the

dramatic rise in unemployment, the other striking feature is the growth in the number of self-employed—by more than 800 000.

If we look at the fluctuations in the job figures since 1979 we see that the number of jobs reached a trough in 1983 from which there has subsequently been some recovery. Between March 1983 and September 1986 some 1.3m new jobs were created. These include 549 000 jobs for the self-employed and 758 000 new employees. While virtually all the two million jobs lost between 1979 and 1983 were full-time, most of the new jobs created since 1983 have been part-time.

The government's method of calculating the working population gives only a very crude picture of the working class. Its labour force totals include many people who cannot be properly regarded as working class, and excludes some who should be included. Changing methods of calculation and attempts to conceal the real level of unemployment have made it difficult to make direct comparisons between 1979 and 1986.

- employees

The category 'employees' includes many top managers—3.1 per cent of the total according to one estimate.² Even excluding this category, the total evidently includes many managerial, supervisory, technical and professional staff who play an intermediate role between capital and labour in society. However there is no statistical way of defining these social strata. Young people on Youth Training Schemes (362 000 in September 1986) are not counted as employees. However, those on the Community Programme are: there were 241 000 such workers in September 1986.

While the numbers in the armed forces are recorded separately, the police are included in the category of 'employees'. Both wings of the security forces are agents of the capitalist state. They are largely recruited from the working class, but no longer part of it. In March 1986 there were 192 000 police. In 1979 there were approximately 188 000.

- self-employed

Statistics on self-employment are unreliable. The best source is the population census which is carried out every 10 years—the most recent was in 1981. Subsequent figures are based on a small household sample—the labour force survey—which is carried out annually. Monthly estimates are based on the assumption that the numbers of self-employed have continued to rise at the same rate as they did between 1981 and 1985, that is, at around 30 000 a month. There is some evidence to suggest that current figures exaggerate the increase.³

The number of people classified as 'self-employed' increased by 854 000 between 1979 and 1986. This figure includes capitalist entrepreneurs, large and small, as well as many ordinary workers who are obliged to work as subcontractors, freelancers and homeworkers. The number of the self-employed who do not employ other workers grew from 1.0m (58 per cent of the total) in 1979 to 1.8m (67 per cent) in 1986.⁴

Self-employed workers are concentrated in distribution, services and particularly in construction, which accounted for two thirds of the total self-employed in 1984. Most of the growth in the self-employed is the result of directly employed workers being forced to turn themselves into one-man (they are 75 per cent male) subcontractors in order to get or hang on to jobs. While there have been record numbers of bankruptcies, there has been no increase in the number of small businesses being set up each year since 1979.

- the unemployed

According to official figures there were 3.198m out of work in September 1986, compared with 1.175m in June 1979. However between June 1979 and September 1986 there were no less than 18 changes in the way unemployment is calculated.⁵ These changes are estimated to have removed 674 000 from the unemployed register.

There has also been a major expansion of government schemes specially designed to keep the unemployed off the register and off the streets. These schemes, such as the Youth Training Scheme, the Technical and Vocational Education Initiative and the Young Workers Scheme, involve 474 000 people in various work and bogus

training activities, for which they receive no more than basic dole benefits. Adding the 674 000 people artificially removed from the books to the 474 000 on make-work schemes to the official unemployment figure brings the total for September 1986 up to 4.319m.

This total includes 200 000 women who were removed from the figures by an October 1982 ruling that only those eligible to claim benefit could register as unemployed. However it is reckoned that a further 300 000 women could be added to the total.⁶ This brings the real total of unemployed in September 1986 up to 4.619m.

2. *Changes in employment patterns*

Not only has there been a drop in the number of jobs since 1979, but there have been significant changes in the patterns of employment.⁷ While manufacturing has declined dramatically, employment in the service sector has held steady overall and expanded significantly in some areas.⁸ The private sector has grown as nationalised industries, public administration and services have been cut back and privatised. In every sector there has been a growth of insecure jobs with poor pay and conditions (part-time, subcontractors, temporary workers) around a core of permanently employed workers with better pay and conditions (see Table 2).

a) **Manufacturing**

The number of people employed in manufacturing declined from 7.1m in June 1979 to 5.2m in September 1986—a total drop of 1.9m or 27 per cent. In 1979 some 31 per cent of all employees worked in manufacturing, today the figure is 24 per cent. The decline in British manufacturing since 1979 has been a rapid acceleration of a long-term trend: in a great industrial city like Sheffield 50 per cent of all jobs were in manufacturing in 1972; today the proportion is 20 per cent.

No
Manuf -
↳ decline
Econ

Table 2

Changes in employment patterns, 1979-1986
(male and female, thousands)

	June 1979	Sept 1986	% change
Mineral, ore extraction	1129.2	773.3	-31.5
Metal goods, engineering, vehicles	3331.9	2305.9	-30.8
Other manufacturing	2646.2	2086.8	-19.9
Total manufacturing	7107.3	5165.9	-27.3
Energy, water supply	711.5	518.8	-27.1
Construction	1096.5	983.7	-18.1
Total production and construction	9019.6	6668.4	-26.1
Agriculture, forestry, fishing	358.7	338.4	-5.7
Professional services	4624.1	5201.1	+12.3
Miscellaneous services	2156.3	2467.6	+14.4
Public services	6438.0	6435.5	0.0
Total services	13 218.4	14 104.2	+6.7
TOTAL ALL SECTORS	22 596.7	21 111.0	-6.6

Source: *Employment Gazette*, Historical Supplement No 1, February 1987

- a uniform collapse

The decline in employment in manufacturing has affected almost every sector of industry. Worst hit have been metal manufacturing (down 55 per cent), motor vehicles and parts (down 47 per cent) and textiles (down 38 per cent). The only growth area was office machinery and data processing equipment, where employment has increased by 27 per cent.

- a sunrise sector?

The new technology sector is the last hope of all those who see some future for British manufacturing. What sort of employment prospects does it offer? The definition of what constitutes a high technology industry or company is a difficult and controversial area. It is important to recognise that while many jobs classified as 'hi-tech' are in traditional manufacturing or assembly work, some jobs in traditional manufacturing are quite hi-tech. For example, of the 42 000 workers engaged in the electronics industry in Scotland, only 10 per cent actually work with semiconductors. However, the modernised steel plant at Ravenscraig has a higher proportion of hi-tech workers than many electronics firms.⁹ We use the most commonly used criterion—those industries which have the highest ratio of research and development costs to their output.¹⁰

The top 10 categories are:

- radio and electronic capital goods
- aerospace equipment, manufacture and repair
- electronic data processing equipment
- pharmaceutical products
- electrical instruments and control systems
- telegraph and telephone apparatus
- office machinery
- synthetic resins, plastics and rubber
- active components and electronic sub-assemblies
- electronic consumer goods.

These sectors employed a total of 669 100 people in March 1986. Given changes in the classification methods, the nearest date we can use as a comparison is March 1982—before the supposed 1983 jobs upturn. The total jobs in the same sectors then was 696 600: in other words, the number employed in the new-tech sector has declined by 27 500 over the past four years.

By its nature the hi-tech sector is highly capital intensive. Taking the office machinery and data processing sectors together, between 1979 and 1985 output went up by 30.8 per cent a year, while employment increased by 0.8 per cent a year.¹¹ In addition, Britain's competitive prospects in the hi-tech sector appear bleak. Already it is being left far behind by Japan, West Germany and the USA. A sector which employs only a few hundred thousand workers in total, and seems unlikely to expand much, offers little prospect of a recovery in the jobs market.

- the military-industrial complex

Defence spending is playing an increasingly important role in British industry—and in the structure of employment.

In the 12 months up to March 1980, total Ministry of Defence expenditure on British products accounted for 6.2 per cent of the net output of manufacturing industry.¹² In the year ending in 1985, it took 10 per cent in cash terms. MoD spending on manufactured goods more than doubled from £3360m to £6840m. If we include arms exports, both figures rise by a third. In 1985 the MoD took 50 per cent of the output of British Aerospace, 40 per cent of British Shipbuilders' products and 20 per cent of the produce of the electronics industry. Today some 520 000 people are employed directly or indirectly on defence contracts. Defence now accounts for around one in 10 of the manufacturing workforce—in 1979 the figure was one in 13.

Going to war is a traditional capitalist response to economic crisis—in the thirties rearmament provided the stimulus to industrial revival out of the Great Depression. Today British industrialists are looking to a share in Reagan's Star Wars programme, participation in joint European military initiatives or to independent British projects as a solution to their profitability problems. The 'military-

industrial complex' may provide jobs in the short term for millions of workers, but the long-term consequences could be catastrophic for the whole of society.

b) Non-manufacturing production industries

- energy and water supply

Around 27 per cent of jobs have disappeared in this increasingly capital intensive sector since 1979. The total fell from 711 500 to 518 800; men were affected more adversely than women.

- construction

The building industry has been one of the greatest casualties of the recession: the number of direct employees is down 18 per cent on 1979—from 1.2m to 983 700. There has, however, been a considerable expansion of self-employment in the construction sector: from 343 000 in 1979 to 469 000 in 1986. Adding the self-employed to the total figures, the overall decline is six per cent.

- agriculture, forestry and fisheries

Employment in this long-declining sector has continued to contract in the recession. The number of jobs fell from 358 700 to 338 400 between June 1979 and September 1986, a 5.7 per cent drop. Women were hit harder than men.

c) Services

The total employed in services increased from 13.2m in June 1979 to 14.1m in September 1986—an increase of 0.9m, or 6.7 per cent. In 1979 some 58 per cent of employees worked in services, by 1986 the proportion was 67 per cent. However, the small overall increase disguises significant variations between different categories within the service sector. It also obscures the fact that there has been a significant expansion of self-employment in services: from 1.1m in 1979 to 1.5m in 1986—a 38 per cent increase.

If we divide the service sector into three broad categories we can get a better idea of the changes that have taken place. The following

classification is used by the general and municipal workers' union as a guide to its drive to expand recruitment in targeted service sectors.¹³

- professional services

Professional services include wholesale and retail distribution, banking, insurance and finance and other business services, renting and real estate. Overall employment in this sector expanded by more than 12 per cent between June 1979 and September 1986, from 4 624 100 to 5 201 100. The biggest growth area was business services (up 53 per cent), followed by banking and finance (up 25 per cent). While employment in wholesale distribution grew by slightly less than five per cent, jobs in retailing declined by three per cent. There has also been a major increase in self-employment in this sector, from 886 000 to 1.1m, a rise of 190 000, or more than 21 per cent.

- miscellaneous and leisure services

Direct employment in hotels and catering, cleaning and repairs, recreation, culture and personal services such as hairdressing has expanded overall by 14 per cent, from 2 156 300 to 2 467 600. However, there has been a much larger growth in self-employed workers in this sector, from 234 000 to 467 000, a rise of almost 100 per cent.

Combining direct self-employment in professional and miscellaneous leisure services we can see that there has been an overall increase of 1 335 300 jobs in private services—an increase of nearly 17 per cent.

- public services

Public services include transport, post and telecommunications, public administration, education and health. Overall the public services job market has stagnated: total jobs remained constant at around 6.4m. The biggest fall was in public administration (an eight per cent drop). The biggest increase was in 'other services' which grew by 22 per cent, and in 'medical and other health' which registered a 12 per cent growth. Self-employment is not a significant factor in public services. Employment in public transport has

declined in all sectors, especially sea and rail.

- **bogus growth**

It is important to note that some of the growth in service employment is bogus—a result of statistical manipulations. Two of the biggest growth areas—business services and wholesale distribution—have benefited from the replacement of directly employed workers by various types of subcontractors. The privatisation of government services, for example, may appear to create new jobs in the contract cleaning sector, whereas in fact jobs are merely being shifted from one sector to another—and usually cut in the process. The Institute of Manpower Studies estimates as many as 300 000 of the 'new' service jobs could be of this character.¹⁴ The government's habit of counting part-time jobs in the same way as full-time jobs gives an unduly rosy picture of the growth in jobs.

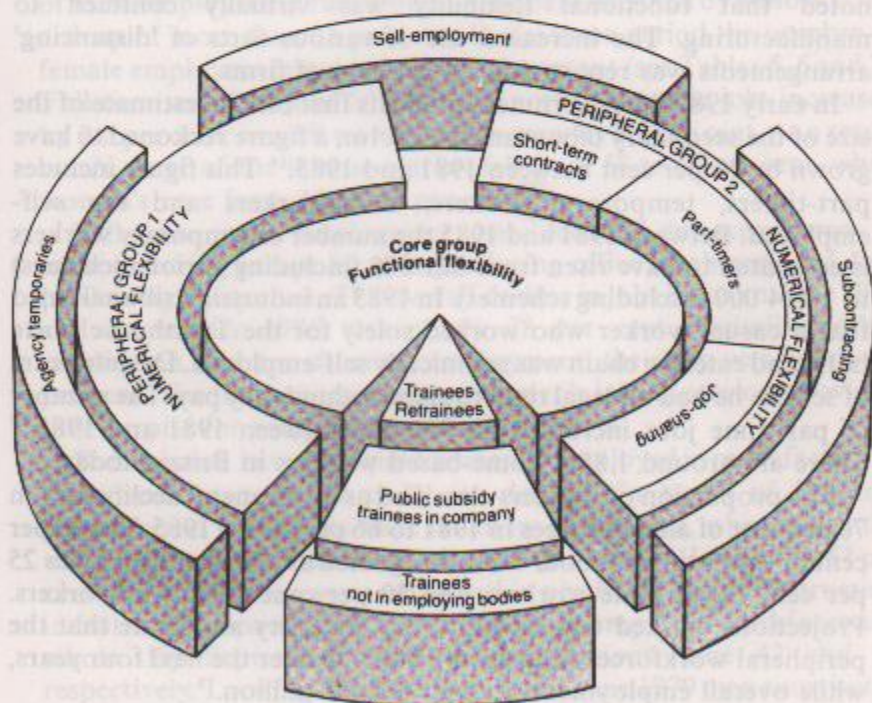
d) Flexibility

One of the most significant trends of the past few years has been the introduction of 'flexible' employment and working patterns within the workplace. These developments have taken place in parallel with the emergence of a dual labour market including a core of securely employed, skilled or trained workers with decent pay and conditions and prospects, and a periphery of unskilled, insecurely employed workers with little prospects of training or promotion. The diagram below summarises the concept of the 'flexible firm', the goal of modern management.

Numerical flexibility allows employers to adjust manpower levels to fluctuating output demands by varying the mix of part-timers and temporary workers, as well as workers doing overtime or shifts and those on flexible hours. Functional flexibility allows management to deploy the same worker to perform a wider variety of tasks. 'Distancing' means replacing directly employed workers with those with a more 'distant' relationship—subcontractors, the self-employed, agency temps or freelancers.

A recent survey, conducted by the Institute of Manpower Studies for the National Economic Development Office in association with

The bosses' objective: a flexible labour market



Source: IMS

the Department of Employment, assessed moves towards more flexible working patterns in 72 large firms in four different sectors—engineering, food and drink manufacturing, retail distribution and financial services.¹⁵ Elements of the above approach, in different combinations, were apparent in virtually all the firms surveyed.

Nine out of 10 firms had introduced changes towards greater numerical flexibility. Temporary working was particularly common in manufacturing, part-time working more apparent in services. The use of overtime and shift working was a particular feature of engineering, and much less prevalent in financial services. The survey noted that functional flexibility was virtually confined to manufacturing. The increased use of various sorts of 'distancing' arrangements was reported in 70 per cent of firms.

In early 1987 the government made its first official estimate of the size of the secondary labour market: 8.1m, a figure reckoned to have grown by 16 per cent between 1981 and 1985.¹⁶ This figure includes part-timers, temporary workers, homeworkers and the self-employed. Between 1981 and 1985 the number of temporary workers is estimated to have risen from 621 000 (including various schemes) to 1 314 000 (excluding schemes). In 1983 an industrial tribunal ruled that a casual worker who worked solely for the Trusthouse Forte hotel and catering chain was technically self-employed. Despite years of service he had no legal right to claim redundancy pay. The number of part-time jobs increased by 300 000 between 1981 and 1985.¹⁷ There are around 1.88m home-based workers in Britain today.

The proportion of workers classified as 'permanent' declined from 70 per cent of all employees in 1981 to 66 per cent in 1985. The 34 per cent of the national labour force designated as peripheral includes 25 per cent of all male workers and 50 per cent of female workers. Projections worked out at Warwick University anticipate that the peripheral workforce will grow by 900 000 over the next four years, while overall employment declines by one million.¹⁸

It is important to emphasise that the dual labour market remains a goal towards which many capitalists aspire, rather than a state of affairs which prevails at present in British industry. It is much more difficult for crisis-ridden British employers to create the conditions

for a stable and loyal core workforce today than it is has been for booming Japanese and German employers over the past 30 years. The resilience of traditional workplace methods and trade union organisation remains an obstacle to the fulfilment of the bosses' dream of a totally flexible and subservient workforce.¹⁹

e) Sex

The most striking shift in the sexual division of labour over the past eight years has been the relative decline of male employment (see Tables 3 and 4). Between June 1979 and September 1986 the number of male employees in full-time employment declined by almost 1.5m, a drop of more than 11 per cent. In the same period the number of female employees remained virtually constant (see Tables 5, 6 and 7). Full-time women's jobs fell by 1.5 per cent, part-time jobs increased by 2.6 per cent; overall women's jobs grew by 0.2 per cent. As a result men's share of the labour market fell from 58 to 55 per cent, while women's rose from 42 to 45 per cent.

Full-time male employment has declined in every area of manufacturing except for that producing office machinery and data processing equipment. The overall decline in jobs between June 1979 and September 1986 was nearly 28 per cent. Including other production and construction employment, the drop was nearly 27 per cent. The five per cent increase in men's jobs in services provided little respite for men shaken out of industry.

Because men have been predominantly employed in manufacturing, they have been hit hard by its decline. In terms of full-time employment, men's jobs have fallen by 11 per cent, whereas for the whole of the workforce the fall is eight per cent. In June 1979, 51 per cent of male workers were employed in production and construction industries, compared with 40 per cent of the employed workforce as a whole. By September 1986 the proportions were 42 and 32 respectively. Looking at it another way, in June 1979 men constituted 74 per cent of all workers in production and construction; today the percentage is the same—but 1.8m men's jobs have disappeared.

Full-time jobs for women have also declined in every sector of manufacturing except office machinery and data processing

Table 3

The sexual division of labour

Employees in employment (including part-time women, all figures in thousands)	June 1979	%	Sept 1986	%
male	13 153	58	11 652	55
female	9 443	42	9 460	45

Source: *Employment Gazette*, Historical Supplement No 1, February 1987

Table 4

Changes in male employment, 1979-1986
(thousands)

	June 1979	Sept 1986	% change
Mineral, ore extraction	891.0	592.7	-33.5
Metal goods, engineering, vehicles	2604.1	1822.5	-30.0
Other manufacturing	1506.0	1206.6	-19.9
Total manufacturing	5001.1	3621.8	-27.6
Energy, water supply	621.8	444.3	-28.5
Construction	1096.5	865.2	-21.1
Total production and construction	6719.4	4931.3	-26.6
Agriculture, forestry, fishing	269.4	250.3	-7.1
Professional services	2242.4	2518.8	+12.3
Miscellaneous services	941.4	1102.2	+17.1
Public services	2981.1	2849.4	-4.4
Total services	6164.9	6470.6	+5.0
TOTAL ALL SECTORS	13 153.7	11 652.2	-11.4

Source: *Employment Gazette*, Historical Supplement No 1, February 1987

Table 5

Changes in full-time employment for women, 1979-1986 (thousands)	June 1979	Sept 1986	% change
Mineral, ore extraction	190.5	152.3	-20.1
Metal goods, engineering, vehicles	581.0	411.7	-29.1
Other manufacturing	845.2	690.3	-18.3
Total manufacturing	1616.7	1254.3	-22.4
Energy, water supply	71.3	60.9	-14.6
Construction	62.8	68.4	+8.9
Total production and construction	1750.8	1383.6	-21.0
Agriculture, forestry, fishing	57.6	55.8	-3.1
Professional services	1382.7	1567.1	+13.3
Miscellaneous services	467.2	523.1	+12.0
Public services	1918.4	1961.9	+2.3
Total services	3768.3	4052.1	+7.5
TOTAL ALL SECTORS	5576.7	5491.5	-1.5

Source: *Employment Gazette*, Historical Supplement No 1, February 1987

Table 6

Changes in part-time employment for women,
1979-1986 (thousands)

	June 1979	Sept 1986	% change
Mineral, ore extraction	47.7	28.3	-40.7
Metal goods, engineering, vehicles	146.8	71.6	-51.2
Other manufacturing	295.0	190.0	-35.6
Total manufacturing	489.5	289.9	-40.8
Energy, water supply	18.4	13.6	-26.1
Construction	41.4	50.1	+21.0
Total production and construction	549.3	353.6	-35.6
Agriculture, forestry, fishing	31.7	32.3	+1.9
Professional services	999.4	1116.1	+11.7
Miscellaneous services	747.7	842.3	+12.7
Public services	1538.4	1624.1	+5.6
Total services	3285.6	3582.5	+9.0
TOTAL ALL SECTORS	3866.6	3968.4	+2.6

Source: *Employment Gazette*, Historical Supplement No 1, February 1987

Table 7
Changes in women's employment
(full-time and part-time),
1979-1986 (thousands)

	June 1979	Sept 1986	% change
Minerals, ore extraction	238.2	180.6	-24.2
Metal goods, engineering, vehicles	727.8	483.3	-33.6
Other manufacturing	1140.2	880.3	-22.8
Total manufacturing	2106.2	1544.2	-26.7
Energy, water supply	89.7	74.5	-16.9
Construction	104.2	118.5	+13.7
Total production and construction	2300.1	1737.2	-24.5
Agriculture, forestry, fishing	89.3	88.1	-1.3
Professional services	2382.1	2683.2	+12.6
Miscellaneous services	1214.9	1365.4	+12.4
Public services	3456.9	3586.0	+3.7
Total services	7053.9	7634.6	+8.2
TOTAL ALL SECTORS	9443.3	9459.9	+0.2

Source: *Employment Gazette*, Historical Supplement No 1, February 1987

equipment: the overall drop between June 1979 and September 1986 was 22 per cent. There was however a rise in full-time jobs—nine per cent—in construction, though the numbers involved are small. Women's full-time jobs increased in the service sector overall by seven per cent. The biggest growth areas were sanitary services (76 per cent) and business services (61 per cent). Full-time jobs for women declined on the railways (15 per cent), other inland transport (six per cent), in public administration and defence (eight per cent) and in education (five per cent).

Women's work is now heavily concentrated in services: in June 1979, 68 per cent of full-time women workers were employed in services, by September 1986, the proportion was 74 per cent.

● women and part-time work

The number of women engaged in part-time work increased slightly from 3.867m in June 1979 to 3.968m in September 1986, an increase of 103 000, or less than three per cent. The number of part-time women workers declined in every manufacturing sector—the overall drop was 41 per cent. The growth area was services where part-time jobs for women went up by nine per cent. There were substantial increases in sanitary services (76 per cent), insurance (25 per cent) and banking and finance (12 per cent).

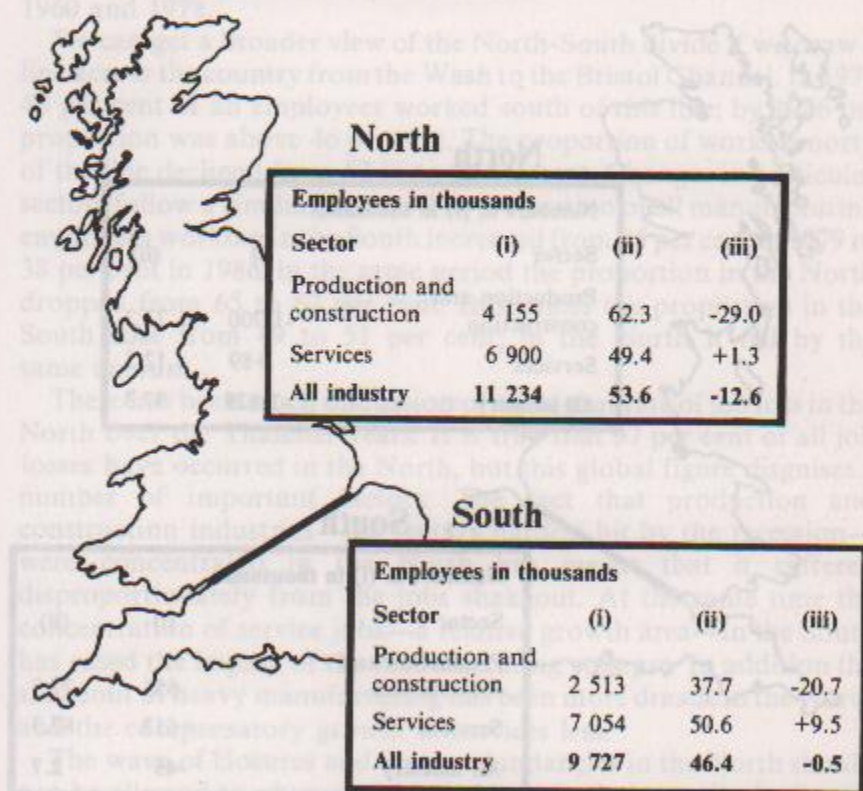
It should be noted that the figures for part-timers exclude women who are self-employed part-time and homeworkers, of whom there are estimated to be between 300 000 and 600 000 in Britain, virtually all women.²⁰

f) Geography

The stereotype of the worker as the bluff northerner with folk memories of cloth caps and clogs, chapel and union, of leeks, ferrets and pigeons, if it ever bore much relation to reality, is now increasingly remote. Since the inter-war years there has been a steady drift of population in Britain away from Scotland, Wales, and the North towards the South-east. This has continued in the recession, producing an unprecedented concentration of people within 100 miles of London.

Diagram 1 North/South: changes in employment patterns

- (i) number of employees in each sector (1986)
- (ii) as % of total employees in the particular sector
- (iii) % change in each sector 1979-1986

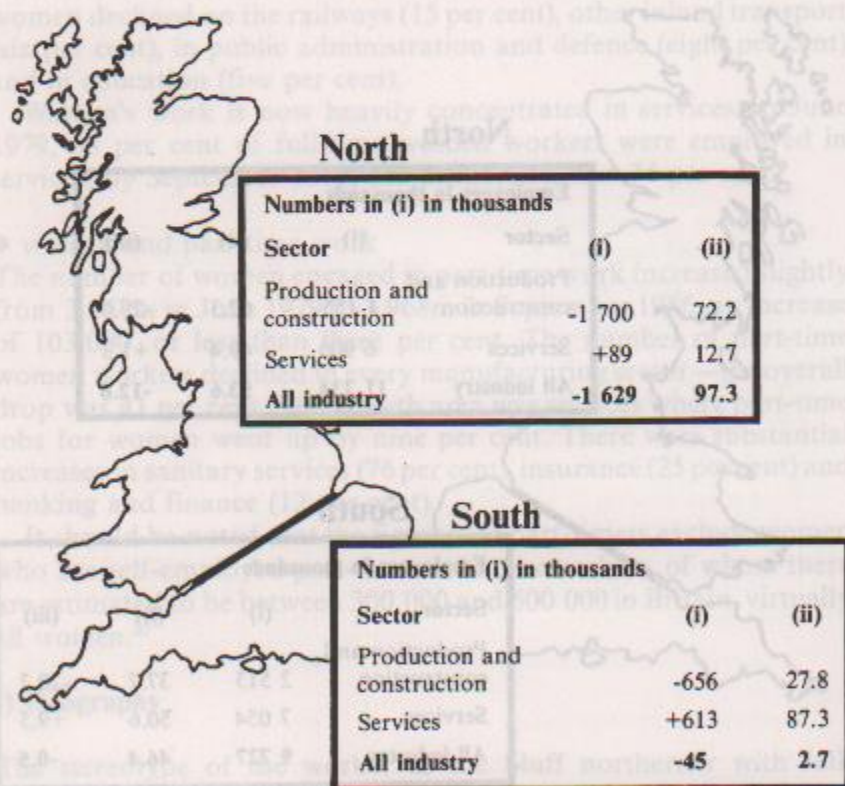


Source: *Employment Gazette*, Historical Supplement No 1, February 1987.

Diagram 2 North/South: jobs lost and gained**Changes in jobs (1979-86)**

(i) in absolute numbers in that sector

(ii) as % of total job losses in that region



Source: Same as Diagram 1

Graph 2 The nation diverges

In 1979 around 33 per cent of all employees in employment in Britain lived in the South-east; today the proportion is more than 35 per cent. The South-east not only contains 39 per cent of all service workers, but 29 per cent of all manufacturing workers too. Yet manufacturing in the South-east has also been hit by the recession: Greater London lost 43 per cent of its manufacturing jobs between 1960 and 1978.

We can get a broader view of the North-South divide if we draw a line across the country from the Wash to the Bristol Channel. In 1979 43 per cent of all employees worked south of this line; by 1986 the proportion was above 46 per cent. The proportion of workers north of the line declined from 57 to 54 per cent. Changes in particular sectors follow a similar pattern. The proportion of all manufacturing employees working in the South increased from 35 per cent in 1979 to 38 per cent in 1986; in the same period the proportion in the North dropped from 65 to 62 per cent. In services the proportion in the South rose from 49 to 51 per cent; in the North it fell by the same amount.

There has been much discussion of the higher rate of job loss in the North over the Thatcher years. It is true that 97 per cent of all job losses have occurred in the North, but this global figure disguises a number of important factors. The fact that production and construction industries—the sectors hardest hit by the recession—were concentrated in the North has meant that it suffered disproportionately from the jobs shakeout. At the same time the concentration of service jobs—a relative growth area—in the South has eased the impact of the manufacturing collapse. In addition the shakeout of heavy manufacturing has been more drastic in the North and the compensatory growth of services less.

The wave of closures and mass redundancies in the North should not be allowed to obscure the considerable shakeout in the South. Between 1979 and 1986, while the North lost 29 per cent of its production and construction jobs, the South lost 21 per cent of its jobs in the same sector. However services grew by 10 per cent in the South, compared with a one per cent expansion in the North. Diagrams 1 and 2 summarise the changes. (For regional comparisons we use figures for direct employees only, taken from the Department

of Employment, whilst recognising their limitations.)

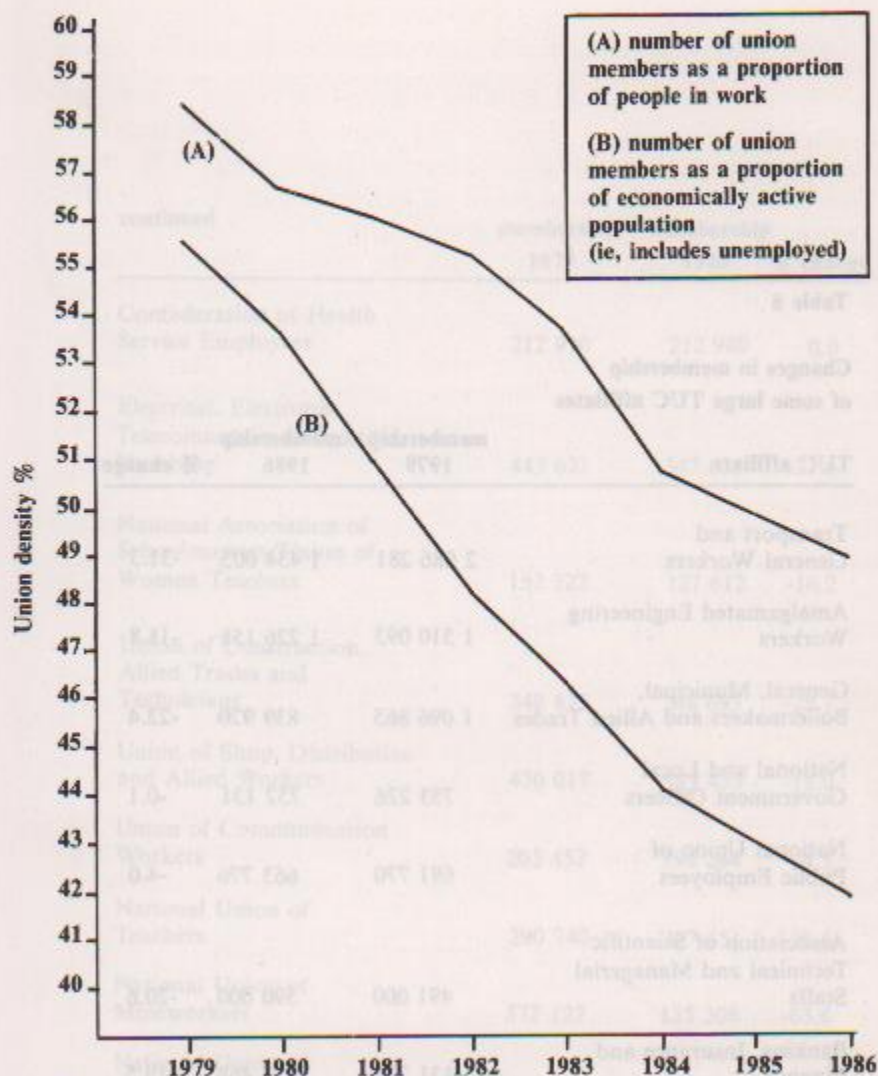
Another significant feature of the recession is the growth of new jobs in small firms in rural areas and small towns, while the big plants in the old conurbations face closure and decline. In 1985 it was estimated that five million workers worked in small firms—a figure projected to reach between 5.7 and 6.3 million by 1990.²¹ But are small firms the answer to unemployment? A recent pamphlet makes this question in its title, and answers it in the negative.²² At present employment growth in small firms (with a workforce of less than 50) is growing at rates between zero and two per cent a year. Meanwhile firms employing more than 500 are shedding labour at a rate of more than two per cent a year. When a firm of 50 grows by two per cent only one job is gained, but when a firm of 500 loses two per cent of its workforce, 10 jobs are lost.

g) Consequences for union membership

Graph 2 shows changes in union membership and density over the past seven years. Table 8 looks at the impact of the recession on a number of big unions. The overall picture is one of declining membership and density—from 55 per cent in 1979 to 42 per cent today. Membership of the major TUC unions is down by 21 per cent, with the TGWU, long the most powerful union within the TUC, particularly hard hit by a 31 per cent drop. Other unions in traditional manufacturing, transport and construction industries have all lost members heavily. Many have been forced into mergers in an attempt to keep up numbers and influence. The only unions which have managed to retain membership are those with a solid public service sector base—Nupe, Nalgo and Cohse. If the public sector cushion was removed, trade union membership in Britain would approach the 20 per cent levels of the USA or France.

Total TUC-affiliated union membership has fallen from 11.5 million in 1979 to 9.5 million in 1985. For the purposes of bolstering their bloc votes at TUC and Labour Party conferences, all the unions tend to register inflated figures. Some include former members who are unemployed and have long failed to pay regular dues. In some cases official figures may be as much as 20 to 30 per cent above the

Graph 2 The union slump



Source:

1979-81 from Bain and Price, *British Journal of Industrial Relations*

1981-86 compiled from the certification officer for trade unions and the *Employment Gazette*

Table 8

Changes in membership
of some large TUC affiliates

TUC affiliate	membership 1979	membership 1986	% change
Transport and General Workers	2 086 281	1 434 005	-31.3
Amalgamated Engineering Workers	1 510 093	1 226 158	-18.8
General, Municipal, Boilermakers and Allied Trades	1 096 865	839 920	-23.4
National and Local Government Officers	753 226	752 131	-0.1
National Union of Public Employees	691 770	663 776	-4.0
Association of Scientific Technical and Managerial Staffs	491 000	390 000	-20.6
Banking, Insurance and Finance	131 774	157 468	+19.5
Civil and Public Services Association	223 884	146 537	-34.5

continued

	membership 1979	membership 1986	% change
Confederation of Health Service Employees	212 930	212 980	0.0
Electrical, Electronic, Telecommunications and Plumbing	443 621	347 635	-21.6
National Association of Schoolmasters/Union of Women Teachers	152 222	127 612	-16.2
Union of Construction, Allied Trades and Technicians	348 875	248 693	-28.7
Union of Shop, Distributive and Allied Workers	470 017	385 455	-18.0
Union of Communication Workers	203 452	194 244	-4.5
National Union of Teachers	290 740	207 651	-28.6
National Union of Mineworkers	372 122	135 306	-63.6
National Union of Railwaymen	170 294	130 261	-23.5
TOTAL OF LARGE UNIONS	9 649 166	7 599 832	-21.2

Source: TUC

real membership levels.

Table 9 reveals one of the striking features of recent trends in union membership: union density has remained approximately constant in both manufacturing and service sectors since 1979. But how can density remain the same in all sectors yet decline overall? The answer lies in the fact that as a proportion of total employment, jobs in manufacturing—the area with the highest density—have fallen dramatically. At the same time employment in service sectors such as distribution, hotel and catering, repairs—where union membership has always been low—has risen rapidly. Thus union density in metal goods and vehicles, where hundreds of thousands of jobs have disappeared, has remained steady at around 67 per cent. It has also held steady in the expanding hotel sector—at around seven per cent.

What about union membership in the growth areas—private services and small manufacturing firms? A number of factors make union organisation difficult in the private service sector. The entrepreneurs who run fast-food joints and hairdressing salons are notoriously anti-union employers. They also tend to have a rapid turnover of workers on short-term contracts. In hotels and catering less than a third of workers stay in a job for 12 months at a stretch.²³ McDonald's has a turnover of between 40 and 70 per cent *a month*.²⁴ Since 1983 some 95 per cent of all the new jobs in this sector have been part-time.²⁵ The fact that workers in private services tend to work in small numbers in scattered units under direct management supervision adds to the problems of union recruitment and organisation.

Prospects for the unions are scarcely more promising in the new technology/small manufacturing sector. Two detailed studies of firms in Scotland's new-tech towns of East Kilbride, Irvine, Glenrothes and Livingston give some idea of the scope for union recruitment in this sector.²⁶ In 1982 the level of unionisation was 35 per cent, compared with a national level of 48 per cent. Of manual workers 48 per cent were unionised and 20 per cent of non-manuals (compared with 73 and 32 per cent national averages). By 1986 union density in the area had fallen to 20 per cent. In some

sectors—instrument engineering, electrical engineering, electronics and vehicles—union membership was virtually zero.

Table 9

Changes in the proportions of union members in different occupational sectors, 1968 to 1984

Changes in the classification of jobs make comparisons over the whole period impossible. We can however note the changes between 1968 and 1978, using figures compiled by Price and Bain, in *British Journal of Industrial Relations*, March 1983, and look at the statistics compiled by the Department of Employment and published in the annual union membership surveys in the *Employment Gazette*. Dramatic changes in union density—such as for example the apparent sharp fall in agriculture—are generally statistical artefacts resulting from changing methods of classification.

Sector	1968	1976	1978	% change (1968-78)
Tobacco	76.9	97.6	95.8	+18.9
Chemicals	39.4	53.0	58.5	+19.4
Metals and engineering	56.7	74.1	79.6	+22.9
Cotton and m-m fibres	81.0	101.4	98.2	+17.2
Bricks and building materials	28.9	56.8	62.5	+33.6
Coal mining	89.9	98.6	97.1	+7.2
Construction	30.1	32.4	36.7	+6.6
Distribution	10.7	13.0	14.9	+4.2
Health services	37.9	64.7	73.7	+35.8
Railways	83.4	94.0	97.8	+14.4
Insurance, banking, etc	42.9	52.5	54.8	+11.9
Miscellaneous services	4.8	7.0	7.3	+2.5

Sector	1979	1980	1981	1982
Agriculture, forestry	20.5	19.3	18.2	na
Mining and quarrying	68.7	69.3	65.2	70.0
Engineering, electrical	79.0	80.4	85.1	80.9
Textiles	60.8	59.2	40.8	27.7
Clothing, footwear, etc	47.5	42.3	44.0	39.1
Other manufacturing	10.8	10.3	10.0	9.6
Paper, print, publishing	80.9	81.1	83.8	75.8
Construction	28.2	25.8	25.4	26.7
Gas, electricity, water	13.9	13.9	14.2	15.0
Transport, communication	54.1	54.2	54.4	54.1
Distribution	17.9	17.3	17.7	17.3
Insurance, banking, etc	27.7	28.2	27.0	27.3
Professional, scientific	41.9	42.6	42.1	42.4
Education	44.2	41.9	42.6	43.1
Miscellaneous services	6.7	6.6	5.5	5.8
Sector		1982	1983	1984
Agriculture, forestry		0.1	0.1	0.1
Energy, water supply		61.2	55.0	57.8
Minerals, metals, chemicals		16.5	17.3	15.5
Metal goods, engineering, vehicles		66.6	68.0	66.7
Other manufacturing		31.3	33.8	33.6
Construction		25.9	26.7	26.4
Distribution, hotel/catering		11.2	10.8	10.5
Transport and communication		54.8	53.4	53.5
Banking, finance, insurance, etc		19.2	18.9	18.5
Education		48.4	47.0	48.9
Medical, health care		51.6	52.3	53.1

3. Unemployment

a) How they fiddle the figures

- taking people off the register

One objective of the government's various job creation schemes is simply to reduce the numbers registered as unemployed. Another similar device was the government's June 1983 decision to remove all men over 60 from the register.

- redefining the terms

In October 1982 the government changed the definition of unemployment from all those registering as available for work to all those able to claim benefit. This removed 200 000 from the unemployment statistics at a stroke. Another measure introduced in March 1986 changed the way in which the percentage unemployed is calculated. Until then it had been calculated over a total of employees in employment, the number unemployed and the police/army. Now the self-employed are lumped in to reduce the level: by the old method the official unemployment rate today would be 13.0 per cent—the new method cuts it to 11.4 per cent. A more realistic estimate, excluding the self-employed and state forces from the total workforce, and adding an extra 300 000 women to the unemployment total (see above), gives a level of 18.7 per cent.

For the purposes of making comparisons of unemployment levels in different sections of society, we use the official figures, while recognising their limitations. The percentages given use a base which excludes the self-employed.

b) Regional variations

The most striking feature that emerges from comparing regional unemployment levels is the fairly even spread of joblessness and its uniform rise over the past five years. In 1979 the range was between three and eight per cent, with the South-east at the bottom and the North at the top of the table. In 1986 the range has shifted up the

table, but the differential has remained constant: the gap is now between 10 and 18 per cent and despite some minor fluctuations there is little change in the positions of the regions in the league table of unemployment levels.

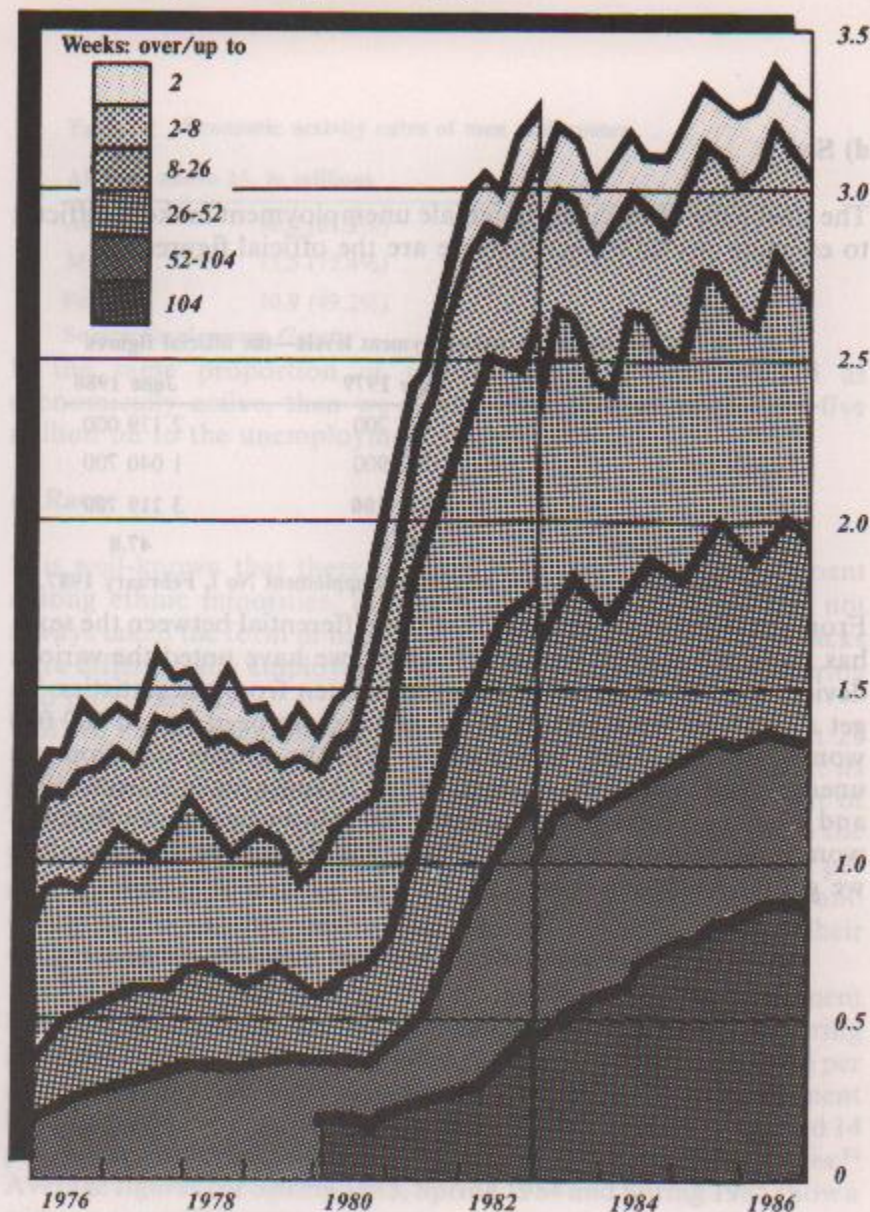
It is also worth noting that unemployment in the South-east today is at a significantly higher level than it was in the depressed North only six years ago. The key factor in levelling out regional unemployment is the cushioning effect of employment in both public and private services. Even where local manufacturing industries are in a state of collapse, jobs are still available in hospitals, schools, town halls as well as in supermarkets, hairdresser's salons and fast-food outlets.

c) Age and duration

The government's job creation schemes have a significant effect on the unemployed under the age of 25. The Community Programme involved 241 000 people in 1986-87 on a wage of £67 a week. The Youth Training Scheme, the Young Workers Scheme and the Technical and Vocational Education Initiative involved 447 000 people in 1986-87 with an income equivalent to basic benefit or slightly more.²⁷

The most striking feature of the figures is the increase in long-term unemployment for all age groups. The number out of work for more than 12 months has increased from 346 800 in 1979 to 1.341m in 1986 — a rise of 287 per cent. If we include those on schemes paying no more than dole money, youth unemployment increases from 428 000 in April 1979 to 1.592m in October 1986 — a rise of 271 per cent. Graph 3 summarises the changes in employment by duration.

Graph 3 The growth of long-term unemployment



Source: Department of Employment

d) Sex

The problems of calculating female unemployment make it difficult to estimate sex differentials. Here are the official figures.

Table 10 Male and female unemployment levels—the official figures

	June 1979	June 1986
Male	887 200	2 179 000
Female	393 900	1 040 700
Total	1 281 100	3 219 700
Female as % male	44.4	47.8

Source: *Employment Gazette*, Historical Supplement No 1, February 1987.

From these figures it appears that the differential between the sexes has remained fairly constant. However, we have noted the various devices used to remove unemployed women from the statistics. To get a more accurate picture of the changes we need to add 200 000 women to the 1986 total, adjust for the effects on women's unemployment of all the other statistical changes made between 1979 and 1986, and finally add an extra 300 000 women to the figure of women out of work in both 1979 and 1986. Following this procedure we get the following table.

Table 11 Male and female unemployment levels—the real figures

	June 1979	June 1986
Male	887 200	2 628 650
Female	693 900	1 990 350
Total	1 581 100	4 619 000
Female as % male	78	76

Comparing the economic activity rates of men and women gives some insight into the extent to which women are excluded not only from work, but even from the ranks of the unemployed.

Table 12 Economic activity rates of men and women

All ages above 16, in millions

All	26.5 (61.8%)	Married female	7.2 (52.2%)
Male	15.5 (75.4%)	Other female	3.8 (44.3%)
Female	10.9 (49.2%)		

Source: *Employment Gazette*

If the same proportion of women as men were counted as economically active, then we would have to add more than five million on to the unemployment figures.

e) Race

It is well-known that there are now high levels of unemployment among ethnic minorities. However, racial discrimination has not always taken the form of higher unemployment. In the sixties blacks were differentially employed in poorly paid work in manufacturing and public services.

If we examine immigrant unemployment rates over the past 25 years, we see that in the early sixties when immigration was at its peak, the rate of black unemployment was several times that of whites.²⁸ There was a steep fall in immigrant unemployment in the late sixties. By 1974 unemployment was running at around four per cent for black as well as white workers.²⁹ For black women and young people, unemployment rates were slightly higher than for their white peers.

Since 1974 the gap between immigrant and white unemployment has widened rapidly due to the sharp decline in manufacturing industry. In 1977 black/Asian unemployment was running at 9.6 per cent, compared to 5.2 per cent for whites.³⁰ By 1981 unemployment levels were 18 per cent for West Indians, 17 per cent for Asians and 14 per cent for other immigrants, compared with 9 per cent for whites.³¹ Average figures for Spring 1983, Spring 1984 and Spring 1985 show a widening gap. Whereas white unemployment averaged 11 per cent, unemployment among ethnic minorities was 20 per cent. For people of West Indian origin it was 22 per cent, for those from India it was 17 per cent, for those from Pakistan/Bangladesh it was 32 per cent.³²

Differentials were greatest in the declining traditional manufacturing areas of the North-west, Greater Manchester, the East and West Midlands. In the North-west for example, in 1983-84-85, an average of 14 per cent of white men were out of work; the proportion of all ethnic minorities was 32 per cent. Some 41 per cent of West Indian men were unemployed and 33 per cent of men from Pakistan/Bangladesh.

f) Government schemes

There has been a dramatic expansion of state schemes for the unemployed since 1979. They have also become increasingly coercive towards the unemployed.

Table 13

Youth schemes		Adult schemes	
1979-80	77 000	1979-80	22 000
1986-87	386 000	1986-87	241 000

Source: *Quarterly Report*, Manpower Services Commission, June 1986.

Spending on the Manpower Services Commission has risen from £¾ billion in 1979-80 to £3 billion in 1986-87.³³ This increase is mainly due to the rapid increase in expenditure on youth programmes and on schemes for the long-term unemployed. The Community Programme and the Youth Training Scheme now take up 66 per cent of MSC expenditure; back in 1979 similar schemes took up only 24 per cent. Projections up to 1990 suggest that by then CP and YTS will take up around 77 per cent of the MSC budget.

● youth schemes

The Youth Opportunities Programme was introduced under the 1970-74 Tory government as a voluntary six months' course. The YOP programme flourished as the last Labour government doubled and nearly trebled unemployment. Its replacement, the Youth Training Scheme, was announced by the Tories in April 1983 and phased in later that year. The scheme was made effectively compulsory by imposing a six weeks' loss of benefit on those who

refused to take part, or who left early without going into a job, though penalties were unevenly enforced. Loss of benefit was extended to 13 weeks in 1985.

The pressure of compulsion has been fairly successful in making young people join schemes. In 1985 only six per cent of eligible school-leavers failed to join schemes and five per cent left early.

In April 1986 the scheme was extended to two years. The number of entrants in the year 1985-86 rose to 462 000. The growing role of YTS workers in the labour market is evident from the fact that 25 per cent of all firms now employ some YTS workers. For larger firms, employing 200 or more workers, the proportion using YTS is 60 per cent.

The government claims that YTS provides training for unemployed school leavers. In reality the scheme provides little useful training either in industry or in the block college release periods. The rise of YTS has been paralleled by a sharp fall in apprenticeships: down from 155 000 in 1979 to 63 000 in 1986.

● adult schemes

The Special Temporary Employment Programme introduced under the last Labour government was replaced by the Community Enterprise Programme by the Tories in 1981. In October 1982 this in turn was replaced by the Community Programme. These schemes are open to 18-24 year olds who have been unemployed for six months or more in the previous nine months and those aged 25 and over who have been out of work for more than 12 months out of the previous 15. The total number of entrants in 1985-86 was 250 000. Women make up only 22 per cent of entrants today and the trend is for younger people to go on to the scheme. Some 54 per cent were between 18 and 24 in 1983-84, the proportion was 66 per cent in 1985-86.

What sort of jobs do people do on CP schemes? Around a third are involved in environmental and landscaping projects; another third work in building and construction; some 16 per cent provide services to the elderly; the remainder work in play groups, help the disabled and other areas of social welfare. The great majority of CP workers—80 per cent—work part-time. This allows the

government to pay them £67 a week while still offering union pay rates.

There is little evidence of 'slave-labour' on CP schemes. Their main function appears to be to reduce the unemployment statistics and keep the unemployed occupied, as well as to cushion cuts in council direct works and welfare services. People who go into a CP scheme are twice as likely to get a job than the long-term unemployed who refuse to take up a CP place. Even still, 65 per cent of those leaving CP schemes returned to unemployment.

Most CP schemes have been organised through local authorities and voluntary organisations. Under the new Restart scheme announced in summer 1986, they will become more centralised and will also be made compulsory.

The Job Training Scheme was introduced in April 1987 as a cheap-rate successor to the Community Programme. It is designed to provide the unemployed under 25 with six months' work at £30 a week. By a vote of 30 to 10 the TUC carried on its tradition of collaboration with this latest, most draconian scheme.

● Restart

Under the Restart scheme launched in July 1986 all those who have been unemployed for more than one year will be contacted and invited for an interview. (In some areas this period has already been reduced to six months.) They are offered a choice of six options from the various available government schemes. Failure to attend can lead to a loss of benefit for 13 weeks as can a refusal to take one of the options. Nearly 11 000 people were pushed off the dole by 9 Oct 1986, mainly for failing to turn up for interviews—only 0.3 per cent of interviewees on the grounds that they were unwilling to work. So much for government claims that the unemployed do not want to work. Table 14 details the results of Restart interviews during the initial period: only 14.8 per cent of all those interviewed were offered places on one of the various schemes. The Restart scheme marks a significant increase in the state's attempts to police the unemployed.

Table 14

Results of Restart interviews;
numbers of people offered places
on each scheme

	Number	As % of total interviewees
Restart course	30 012	8.5
Community programme	9 757	2.7
Job clubs	2 890	0.8
Placed in a job	2 547	0.7
Enterprise allowance scheme	1 587	0.4
Voluntary projects programme	672	0.2
Employment rehabilitation	104	0.03
Total 'positive' outcomes	54 055	14.8
Total number of interviews	366 451	100

Source: *Hansard*, 6 November 1986, Cols 523-24.

4. Living standards

'You've never had it so good'—the slogan of Tory prime minister Harold Macmillan in the fifties—has become the cry of Tory ministers in the eighties. Politicians, top businessmen and bankers and their friends in the media regularly proclaim that wages are rising faster than prices and that restraint is necessary in the national interest. 'The Mickey Mouse approach to pay must stop' declared employment minister Kenneth Clark, urging the government to show 'determination' in holding down wages in the public sector to set an example for private industry and services.³⁴ He has suggested a target of 0.5 per cent for wage increases this year to compensate for 'excessive' settlements last year.

The figures indeed confirm that living standards, at least for those in work, have generally risen under the Tories. Latest figures (December 1986) show that gross pay rises were running at 7.75 per cent overall, and at 8.0 per cent in manufacturing industry, at a time when inflation was down to around four per cent.³⁵

Table 15 Increases in prices and wages between 1979 and 1986 (per cent)

Prices		84.0			
Gross wages	manual	85.2	Net wages	manual	87.5
	non-manual	117.1		non-manual	115.7

Source: *Employment Gazette; New Earnings Survey*.

a) Earnings and living standards

By examining statistics on the pay of workers in different occupations, we can exclude the incomes of employers, managers and the police, who are included in the government's global figures, from our averages.³⁶

Table 16 gives the change in real earnings of single men in work, broken down into six categories of non-manual occupations and nine manual categories between 1979 and 1986. In both cases there is a fairly uniform spread: real wages show an average increase of 17 per cent for non-manuals, but a rise of less than two per cent for manuals. The only sector in which real wages have declined is construction.

The differential between non-manual and manual workers has increased significantly over the past few years. The average net wage of a single manual man in 1979 was £63.80, some 89 per cent of the £73.10 paid to non-manuals. By 1986 the figure was £119.60, 77 per cent of the £155.00 paid to non-manuals.

Table 17 provides the parallel data for a family which includes husband, wife and two children, in which only the husband works.

Table 16

Changes in net pay, 1979-86

For a single man

	1979 gross	1979 net	1986 gross	1986 net	1986 real net	% change
Non-manual workers						
Prof/administration	128.7	86.0	297.5	197.8	107.5	+25.0
Prof/welfare	112.5	76.2	241.0	162.7	88.4	+16.0
Literary and Sport	12.0	75.8	259.7	174.3	94.7	+24.9
Prof/science	118.2	79.7	247.7	166.7	90.6	+13.7
Clerical	81.4	57.4	169.8	119.0	64.7	+12.7
Sales	91.0	63.2	184.0	127.3	69.2	+9.5
Total	106.0	72.1	230.1	155.5	84.5	+17.2
Manual workers						
Catering and Cleaning	72.6	52.0	140.4	100.8	54.8	+5.4
Farming and Fisheries	67.7	48.9	128.4	93.1	50.6	+3.5
Processing	91.8	63.6	172.6	120.6	65.6	+3.1
Making and Repairing	92.1	63.7	172.9	120.9	65.7	+3.1
Metal and Electrical	99.6	68.0	186.9	129.1	70.2	+3.2
Painting and Assembly	90.1	62.6	163.5	115.3	62.6	0.0
Construction	93.2	65.3	169.3	118.7	64.5	-1.2
Transport	92.2	63.8	168.9	118.4	64.3	+0.9
Miscellaneous	83.1	58.4	155.9	110.5	60.1	+2.9
Total	92.2	63.8	170.8	119.6	65.0	+1.8

Table 17

Changes in net pay, 1979-1986
For a family of four in which
the man is the sole earner,
taking account of family
income supplement

	1979 gross	1979 net	1986 gross	1986 net	1986 real net	% change
Non-manual workers						
Prof/administration	128.7	98.8	297.5	225.2	122.4	+23.9
Prof/welfare	112.5	87.6	241.0	185.8	101.0	+15.3
Literary and Sport	112.0	87.2	259.7	198.9	111.7	+28.1
Prof/science	118.2	91.6	247.7	190.7	103.7	+13.2
Clerical	81.4	68.3	169.8	141.6	77.0	+12.7
Sales	91.0	73.9	184.0	149.4	81.2	+9.9
Total	106.0	83.1	230.1	178.1	96.8	+16.5
Manual workers						
Catering and Cleaning	72.6	62.7	140.4	123.7	67.2	+7.2
Farming and Fisheries	67.7	59.4	128.4	115.6	62.8	+5.7
Processing	91.8	74.4	172.6	143.3	77.9	+4.6
Making and Repairing	92.1	74.5	172.9	143.3	77.9	+4.6
Painting and Assembly	90.1	73.4	163.5	138.0	75.0	+2.2
Construction	93.2	75.1	169.3	141.4	76.8	+2.3
Transport	92.2	74.6	168.9	141.2	76.7	+2.9
Miscellaneous	83.1	69.3	155.9	133.5	72.5	+4.7
Total	92.2	75.5	170.8	142.3	77.3	+2.4

Table 18

Changes in net pay, 1979-1986

For a single woman

working full time	1979 gross	1979 net	1986 gross	1986 net	1986 real net	% change
Non manual						
Prof/administration	94.8	65.3	218.4	148.1	80.5	+23.2
Prof/welfare	80.2	56.7	171.2	119.8	65.1	+14.9
Literary and Sport	82.3	57.9	187.8	129.6	70.4	+21.6
Prof/science	76.3	54.2	164.4	115.7	62.9	+16.1
Clerical	60.6	44.7	125.9	91.5	49.7	+11.3
Sales	47.6	36.6	105.4	77.9	42.3	+15.7
Total	65.9	47.7	142.8	102.4	55.6	+16.6
Manual						
Catering and Cleaning	51.3	38.9	99.7	74.0	40.2	+3.3
Processing materials	56.1	42.0	103.6	76.7	41.7	-0.7
Making and Repairing	54.4	40.8	101.3	74.9	40.7	-0.2
Painting and Assembly	58.8	43.6	109.6	80.7	43.8	+0.5
Transport	59.4	44.0	117.3	85.9	46.7	+6.1
Metal and Electrical	63.5	46.4	114.3	83.9	45.6	-1.7
Total	55.5	41.6	104.3	77.1	41.9	+0.7

The picture is strikingly similar to that for a single man.

What about women? Table 18 provides a breakdown of changes in income for single women working full-time since 1979. Again the figures are similar to those for single men. For non-manual female workers net pay has risen by 17 per cent; for manual workers the rise is less than one per cent.

Table 19

Changes in gross pay for
part-time women, 1979-1986

	1979 gross	1986 gross	1986 adjusted	% change
Non-manual				
Prof/welfare	35.55	91.0	49.0	+37.8
Clerical	30.1	58.1	31.6	+4.9
Sales	23.5	43.7	23.75	+1.1
Total	30.0	64.27	34.92	+16.4
Manual				
Catering and Cleaning	23.8	42.6	23.15	-2.7
Processing materials	28.8	57.8	31.4	+9.1
Making and Repairing	32.0	58.6	31.8	-0.6
Painting and Assembly	31.1	57.0	31.0	-0.3
Total	28.92	54.0	29.34	+1.4

Table 19 surveys changes in gross pay in different occupations. For women working part-time there is an overall increase of 16 per cent in pay for non-manuals. For manual there is an increase of slightly more than one per cent. The same general pattern prevails: the lower your pay, the lower your increase in real wages.

How have the Thatcher years affected differentials between men and women's pay? Comparing figures for single women working full-

time with single men working full-time: in 1979 the earnings of non-manual women workers were 66 per cent of those of male manual workers. In 1986 the percentage was exactly the same. For manual workers the earnings differential was 66 per cent in 1979 and 65 per cent in 1986. Evidently women have got stuck with earnings around a third less than those of men.

The stagnation in women's pay is apparent over an even longer period—the decades since the enactment of equal opportunities legislation. Using slightly different criteria the Equal Opportunities Commission estimates that women's pay was 72 per cent of men's in 1975 and is 74 per cent today.

The key factor that ensures women's inferior income despite all the legislation is the fact that they are ghettoised in low-paid jobs. This is as true of modern hi-tech sectors as it is of textile mills. Look at the distribution of jobs between men and women in independent television:

Table 20

	% female		% male
booking assistant	100	science artist	100
production assistant	100	mechanical maintenance	100
casting	93	engineer	99
vision mixer	73	lighting	99
schedules off	71	stills photo	97
programme research	56	camera	96

Source: *Labour Research*, January 1987

Some 58 per cent of women work only with other women, while 84 per cent of men work with men. The GMBATU estimates that in 73 per cent of all cases women are paid less per hour because they predominate in low-paid jobs.³⁷ The recent repeal of legislation requiring employers to re-employ women after maternity leave and the abolition of the maternity grant mark a steady encroachment on women's rights at work. Recourse to tribunals has proved little use. Only one in four women who pursued cases under the equal pay legislation felt that they had received adequate compensation: 50 per cent of all awards were of less than £300.³⁸

b) Overtime and rates of pay

Because of the increase in overtime working over the past few years, particularly for manual workers, *rates* of pay have not increased as rapidly as real wages, and have even declined for some workers. Overtime and bonus payments both play a part in maintaining earnings while basic rates have been kept down.

Table 21

Breakdown of hours	Basic	Overtime	Total
1979	38.5	1.1	39.6
1986	39.1	5.4	44.5

We can sum up the change in net hourly income of single male manual workers in the following table.

Table 22 Net hourly earnings (in £ per hour at constant 1979 prices)

1979	1.61
1985	1.46
% change	-9.3

These figures show that while the real wages of manual workers may have increased marginally, they are working longer hours at a lower rate of pay. As one construction manager put it to a Department of Employment investigator, 'We don't think we can squeeze any more productivity out of our current subbies, the pips are beginning to squeak.'³⁹ Increasing the proportion of the workers' pay-packet which depends on the discretion and favour of management strengthens the employers' position when they want to start squeezing take-home pay closer to basic subsistence rates.

Non-manual single men have fared better.

Table 23

Breakdown of hours	Basic	Overtime	Total
1979	36.3	0.4	36.7
1985	37.1	1.5	38.6

The comparable table of hourly rates gives the following results.

Table 24 Net hourly earnings (in £ per hour at constant 1979 prices)

1979	1.96
1985	2.19
% change	+11.7

In terms of net hourly pay the differential between non-manual and manual has widened even more than it has in real wages. Manual rates were 82 per cent of non-manual in 1979; now they are down to 69 per cent. Changes in hourly rates for women are roughly parallel to wages, as there has been little change in women's working hours.

c) The poverty trap and low pay

The poor include those dependent on state benefits and those in low-paid jobs. In 1979, 4.6 million people were dependent on supplementary benefits. By 1983, the last year for which full figures are available, the figure was 7.1 million.⁴⁰ The Low Pay Unit estimates an extra 2.1 million in 1979 and 3.3 million in 1983 were living in poverty.⁴¹ Thus by 1983 10.4 million people were living below the poverty line of £29.50 and £68.05 for a family with two children.

To avoid public controversy, the Tories have used devious methods to begin cutting welfare benefits.⁴²

The Tories have

- failed to raise benefits in line with inflation—in 1986 benefits fell between two and three per cent behind rising prices
- scrapped the £3.90 extra paid to people who live in someone else's home and are under the age of 25
- stopped the maternity allowance in April—it is estimated that 85 000 mothers will fail to qualify for the new benefit to be paid by employers
- cut housing benefit, by raising the threshold at which rents are subsidised

■ cut family income supplement: if the total family income is less than a fixed amount, the government pays half the difference—but this year the Tories fixed the increase to a maximum of 30p

■ special payments for clothes, blankets, shoes, etc, have been abolished.

● the poverty trap

The poverty trap is the result of the fact that when low-paid workers get higher wages they lose welfare benefits (such as family income supplement, housing benefit) and have more tax and national insurance deducted from their wage packets. It means that a wage increase from £70 to £120 for a married man with children makes little difference to the family income.⁴³ The number of low-paid workers in the poverty trap has increased from 90 000 in 1979 to 480 000 in 1986.⁴⁴

● low pay

By the Council of Europe criterion of low pay which was accepted by the TUC in the seventies (an income less than two thirds the national average—£116 gross in Britain in 1985), 8.6 million workers are low-paid. In 1985 Nalco calculated that 65 per cent of clerical and administrative staff in the NHS fell below this figure.⁴⁵ The numbers claiming family income supplement has trebled from 80 000 in 1979-80 to 220 000 in 1985-86.⁴⁶

The TUC has steadily reduced its low pay horizons. Recognising the gulf between its original criterion and the wages of millions of workers, in 1985 it scaled down its threshold to £100 a week. By this criterion the total of low-paid in 1985 stood at 3.4 million. This included nearly seven per cent of male workers and 32 per cent of women workers. This marked an increase from three per cent of men in 1979, though the position of women has remained approximately constant.

However, by 1986 the TUC decided that the meagre living possible on £100 a week—below the social security level for a typical family—was too much to ask for. Setting its proposed minimum wage target in collusion with the Labour Party, it settled for £80 a week. Depending on how this is calculated, using this criterion reduces the low-paid to 800 000 and 1.2 million people. The

labour bureaucrats have made clear that even this insulting improvement at the bottom end of the wages table would be financed by restraining the wages of higher-paid workers.

5. Trends and problems

● fragmentation

The Thatcher years have witnessed a process of deepening divisions within the working class. The most important, if most effectively disguised, division is that between those in work and the unemployed. The remarkably even geographical distribution of the unemployed means that they are scattered everywhere, but not concentrated anywhere. The fact that there are high levels of unemployment among school-leavers and young people who have never had a job and older workers who have been made redundant contributes to the marginalisation of the unemployed. The labour movement has shamefully neglected the unemployed: defending their rights must become a real priority, rather than a focus for token demonstrations.

There is also a growing division between workers who have secure employment and those who have been forced to become self-employed as subcontractors or freelancers and others on short-term or temporary work contracts. The expansion of part-time work, especially for women, creates another gulf within the workforce. Differentials have increased between men and women, white and black, older and younger, skilled and unskilled. The result is a growing sense of 'every man for himself', and a growing tendency for workers to regard other workers as competitors for jobs or bonuses or overtime, rather than as comrades in a collective struggle against the employers and their system. How can the petty sectionalism and individualism encouraged by capitalist society in decay be combated in the process of rebuilding an anti-capitalist working class movement?

● reconstruction

The statistics show the destruction of the old working class, but not yet the clear emergence of a new one. This in turn reflects the

weakness of British capitalism and the absence of any large-scale restructuring of the economy in the course of the recession. The traditional heavy metal sector (iron and steel, shipbuilding and textiles, engineering and motors) has contracted sharply. Yet there is little real dynamism in the new technology and private sectors on which British employers and trade union bureaucrats alike are nervously staking their futures.

How can the labour movement be reorganised to represent the new working class as well as the old? The trade unions have taken a hammering since 1979, yet they remain intact, with membership levels still higher than in many Western countries. Yet this is less a real sign of resilience than an indication of the persistence of state protection for trade union organisation within the public sector. How are the unions equipped to survive a further round of employers' attacks on jobs, wages and conditions as the crisis of British capitalism deepens? What are the likely consequences for the working class of the way the union leaders have placed all their faith for the future in the return of a Labour government with policies that threaten to turn in an aggressively anti-union direction?

The centre of gravity of the labour movement must shift from its traditional heartlands of the North, Scotland, South Wales towards the new growth areas, particularly in the South-east. The new towns, the commuter belts and the suburbs are areas of low trade union membership, known for their indifference or even hostility to traditional labour movement politics. How can workers in these areas be won to a different sort of labour movement politics?

● living standards

So far mass unemployment has not proved a very effective lever against the wage claims of workers who still have jobs. This may be partly a result of the growing complexity of the labour market and the fact that workers in new-tech factories and offices cannot be easily replaced by youths off YTS schemes or redundant boilermakers. It may also indicate that the employers have been prepared to concede wage rises in return for union cooperation in shaking out jobs, introducing flexibility and reorganising workplace relations. Given the new balance of forces in the workplace, will the

unions be able to carry on winning decent wages into the future? How can workers guarantee preserving living standards?

Meanwhile the position of those who rely on state benefits of any sort has deteriorated, and things threaten to get still worse. How can the living standards of the unemployed, the elderly, the sick and disabled, all those on social security, be protected against the rigours of austerity?

These are some of the issues and questions to which we will return in the next issue of *Confrontation*.

NOTES

- 1 These definitions and all the following statistics (unless stated otherwise) are taken from various issues of the Department of Employment's monthly *Employment Gazette*.
- 2 *UK Occupational Trends to 1990*, Institute of Manpower Studies 1986, p178.
- 3 See letter from Professor R Layard, *Financial Times*, 14 April 1987.
- 4 *Labour Market Quarterly Report*, Manpower Services Commission, June 1986, p5.
- 5 *New Statesman*, 1 August 1986.
- 6 'Women: The Hidden Unemployed', Coventry trades council unemployed workers' project.
- 7 The following discussion uses the latest official statistics (contained in the *Employment Gazette*, Historical Supplement No 1, February 1987). These figures are based on the recently published *1984 Census of Employment*, which was carried out annually up to 1979 but is now carried out every three years. As a result the figures are lagging well behind events. Figures for the period since 1984 are based on changes in employment in the firms that were included in the original survey. It is assumed that firms set up since 1984 conform to the pattern in established enterprises.
- 8 Comparisons of changing employment patterns have been complicated by changes in the categories used in the 1981 and 1984 censuses.
- 9 J MacInnes and A Spirall, 'Union Recognition in the Electronics Industry in Scotland', unpublished.
- 10 *Scottish Economic Bulletin*, December 1985.
- 11 *UK Occupational Trends to 1990*, op cit, p60.
- 12 'The Arms Boom', *Labour Research*, July 1986.

- 13 *Employment Projections up to 1990*, GMBATU/University of Warwick 1986. The figures in the text on self-employment are compiled from this source and from *UK Occupational Trends to 1990*, op cit.
 - 14 *UK Occupational Trends to 1990*, op cit, p87.
 - 15 *Changing Working Patterns: How Companies Achieve Flexibility to Meet New Needs*, National Economic Development Office 1986.
 - 16 *Employment Gazette*, February 1987.
 - 17 Ibid.
 - 18 Cited in *Marxism Today*, April 1987.
 - 19 See E Batstone and S Gourlay, *Unions, Unemployment and Innovation*, Oxford 1986.
 - 20 *London Industrial Strategy*, GLC, p421.
 - 21 *British Business*, 22 November 1985.
 - 22 D Storey and S Johnson, *Are Small Firms the Answer to Unemployment?*, Employment Institute 1987.
 - 23 *Guardian*, 4 September 1986.
 - 24 'Pressure Cooking: Workers' Attitudes and Work Relations in the Catering Industry', Abstract, Manchester Polytechnic, May 1985, p65.
 - 25 *New Statesman*, 29 August 1986, p7.
 - 26 'East Kilbride: A Labour Study', Strathclyde business school, April 1986; L Cairns, 'New Towns Unionisation Survey: Glenrothes, Irvine, Livingston', unpublished.
- J MacInnes and A Spirall challenge this view with their conclusion that 'the most important finding of this study is that low unionisation in Scottish electronics is a myth.' However, their study covers a much broader field than the Silicon Glen sector, including established plants in Edinburgh and Glasgow. It may also be significant that out of 213 firms they contacted with their questionnaire only 83 replied, and these were mainly the larger firms. Their own data shows that the larger the firm the more likely it is to recognise unions and that firms established before 1960 were four times more likely to recognise unions than those set up since 1984. They also show that the percentage of firms which recognise unions is 60 per cent in Glasgow and 89 per cent in Edinburgh, but only 16 per cent in the new towns. It is worth noting that it is the smaller, more recently established firms in the new towns—the firms where unions are least likely to be recognised—that are the growth area in employment in Scotland (J MacInnes and A Spirall, 'Union Recognition in the Electronics Industry in Scotland', op cit).
- 27 TUC, 11 March 1987.
 - 28 *Unemployment and Racial Minorities*, Policy Studies Institute 1984, pp2-3.
 - 29 *Trades Unions and Black Workers*, TUC 1986.
 - 30 *Unemployment and Racial Minorities*, op cit.
 - 31 *Employment Gazette*, June 1984, p263.
 - 32 *Employment Gazette*, January 1987.
 - 33 *MSC Corporate Plan, 1986-1990*, p8.

- 34 *Observer*, 7 September 1986.
- 35 Unless otherwise stated all data on prices and incomes are taken from the *New Earnings Survey*, published annually by the Department of Employment.
- 36 To compare real earnings it is necessary to calculate net income after the deduction of tax, national insurance, etc, for a single man, for a mythical family of husband, wife and two dependent children, in which the man is the only earner and for a single woman with no dependants. For simplicity, we assume a linear relationship between tax bands. In March 1983 the government changed the method of calculation of average pay from including all those over 21 to include all those on 'adult rates'. We have introduced a small correction for this change to enable us to compare today's figures with those before 1983—though this means that our gross figures for 1979 do not tally with the DE's *New Earnings Survey*.
- 37 Cited in *Labour Research*, March 1987.
- 38 *Pyrrhic Victories*, Equal Opportunities Commission, HMSO 1987.
- 39 Cited in *UK Occupational Trends to 1990*, p78. Because of changes in the way different jobs are categorised since 1982, it is impossible to provide an accurate assessment of changes in wages in different sectors.
- 40 *Labour Research*, July 1986, p15.
- 41 *Low Pay Review*, Winter, 1985/86.
- 42 *Labour Research*, July 1986.
- 43 *Social Trends 1986*, HMSO, p87.
- 44 *Low Pay Review*, Spring 1986.
- 45 *Public Service Pay Campaign*, TUC, January 1986.
- 46 *Low Pay Review*, Spring 1986.



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FRANK RICHARDS

The myth of state capitalism

Ever since the October Revolution, both right-wing and radical observers have experienced great difficulty in understanding Soviet society. It is not surprising that academic historians and commentators have failed to get to grips with the Soviet Union. Yet Marxists too have proved incapable of coming to terms with a society formed out of the defeats of the working class across Europe in the twenties.

The failure of left-wing writers to develop the concepts required to grasp the specific features and social determinants of Soviet society has been one of the most telling signs of the disintegration of Marxism over the past half-century. It has meant that discussion of the Soviet Union has become a key arena for the revival of pro-capitalist and anti-Marxist thinking.

Although theories of Soviet society have been numerous and varied, most share the same underlying approach. They try to come to understand the new social formation by modifying existing theories of capitalism. Of course, many writers have stressed the unique features of Soviet society, describing it as a 'workers' state' or 'real socialism'. But even these theories have not been immune from the general tendency to base assumptions about the nature of the Soviet Union on superficial parallels with capitalist development.

The impressionistic approach to the Soviet Union first became

popular in the thirties. The profound rupture of capitalist norms by the Depression and the emergence of fascism, at a time of chaotic industrialisation and mass repression in the Soviet Union, led many writers to discover common features between West and East. The growth of state intervention in the capitalist economies appeared to correspond to the centralised system in the Soviet Union. This was the starting point for theories of East-West *convergence*.

After the Second World War, when both Western capitalism and the Soviet system experienced economic growth and technological progress, convergence theories acquired a new momentum. Commentators now argued that the differences between the two social systems were being eliminated by economic and technical change. While right-wing thinkers coined the phrase 'post-industrial society' to describe this trend, radical writers promoted the concept of 'state capitalism'. This view became widely accepted on the non-Stalinist left.

This article has three aims: to investigate the theoretical assumptions behind theories of convergence, to explain why they became so influential, and to show that they tell us little about capitalist society and even less about the Soviet Union.

Evolution dehistoricised

Marx's most important theoretical achievement was his critique of the method of ahistorical generalisation which is the hallmark of bourgeois social theory. In arguing that each mode of production is governed by social laws distinct from those of all preceding societies, Marx made a clear break with existing accounts of historical evolution. His denial of general historical laws stood in sharp contrast to the approach of bourgeois theory, in which capitalist society appeared as a natural order, a culmination of mankind's drive towards economic and social progress.

Early bourgeois political economists, such as Adam Smith and David Ricardo, regarded capitalism as the ultimate development of human civilisation. They treated capital as a general form of wealth, rather than a social relationship specific to capitalist society. Smith's discussion of the historical development of England from the days

of the Roman conquest to the industrial revolution typifies this approach:

'When we compare the state of the nation at two different periods and find that the annual produce of its land and labour is evidently greater at the latter than at the former, that its lands are better cultivated, its manufactures more numerous and more flourishing, we may be assured that its capital must have increased during the interval between the two periods.'

For Smith there was no qualitative difference between society in Roman and in modern times. Social change was purely quantitative—a matter of increased efficiency.

Smith distinguished between advancing, stationary and declining conditions in an essentially unchanging social organism. In the same vein, Ricardo treated the 'natural advance of society' in a manner which obliterated the distinctions between different societies. For Ricardo, capitalism was not a new social order, but simply a more productive version of past societies. Marx noted that 'Ricardo regards bourgeois, or more precisely, capitalist production as the *absolute form* of production, whose specific forms of production relations can therefore never enter into contradiction with, or enfeeble, the aim of production.'² Ricardo's conception of capitalism as an 'industrial society' anticipates the technical approach to social analysis which has been characteristic of all subsequent bourgeois theory.

In bourgeois thought capitalist relations of production are regarded as natural and hence as not worthy of investigation. Instead, the changing forms assumed by these relations at the level of politics and distribution become the central preoccupation. Since changes in political forces and in the shares of wealth held by different sections of society occur constantly, these become the subject matter of social science. By contrast, relations of production appear as fixed—as a purely technical matter.

A narrow focus on distribution was characteristic of the work of the nineteenth-century writer John Stuart Mill. Marx wrote of Mill that he 'admits the historically developed character of distribution relations, but nevertheless clings all the more tenaciously to the

unchanging character of production relations themselves, arising from human nature and thus independent of all human development'.³

Earlier this century changes in distribution gave rise to a host of impressionistic theories of social change. The growth of state intervention in the capitalist economy and the emergence of new phenomena like monopolies and trusts were interpreted as signs of the dawn of a new era. The contrast between novel forms of economic organisation (the separation of ownership and control and state 'planning') and classical capitalism (free enterprise) led both bourgeois and revisionist thinkers to conclude that capitalism was giving way to a new social order.

In 1940 the American Federal Trade Commission warned that 'the capitalist system of free initiative is quite capable of dying and dragging down with it the system of democratic government.' It contended that monopoly 'constitutes the death of capitalism and the genesis of authoritarian government'.⁴ This panic-stricken reaction to changes brought about by the Depression and war was echoed far beyond the US ruling class.

In the thirties convergence theory made its first appearance. The growth of corporatist trends of state intervention and monopolies in the West suggested parallels with the state-run economy of the Soviet Union. Western observers were not particularly interested in examining the distinctive features of Soviet social relations—what struck them was the role of the state. Writers intent on solving the capitalist crisis by giving the state more powers began to point to the successes of Stalin's industrialisation to back up their case.

In Britain, Sydney and Beatrice Webb, notwithstanding their deeply held anti-Marxist prejudices, became ardent supporters of the Soviet system after a visit there in 1932. The Soviet bureaucracy, they argued, was 'the unavoidable apparatus of any highly developed industrial community'.⁵ For reformists and technocrats, the Soviet Union served as a model for capitalist counter-crisis policy.

The Webbs' positive attitude to Soviet society, however, remained very much a minority outlook. Far more widespread was the view that the Soviet economy was but a variant of the state systems of fascist Germany and Italy. This prejudice was the origin of liberal

and left-wing theories of 'totalitarianism' which became influential in the thirties. These theories reflected the pessimistic moods which took root among Western intellectuals after the defeats suffered by the international working class in the years leading up to the Second World War. Theorists of totalitarianism held that private capitalism was giving way to an even more repressive social order, based on state control. The Soviet Union, Germany and Italy were regarded as the most developed manifestations of this new global trend. By projecting certain features of fascist society on to the Soviet Union, Western thinkers arrived at the notion of a convergence between both systems. In this simplistic analysis certain phenomena common to all societies—such as state repression—were abstracted and used as evidence of the birth of a new world order. The Italian writer Antonio Labriola, for example, argued that 'in its communist (Stalinist), fascist (Mussolinian) or national socialist (Hitlerite) form, the state replaces control by private capitalism with its own control, through its functionaries.'⁶

Once state activity was regarded as the determining factor of social development, the distinctive characteristics of different societies came to be seen as a matter of indifference. The influential work, *The Managerial Revolution* by the American author James Burnham, did much to popularise the theory of convergence. Burnham's 'managerial revolution' thesis was really nothing more than a generalisation from the observation of the trend towards state intervention. He argued that this would lead to a 'decrease in capitalist ownership and control'—a development he viewed as 'part of this general process of social transition which is taking place, a process analogous to what happened in the transition from feudal to capitalist society'. Burnham concluded that 'the position of the capitalists as the ruling class is being undermined and, before long, will collapse.'⁷ For Burnham, Soviet society was simply a more advanced model of capitalism.

Following the current radical fashion, Burnham linked his conception of managerial society with totalitarianism, arguing that nations like the Soviet Union, Germany and Italy, which had the most developed 'managerial social structure', were also totalitarian.⁸ What distinguished Burnham from his contemporaries was his

emphasis on class structure—on the emergence of a new managerial elite. This explains why his work was to prove so attractive to post-war American sociologists.

While Burnham emphasised the question of managerial control, the German revisionist Rudolf Hilferding highlighted the state. Hilferding maintained that the economic differences between the Soviet Union and fascist societies were of little consequence, because in all these societies a totalitarian state subjected the economy to its aims. Hilferding argued that the controversy over whether the economic system of the Soviet Union was capitalist or socialist was 'rather pointless', because it was 'a *totalitarian state economy*, ie a system to which the economies of Germany and Italy are drawing closer and closer'.¹⁰ Both East and West, a new economic order was in the making:

'The economy is deprived of its own laws, it becomes a controlled economy. Once this control is effected, it transforms the market economy into a consumers' economy. The character and extent of needs are then determined by the state. The German and Italian economies provide evidence of the fact that such control, once initiated in a totalitarian state, spreads rapidly and tends to become all-embracing, as was the case in Russia from the very beginning. Despite great differences in their point of departure, the economic systems of totalitarian states are drawing close to each other.'¹¹

Given the superficiality of the theories of totalitarianism, it may seem remarkable that they could ever gain a serious hearing. But in the period of Hitler's gas chambers and concentration camps, Stalin's Gulag and mass executions, the slaughter of Spain and the carnage that culminated in Hiroshima and Dresden, these theories rang true.

By stripping capitalist production relations of their historical specificity, observers took temporary changes in the political forms of capitalist domination for the negation of capitalism itself. Looked at in abstraction from social relations, one form of state repression could indeed appear to be much the same as another. And for anti-communists, a theory which equated the Soviet Union with Nazi Germany had obvious propaganda value.

As with all impressionistic theories, so the idea of totalitarianism quickly became outdated. After the Cold War which the West launched against the Soviet Union in the late forties, the label totalitarian was applied exclusively to the Eastern bloc. Yet the worldwide expansion of the post-war years gave a new lease of life to the idea of convergence. At a time of widespread prosperity and technological advance, the theory took a new, more optimistic, form.

Convergence theorists now argued that economic progress would eventually overcome the antagonism between East and West. In the West this outlook was summarised in the work of the influential American economist Walt Rostow¹² and by liberal thinkers like John Kenneth Galbraith. In the age of the 'affluent society', Galbraith predicted, East-West tension would vanish as the growth of credit and trade drew all parts of the globe into a harmonious and flourishing whole.¹³ However, Galbraith's idyllic post-industrial order never arrived. Instead, recession and the breakdown of detente in the mid-seventies soon turned convergence theory into a historical curiosity.

Re-reading Western writings on the Soviet Union of the past 40 years, it becomes clear just how much they were shaped by impressions derived from developments in capitalism. The shifting emphasis of Western literature reflects, not changes in the Soviet system, but the varying moods of Western society. If we take the two extremes—the pessimistic idea of totalitarianism and the hopeful notion of affluent society—it is apparent that the former was moulded by pre-war fascism and militarism, while the latter was shaped by the post-war boom. The changing terms of Western debate on the nature of Soviet society reveals more about the political atmosphere in the West than it does about the Soviet Union.

Convergence on the left

It is understandable that bourgeois theory should obscure the process of historical development. This fits in with its basic methodological premises. The seeds of convergence theory are already evident in the work of Max Weber, the founder of modern

sociology. In his 1918 'Lecture on Socialism' Weber explored the problem of excessive bureaucratic regulation which, he concluded, could lead to the 'dictatorship of the official'.¹⁴ The impact of Weber's ahistorical approach on the subsequent development of academic social science is well-known. What is not so widely recognised is its effect on the left.

In the thirties, many left wingers, who were repelled by Stalin's showtrials and purges as well as by the rise of reaction in the West, began to view trends in Soviet society as part of a global pattern. As hopes for revolutionary change faded, demoralisation prompted a far-reaching reinterpretation of the Marxist heritage.

The Italian writer Bruno Rizzi made a seminal contribution to the development of a left-wing variant of convergence theory. Rizzi's concept of 'bureaucratic collectivism', which the American sociologist Daniel Bell regarded as the precursor of the notion of 'post-industrial society', was symptomatic of the new trend. Despite its shallow, often irrational analysis, Rizzi's work, *The Bureaucratisation of the World*, was the first consistent attempt to outline a common pattern of development in the Soviet Union and Western capitalist societies from a Marxist perspective. According to Rizzi, capitalist property was in the process of transition from private to collective ownership, a process he regarded as leading to the establishment of a new and superior mode of production—bureaucratic collectivism. In this society the bureaucracy controls collectivised property and 'exploitation passes from the level of the individual to that of the class'.¹⁵ For Rizzi, the Soviet Union was a society in which the transition to bureaucratic collectivism had already been completed, in contrast to the West, where it had only just begun:

'Today, the nationalised property of the October Revolution belongs in its entirety to the class that controls it, that exploits it and guards it: it is class property. The system of collective property became established in the course of the evolution of capitalism; private property could not escape collectivisation. The reality is that collective property is not in the hands of the proletariat, but in the hands of a new class; a class which, in the USSR, is already an accomplished fact, whereas in the totalitarian states this class is still in the process of formation.'¹⁶

For Rizzi it was only a question of time before the decaying capitalist system assumed the bureaucratic collectivist forms of social organisation characteristic of the Soviet Union. Rizzi's theory was taken up and refined by the American Trotskyist Max Shachtman, whose work, *The Bureaucratic Revolution*, argued that bureaucratic collectivism was a 'social interregnum' during which the bourgeoisie was no longer able, and the proletariat not yet ready, to wield class power.¹⁷

After Rizzi and Shachtman, however, theories which posited the rise of a new class society lost their appeal. In the light of post-war history the argument that capitalism was in transition to a new mode of production could not be sustained. This is why, in more recent works, the concept of bureaucratic collectivism has been applied only to the Soviet Union.¹⁸

Nevertheless, Rizzi's and Shachtman's ideas still exercise a continuing attraction among sections of the non-Stalinist left. The theory of state capitalism, which was conceived within this tradition after the war, and which still informs some left-wing discussions of Soviet society today, presents a modified version of the approach taken by Rizzi and Shachtman in the thirties.

The problem confronting post-war Marxists was that theories which argued that a new form of class society had emerged in the Soviet Union contradicted the orthodox view that any modern class society must be ruled either by the bourgeoisie or the proletariat. The failure of the theory of bureaucratic collectivism to answer this problem meant that Marxists were forced to seek new solutions. The theory of 'state capitalism' was the result. It began from the assumption that the Soviet Union must be dominated by either the capitalist class or the working class, observed that the working class was not in fact in control of the Soviet system, and concluded that it must therefore be a capitalist society—one in which the state played the role traditionally assigned to the capitalists.

The theory of state capitalism is the most coherent theory of convergence. It is the one that most explicitly projects the features of capitalist society on to the Soviet Union. Even by the standards of convergence theory, the procedures of theorists of state capitalism are exceptionally crude. Preoccupied by a driving need to prove that

state capitalism is *possible*, the theory limits itself to a discussion of capitalism and refers to Soviet society only by implication. The argument it presents is that since there can be different forms of capitalist societies, the Soviet Union is such a society.

The state capitalism theory follows Rizzi and Shachtman in emphasising the transition from individual to collective ownership. Tony Cliff, whose work, *Russia: A Marxist Analysis*, is the most comprehensive presentation of the theory in English, argues that the transition from monopoly capitalism to state capitalism is the logical outcome of tendencies inherent in the system. But instead of resulting in a managerial society or bureaucratic collectivism, as Burnham, Rizzi and others argued, the process now leads to the creation of state capitalism. This change in labels serves merely to obscure methodological similarities.

Starting with the contention that the whole world is moving in the same state capitalist direction, Cliff argues that 'the Russian bureaucracy "owning" as it does the state and controlling the process of accumulation, is the personification of capital in its purest form.'¹⁹ For Cliff, the only difference between Soviet society and Western capitalism is where each came from: Soviet state capitalism, unlike its Western variant, did not evolve gradually from monopoly capitalism.²⁰ Cliff's theory is devoted to an attempt to prove these hypotheses by logical deduction and historical analogy.

Since the publication of Cliff's book, some of his co-thinkers have stressed that his work is not so much an analysis of the Soviet Union, but a discussion of global patterns of development in capitalism. Peter Binns and Mike Haynes have insisted on the wider applicability of the state capitalism thesis:

'In particular we ourselves have failed to insist on the central issue—namely that state capitalism is *not* an analysis of Eastern Europe but an analysis of capitalism in general of which these societies are a part. To the extent that state capitalism has been presented as a theory of Eastern Europe it has contributed to the more general growth of theories based on "exceptionalism" which hive off parts of the world and try to explain them in "their own terms".'²¹

Binns and Haynes realise that Cliff's theory cannot explain Soviet

society in its 'own terms', a fact which they regard as a virtue of state capitalism as a general theory of capitalist development. In this manner they 'save' the theory by reaffirming, in case there is any doubt left on the matter, that there is nothing exceptional about Soviet society. Apart from the nature of its birth, Soviet society for them is merely an 'extreme' form of the general pattern of evolution in the capitalist world:

'It soon became apparent that what was unique about the USSR was *not* the structure or the dynamic of its society, but the quite exceptional way it came about as the degeneration of a successful workers' revolution. We are arguing therefore that in the epoch of ageing, militarised and statified capitals, the Russian segment of the world system fits in merely as one of its more extreme examples.'²²

The virtue of Binns and Haynes' amplification of Cliff's work is that it makes explicit the essential premise of state capitalism and, by implication, of other theories of convergence. In their insistence that there is nothing 'exceptional' about Soviet society, and their concern for the coherence of the theory, Binns and Haynes spell out its methodological orientation in the clearest possible terms.

The object of state capitalist theory is to define a general evolutionary tendency—an approach which follows the method of bourgeois sociology. The reduction of different social systems to a common evolutionary trend is the fundamental premise of academic social science. By dehistoricising evolution, bourgeois theory presents society as fundamentally unchanging. State capitalist theory reaffirms this approach by discovering laws of development which govern both Western capitalism and Soviet society.

Although establishment propagandists never cease to emphasise how different 'communist totalitarianism' is from 'liberal democracy', they see in Soviet society only a perverted form of their own social system. This flattering impression is clearly conveyed in recent popular fiction, which portrays Soviet society as one in which everyone has a price, where corruption and cynicism predominate and profit is the only motive for individual action.²³ Convergence theory is the result of extending the ahistorical method of

understanding the capitalist world into a consideration of Soviet society. The inescapable conclusion of this approach is that whatever the label—industrial, totalitarian, bureaucratic collectivist, post-industrial or state capitalist—all societies must be the same.

The creation of a myth

The theory of state capitalism relies on a peculiar method of argument. Its object is to demonstrate that the capitalist system has no specific social features that cannot also be present in another society—the Soviet Union. Cliff starts by suggesting that monopoly capitalism leads to the invalidation of the law of value and concludes that the '*partial* negation of the law of value *borders* on its total negation'.²⁴ If this is true—if the law of value is negated under capitalism and is no longer its defining social law—then it follows that the Soviet Union, where the law of value clearly does not operate, may also be capitalist. To *prove* that the Soviet Union is capitalist Cliff has to show that capitalism can exist without the features which, for Marxists, make up its specifically capitalist character.²⁵

Cliff extends this approach to the question of imperialism. In an attempt to demonstrate that imperialism also has no unique characteristics, he draws on the example of Tsarist Russia.²⁶ Cliff argues that, despite its imperialist character, Russia did not export capital. By the same token, the Soviet Union may also be considered imperialist. But the parallel with the Soviet Union assumes what must be proved—its capitalist character. The search for atypical features of capitalist relations is the nub of Cliff's method of inquiry, since his aim is to demonstrate that the Soviet Union is an atypical capitalist society. Sometimes this search for the atypical borders on the absurd. Binns and Haynes argue that wage-labour is not an essential element of capitalism, a contention they attempt to substantiate by pointing to American slavery and Russian serfdom, as examples of societies in which capitalism coexisted with class relations not founded on wage-labour.²⁷ The conclusion of this line of argument is predictable: why should the non-existence of wage-labour in Soviet society deter us from

considering it as capitalist, when such compelling examples of capitalist non-wage-labour are at hand?

The object of state capitalist theory is to show that there are no forms of social organisation which are indispensable to the capitalist mode of production. The only way this can be achieved is by redefining the concepts of Marx's *Capital* in a way which empties them of their historical specificity. The most striking illustration of this approach is the state capitalist discussion of the theory of value. For Marxists, the concept of value embraces a system of categories which express the social relations which are specific to capitalism. But in the hands of Cliff, Binns and Haynes it takes on a supra-historical character. This is the result of restricting the meaning of the concept of value to the exchange of products of labour. Following the example of Smith, Ricardo and other classical political economists, Binns and Haynes suggest that capitalist value relations grew out of the simple commodity production of pre-capitalist society. They even suggest that in pre-capitalist economies value relations were present in a more perfect form because here commodities could exchange at their market values, whereas under capitalism they cannot.²⁸ The authors seem unaware that whether or not products of labour were exchanged at market values in a pre-capitalist society is irrelevant to the theory of value.

The theory of value deals with developed capitalist society and expresses the particular form of social organisation through which the distribution of labour-time is regulated in it. Binns and Haynes ignore the uniqueness of the social relations that form the subject of value theory, and focus instead on discovering historical antecedents of value relations. This approach leads them to emphasise how products are exchanged—one aspect of the theory of value—at the expense of understanding the theory as a total form of social organisation which exists only in a developed capitalist economy. The Bolshevik economist II Rubin brilliantly repudiated such ahistorical interpretations of value theory in the early twenties:

'The historical question of whether commodities were exchanged in proportion to labour expenditures before the emergence of capitalism must be separated from the question of the theoretical significance of the

theory of value. Confusing the theoretical and the historical setting of the theory of value is not only pointless...but also harmful. Such a treatment puts the proportions of exchange into the foreground, and ignores the social form and the social function of value as the regulator of the distribution of labour, a function which value performs to a great extent only in a developed commodity economy, ie a capitalist economy. If the analyst finds that primitive tribes who live in conditions of natural economy and rarely resort to exchange, are guided by labour expenditures when they establish exchange proportions, he is prone to find here the category of value. Value is transformed into a supra-historical category, into labour expenditures independent of the social form of the organisation of labour. The "historical" setting of the problem thus leads to ignoring the historical character of the category value.²⁹

Once value is reduced to a theory of exchange, then it inevitably seems unrelated to a specific form of social organisation. The state capitalist discussion of the evolution of capitalism parallels its ahistorical treatment of value. Binns and Haynes could have lifted the following passage straight from Adam Smith:

'Historically capitalist commodity production grew out of simple commodity production. The artisans, the outworkers, and the craftsmen of the immediately pre-capitalist society that was transitional from feudalism, were the immediate precursors of the small capitalist producers who were to follow them. In the pre-capitalist society they produced *simple* commodities, governed by simple commodity exchange. Based on rudimentary instruments of production, this ensured—overall and as a whole—that exchange took place on the basis of values that directly reflected the socially necessary labour-time that went into making them.'³⁰

Here everything that exists under capitalism is already evident in earlier societies. Even socially necessary labour-time, a concept Marx regarded as inextricably linked to the existence of *abstract labour* in developed capitalism, is rediscovered in the past. Anyone familiar with *Capital* will appreciate that such a harmonious view of historical evolution was alien to Marx. He argued emphatically that capitalist production did not 'grow out of' simple commodity production. Nor were the pre-capitalist artisans and craftsmen the 'precursors' of capitalist producers. Capitalism emerged through a

profound rupture of social relations—notably through the separation of producers from their means of production.³¹ Marx insisted that the transformation of artisans or craftsmen into capitalists was very much the exception:

‘Individual guild masters may develop into capitalists with the dissolution of the guilds: but the case is rare, in the nature of the thing as well. As a rule, the whole guild system declines and falls, both master and journeyman, where the capitalist and the worker arise.’³²

Once capitalism is dehistoricised, the differences between this mode of production and others appear as purely *technical*, not social. It then becomes possible to reduce the diverse social forms of economic life to common ‘natural’ processes. State capitalist accounts of accumulation show how this can easily be done. Cliff discovered that accumulation—by which he meant the piling up of material wealth—took place in the Soviet Union. However, when Marx discussed accumulation he was not concerned with material wealth. Every society produces and accumulates use-values. But the aim of capitalist production is not only to create use-values, but also exchange-values. Its peculiar object is the expansion of value, not the collection of use-values. We are dealing with the *accumulation of capital*, not that of material wealth.

Cliff appreciated that there was no evidence of capital accumulation in Soviet society. Hence, to sustain the argument that it is capitalist, he had to demonstrate that capitalism too could make do without capital accumulation. He discovered a kind of capitalist economy dominated by the production of use-values—the war economy. Cliff contended that in such an economy use-values become the aim of capitalist production. The capitalist class became so obsessed with servicing the war machine that ‘the slogan “guns before butter” means that competition between the capitalist powers had reached the stage where the international division of labour is disrupted, and competition through buying and selling is replaced by direct military competition. Use-values have become the aim of capitalist production.’³³ Since use-values are also the aim of Soviet production it followed, once again, that both systems were the same.

As a method of analysis wrenching one moment in capital accumulation out of context is wholly illegitimate. But in any case, even during war the production of use-values has never become an end in itself. World wars and conflicts like the current arms race are not set in motion by autonomous forces, but present the outcome of capitalist social relations. In the Second World War, the leading capitalist economies did not merely produce munitions; they also reorganised production, raised the rate of exploitation and generally restructured economic life in a manner consistent with the need to raise profitability.³⁴ The production of use-values remained very much subject to the law of value. As the British ruling class knows only too well, it didn't get its guns for free. The discipline of the law of value imposed itself most painfully through the loss of important foreign assets, which Britain had to sell off to meet debts run up with the USA.

Cliff's emphasis on use-values is to obliterate everything that distinguishes different societies. What he considered essential, Marxism regards as irrelevant. Marx insisted that a one-sided study of use-values, focusing on wealth in its general forms, revealed little about what shaped different societies:

'Political economy has to do with the specific social forms of wealth. The material of wealth, whether subjective, like labour, or objective, like objects for the satisfaction of natural or historical needs, initially appears as common to all epochs of production. This material therefore appears initially as mere presupposition, lying quite outside the scope of political economy, and falls within its purview only when it is modified by the formal relations or appears as modifying them.'³⁵

'The first category in which bourgeois wealth presents itself is that of the commodity. The commodity itself appears as a unity of two aspects. It is *use-value*, ie object of the satisfaction of any system whatever of human needs. This is its material side, which the most disparate epochs of production may have in common, and whose examination therefore lies beyond political economy.'³⁶

'In other words, Ricardo says here: wealth consists of *use-values* only. He transforms bourgeois production into mere production of use-values, a

very pretty view of a mode of production which is dominated by *exchange-value*. He regards the specific form of bourgeois wealth as something formal which does not affect its content. He therefore also denies the contradictions of bourgeois production which break out in crisis.¹³⁷

Cliff followed Ricardo in his 'very pretty view' of capitalist production. Having defined the special form of capitalist wealth out of existence, he presented production as a purely technical matter and relegated the differences between diverse systems of production to the sphere of distribution. Theory at this point lapsed into moralism, as Cliff's comparison between a socialist and a war economy made painfully clear:

'In a socialist economy, the aim of production is the creation of use-values; the aim of a war economy, too, is the production of use-values. But in a socialist society use-values are those needed by the people, while in a war economy they are guns, military equipment, and stores—use-values inimical to the interests of the people.'¹³⁸

By reducing the difference between a capitalist and a socialist society to the sphere of distribution, Cliff diverged sharply from the Marxist critique of capitalism. This attacks relations of production, not those of distribution. Marxists aim to establish a communist society because it offers a superior system of production, not because of its progressive forms of distribution. Reformists have traditionally emphasised the sphere of distribution, for if the central problem of society is identified as one of inequality, then the policy of reform is realistic and revolution unnecessary.

Thus to define the Soviet Union as state capitalist it is first necessary to redefine capitalism. Only if capitalist production relations are dehistoricised and treated technically can the theory of state capitalism acquire any coherence. Despite their convoluted attempts to equate the two social systems, state capitalist theoreticians have in fact tended to give up half-way. Cliff and his followers have stopped short of trying to prove that the internal social relations of the Soviet Union are capitalist. They argue instead that, somehow, the system becomes capitalist through its

relations with the external world. The medium through which this is held to occur is military competition with the West.

Cliff confused capitalist competition, which is a specific relation of one capital to another, with military competition, which has occurred in all epochs. From a Marxist point of view military competition is an ahistorical concept with little meaning. 'Arms races' between ancient Rome and Carthage, medieval France and Britain or modern Washington and Moscow have nothing significant in common. The question that needs to be answered is what are the *specific* social forces that generate military competition in different periods.

Cliff treated military competition as though it was the same as the competitive struggle between capitals. He thus concluded that the Soviet Union relates to the outside world as independent capitalist producers do to each other.³⁹ Cliff never considered that, following this argument, any post-revolutionary regime—even a genuine workers' state—would be doomed by military pressure to become a state capitalist society. Nor did he spell out the mechanism through which military competition was supposed to impose the laws of capital on the Soviet Union. Binns and Haynes however made a valiant attempt to solve this mystery, using the now familiar examples of American slavery and Russian serfdom to substantiate their argument. According to Binns and Haynes, both slaves in the Deep South and serfs on the Steppes were non-wage-labourers who produced a surplus which was then transformed into surplus-value through exchange with the world economy. This is, apparently, more or less what goes on in the relationship between the Soviet Union and the West today:

'As with Marx's capitalist plantation slavery, latter-day state capitalism stands in need of an external process of valorisation to make it a form of capitalism.'⁴⁰

How does this process occur?

'For valorisation to take place in USSR Ltd, it has to be the case therefore that Russian products of labour are piled up against those of its competitors. Without this its labour would remain concrete and specific,

not abstract and general.

'But for this valorisation to be specifically *capitalist*, it also has to be the case that the economy is ultimately dominated by surplus-values — living and dead—to which it gives rise.'⁴¹

Binns and Haynes deserve full credit for drawing out the irrationality of the theory of state capitalism in the clearest possible way. It should be noted that this solution to the problem of how value relations 'get into' the Soviet Union appears only in their penultimate paragraph—not exactly an indication of confidence in their theoretical breakthrough. How *valorisation*, which presupposes capitalist relations of production, can be anything other than 'specifically capitalist' remains unclear. Nor have we yet come across 'living' surplus-values, though no doubt Binns and Haynes have met them frequently. Valorisation taking place through the 'piling up' of products of Soviet labour against those of its competitors? Though indicative of a fertile imagination, this is hard to follow.

Everybody agrees that the products of Soviet labour are produced as use-values. Even when these use-values are exchanged against commodities on the world market, they do not change their character. As long as products of labour are produced as values of use, and not as exchange-values, the social relations that produce them are not capitalist. Moreover, even when products produced as use-values enter international exchange—through a relation of barter—and become commodities through this act, they are still commodities that were produced non-capitalistically. For it is not *exchange* that determines the social character of the products of labour, but the relations of production. Marx was categorical on this point:

'The result of the capitalist production process is neither a mere product (use-value) nor a *commodity*, that is a use-value which has a certain exchange-value. Its result, its product, is the creation of *surplus-value* for capital, and consequently the actual *transformation* of money or commodity into capital.'⁴²

Soviet foreign trade involves things specially produced for the world

market. In the absence of value relations, these are produced not as commodities, but as use-values, whose use-value is that they can be traded abroad. The Soviet Union experiences the discipline of the capitalist market only in world trade. The exchange-value Soviet goods can fetch is determined by the internationally established average quantity of labour-time necessary to produce them. If the average labour-time embodied in a car is 60 hours, a Soviet Lada, even if it took 60 days to produce, will change hands for the equivalent of only 60 hours labour-time. In this way the law of value indirectly affects Soviet trade. But as long as Soviet social relations remain unchanged, trade cannot transform non-capitalist production into its opposite and the products of Soviet labour will remain use-values. Accumulation under these conditions can only be the accumulation of use-values, not the expansion of value.

Capital and the state

The characteristic feature of the theory of state capitalism is that it ignores the historical specificity of social relations. This defect originates from the modifications of Marxism introduced by Austro-Marxist and Stalinist writers, notably Hilferding and Bukharin, in the inter-war period. In the era of imperialism, the demise of free competition led many Marxists to reconsider the theory of *Capital*. Revisionism emerged as a distinct theoretical trend which held that competition could now be brought under control and that the law of value no longer held sway. Revisionists considered that Marx's analysis of capitalist social relations was dated and hence began to regard economic questions technically, without reference to relations of production.⁴³

Revisionists regarded the state as an agency that could remove the remaining anarchic features of the system. This idea gave reformist politics a new intellectual authority. Leading Marxists began to argue that class conflict would subside and that, with further state intervention, capitalism could evolve peacefully into socialism. By the end of the First World War this evolutionary outlook, which denied the antagonistic and transient character of bourgeois society, became the dominant trend in Marxism. Weber noted the common

ground between the new Marxists and his own theories. In 1918, he reassured an audience of Austrian military leaders that they had little to fear from the revisionists:

'These arguments show at any rate that the old revolutionary hope of catastrophe, which gave the *Communist Manifesto* its compelling power, has given way to an evolutionistic view, ie a view of the gradual growth of the old economy with its enormous competitive concerns into a controlled economy, whether it is controlled by civil servants or by syndicates with the participation of civil servants.'⁴⁴

The new Marxist theory was summed up in the phrase 'organised capitalism'. The revisionists considered that society was moving towards a system in which competition could be eliminated, the individual capitalist denied an important role and society run by an enlightened bureaucracy—or, as the new Marxists put it—by 'socialist' administrators.

The Austrian economist Hilferding wrote one of the first systematic expositions of the new theory. He envisaged a capitalism 'freed from the domination of unlimited competition' and the 'blind laws of the market', and subjected instead to what he called a 'scientific method of competition'. For Hilferding the replacement of free competition would lead to a controlled and thus progressive economy. 'In this way', he argued, 'capitalism itself surrenders its main mission to socialism.'⁴⁵ In Hilferding's new era even prices would no longer be determined by value relations—the state itself would regulate wages and prices.⁴⁶ Here the social laws of capital are suspended, barriers to social advance vanish, and everything becomes possible. All remaining problems can be put down to technical mismanagement by the state and are therefore surmountable.

This theory was developed further in the works of the Soviet writer Bukharin. Like Hilferding, Bukharin saw in the new forms of the imperialist epoch the potential for state organisation of the economy. He argued that 'finance capital has abrogated the anarchy of production within the large capitalist countries.'⁴⁷ However, Bukharin differed from Hilferding in important respects. Sensing

that capitalism was unable to free itself from its inherent contradictions, Bukharin settled for a more subtle dualistic model of evolution—a mix of harmonising and conflicting tendencies. His argument was that capitalist anarchy could disappear within the nation state, but not on an international scale:

'Capitalist "national economy" has moved from an *irrational system* to a *rational organisation*, from a subject-less economy to an economically active subject. This transformation has been effected by the growth of finance capitalism and the fusion of the economic and political organisation of the bourgeoisie. At the same time, however, neither the anarchy of capitalist production in general nor the competition of capitalist commodity producers was eliminated. The phenomena have not only remained but have deepened by reproducing themselves in the framework of *world economy*. The system of world economy is just as blind, irrational and "subject-less" as the earlier system of *national economy*.⁴⁸

Bukharin's distinction between a harmonious national economy and a chaotic international market had important theoretical and political consequences. His theory suggested that, with proper guidance, a national economy could be organised and planned. It remained for the Stalinist bureaucracy to draw the conclusion that socialism could be built through state planning within the borders of the Soviet Union. Bukharin thus supplied the theoretical foundation for the revisionist theory of *socialism in one country*. At the same time, in arguing that the state could also organise *capital* and restrict capitalist competition to the world economy, Bukharin provided the basis for the theory of state capitalism.

We have seen how the theory of state capitalism relies on dissolving the boundaries between capitalist and non-capitalist relations of production. Both Hilferding and Bukharin made important contributions to the notion of convergence. Their shared concern was to uncover an evolutionary trend within capitalism through which the barriers presented by existing social relations would be overcome. But while Hilferding did little more than update existing reformist ideas in the light of new developments in Western capitalism, Bukharin wrote in the aftermath of the Russian

Revolution. His reconciliation in the realm of theory of the contradictory tendencies in imperialism was an attempt to come to terms with the tensions entailed in trying to build communism in the Soviet Union in the face of Western hostility.

The dualism of Bukharin's theory reflects the contradiction inherent in the Soviet bureaucracy's strategy of building an island of socialism in the imperialist ocean. Although setting out from preconceptions different from those held by the advocates of the theory of state capitalism, Bukharin was out to prove the compatibility of capitalist and non-capitalist social relations. Hence it is not surprising that his method displays a striking similarity to that adopted by the theorists of state capitalism.

Bukharin tried to skate over the conflict between the capitalist market and the Soviet system by arguing that value relations were not specific to capitalist society. The law of value, he argued, had a 'material content' which was valid for every form of society. This 'material content' was 'the need to distribute the existing labour force proportionally between different areas and branches of the economy'.⁴⁹

Blurring the boundaries between different social systems, Bukharin relegated the clash between Soviet and capitalist social relations to the sphere of technical and political matters. The fundamental conflict between value relations and attempts to construct a planned economy was defined out of existence—a procedure which suited the reformist practice of the Soviet bureaucracy. Bukharin's theory portrays post-revolutionary society as the natural result of the evolution of the social relations of modern capitalism: organised capitalism anticipates organised socialism. The development from capitalism to socialism hence appears as a harmonious process of development—all that changes are the political interests which control the state. The capitalists are superceded by the state, and the state capitalists are superceded in turn by the working class. In the late twenties Stalinist theoreticians came to regard state capitalism as a necessary stage of development. In reply to the Stalinist hack Bessonov, who accused him of being obsessed with social forms, Rubin pointed out the dangers of ignoring the historically specific features of capitalist society:

'Bessonow believes that under capitalism the spontaneous unorganised forms of production gradually disappear, giving way to an organised form of social production. This view must lead to the conclusion that capitalism can gradually overcome the contradictions in production, and from there to the idea of a painless transition from capitalism to socialism.'⁵⁰

Rubin's remarks were an early warning of the reformist consequences of the theory of state capitalism. If competition could be transcended by rational state management, capitalism would become a contradiction-free society immune to real change. Under such circumstances the reformist project of gradual improvement becomes not just realistic, but the only viable option.

The notion of a rational and organised capitalism put forward by Hilferding, Bukharin and others has not been vindicated by events. After two major depressions and endless attempts at international economic cooperation, capitalist production continues to defy planning and control. In fact the development of capitalism in the twentieth century has fully confirmed Marx's analysis. Marx argued that the *forms* of competition can change, but that capital cannot exist without competition. Competition, as understood by Marxists, is the interaction of different individual capitals. Even if attempts are made to organise this relation, short of destroying capitalism it cannot be done away with, because competition is nothing more than the medium through which the laws of capitalist production work themselves out.

For Marx 'competition generally, this essential locomotive force of the bourgeois economy, does not establish its laws, but is rather their executor.'⁵¹ Competition is a product of capitalist social relations and is not therefore susceptible to tinkering. Every attempt to control competition founders, because as long as capitalist production exists, the laws of capital impose themselves remorselessly through the market. Although competition may appear arbitrary and autonomous from production, the two are inseparable. 'Conceptually, *competition* is nothing other than the *inner nature of capital*, its essential character, appearing in and realised as external necessity.'⁵² In other words, capitalism exists as the interaction of many capitals and must express itself through competition. This is why Marx insisted that 'capital exists and can

only exist as many capitals.⁵³ Individual capitalists are not an optional extra, but the necessary agency through which the laws of capital are realised. For Marx the notion of profitable production without a class of employers was a prejudice of the reformists. He noted that 'of course socialists sometimes say, we need capital, but not the capitalist' and replied 'Then capital appears as a pure thing, not as a relation of production....Capital is indeed separable from an individual capitalist, but not from *the* capitalist.'⁵⁴ It is indeed only if capital is portrayed as 'a pure thing, not a relation of production' that the notion that capital can transform its own nature makes sense.

If they are considered merely as producers of 'pure things', the Soviet Union and the USA have much in common. Both are industrial societies producing 'things', albeit of varying quantity and quality. This profound insight is the ultimate wisdom that can be achieved by discarding the Marxist principle of historical specificity.

The theory of state capitalism, the most coherent of convergence theories, tries to understand Soviet society by redefining capitalism. This is an ill-conceived project. 'State capitalism' in the end tells us nothing about either the Soviet Union or the West. It serves only to resurrect bourgeois ideas of evolution under a Marxist label. Like all dogmas indifferent to the Marxist method, its political consequences are unfortunately all too familiar.

NOTES

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- 24 T Cliff, op cit, p153.
- 25 For a different variant of the argument see C Bettelheim, *Class struggles in the USSR: First Period 1917-23*, Sussex 1976.
- 26 T Cliff, op cit, pp177-78.
- 27 P Binns and M Haynes, op cit, p29 and p46. Incidentally Marx's discussion of serfdom and slavery under capitalism makes precisely the opposite point to the claims of Binns and Haynes. According to Marx these forms of labour are not an alternative but presuppose the existence of wage-labour and must therefore disappear with the development of capitalism. Marx observes 'Negro slavery—a purely industrial slavery—which is, besides, incompatible with the development of bourgeois society and disappears with it, presupposes wage-labour, and if other, free states with wage-labour did not exist alongside it, if, instead, the Negro states were isolated then all social conditions there would immediately turn into precivilised forms.' K Marx, *Grundrisse*,

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REVIEW

Picking up the fragments

Elizabeth Wilson (with Angela Weir), *Hidden Agendas: Theory, Politics and Experience in the Women's Movement*, Tavistock, London 1986, pp227, pbk £6.95.

Elizabeth Wilson is a polytechnic lecturer, a member of the Communist Party and an influential writer on sexual politics, culture and welfare. This book includes a collection of her articles over the past 15 years, with a new introduction. The focus of the key articles is on the way the women's liberation movement, which set out in the early seventies with 'consciously revolutionary' objectives, has today lost all direction and momentum. Wilson concentrates her polemical fire on those who have attempted to reconcile Marxism and feminism in the hybrid 'socialist-feminism':

'The socialist-feminist theory of the past decade has argued itself into a depressingly deterministic position in its attempt to theorise subjectivity; the practical correlate of this has increasingly been a rather pallid reformism.'

Wilson launches a rearguard defence of the old women's movement against the combined influences of Beatrix Campbell and Neil Kinnock. She sets out to 'reinfuse socialist-feminism with some of the political sharpness it had in its early days'. How then does she explain the degeneration of feminism?

The price of diversity

Wilson provides a partly autobiographical account of the British women's movement. She describes how feminism gave her an introduction into socialist politics in terms which will be familiar to many women: 'The politics of "the personal is political" helped me escape—but not so much into women's culture as into—simply—*politics*.'

What attracted Wilson and many more into the women's movement was its emphasis on the validity of every woman's personal experience, its consciousness-raising groups and, later, its encouragement of 'confessional writing'. 'Yet', she concludes, 'the very act of voicing the subjective failed in the end to cement all women in sisterhood.'

Proclaiming the diversity of individual experience, by the late seventies the women's movement had disintegrated. In her introduction, 'Women, Heroines and Feminist Intellectuals', Wilson discusses the destructive schism between radical feminism and socialist-feminism. She rightly points out that the radical feminists' insistence on the essential distinctiveness (or even superiority) of women leads to a celebration of biological characteristics and innate qualities—an outlook typical of bourgeois ideologues and clerical reactionaries. At the same time, Wilson notes the tendency of socialist-feminists to drift towards the simplistic notions of their radical sisters:

'Gradually, socialist-feminism became almost indistinguishable from radical feminism in emphasising the contradiction between men and women as primary and labelling any analysis that foregrounded class and political economy as "economistic" or "orthodox".'

The result was that socialist-feminism became little more than a pale version of radical feminism, incorporating a feminist critique of the left. Wilson is particularly critical of the tendency of socialist-feminists in recent years to take refuge in the writings of the Utopian socialists of the nineteenth century. She rightly dismisses this as a nostalgic retreat into the past, which leads inevitably to a 'corrosive

pessimism' and an attitude of resignation towards the political problems of the present.

Two bestselling books sum up the shifting outlook of the socialist-feminists. *Beyond the Fragments*, written by Sheila Rowbotham, Lynne Segal and Hilary Wainwright in 1980, expressed the women's movement's attachment to libertarian modes of organisation and its repudiation of the chauvinist traditional left. Two years later *Sweet Freedom*, by Anna Coote and Beatrix Campbell, concluded that the movement's objectives could be best pursued inside the most undemocratic, chauvinist and traditional organisation of the British left—the Labour Party. These positions of Wilson's erstwhile sisters were the targets of her critical pen in *Feminist Review* in 1980 and in a lengthy polemic in the *New Left Review* in 1984. Both articles are included in *Hidden Agendas*.

By 1984 the conflict within feminism had become part of a wider conflict on the left. Wilson's *New Left Review* piece was written in conjunction with the pamphlet entitled *Class Politics*, produced by a clique of Communist Party intellectuals opposed to the takeover of the party by the trendy *Marxism Today* circle. It denounced the convergence of Communist Party historian Eric Hobsbawm and his fellow Eurocommunists—and the socialist-feminist fragments—with the rightward-moving Labour Party of Neil Kinnock.

What was the left alternative for women and for the working class? Wilson and her *Class Politics* colleagues offered the Communist Party and the *Morning Star*, left-wing union leaders and radical Labour councils, and the old left alternative economic strategy of the seventies. The almost pathetic inadequacy of this perspective (which even lost out in the internal Communist Party power struggle) reflects weaknesses in Wilson's wider analysis of the crisis of the women's movement.

Personal and political

Despite her often perceptive account, Wilson is in a weak position to combat right-wing influences on the women's movement because she shares some of their basic prejudices. The most important of these are her approval of the slogan 'the personal is political' and her

attachment to the principle of the 'autonomous' organisation of women.

In her *New Left Review* article, Wilson tries to rescue the slogan that originally drew her into the women's movement from the way the slogan was subsequently interpreted.

'In arguing that the personal is political the early women's movement was not suggesting a laissez-faire approach, or "do your own thing". Quite the reverse—personal struggle to alter your way of life was believed to be a product of, and carried out in relation to, a political movement of women and to be a political challenge to a society where male power and privilege were hegemonic. The kitchen and the hearth were to be turned into battle fronts, not left as isolated discourses where life might be more rationally and harmoniously ordered.'

This passage reveals the confusion about the relationship between individual development and collective struggle that paralysed the early women's movement.

'The personal is political' slogan expressed the idea that every woman could challenge her oppression by coming to grips with the experience of being a woman, through sharing experiences with other women, and through personal confrontation with fathers, lovers, husbands and employers. This approach was popular because for every woman the experience of oppression is an intensely personal experience to which a personal response seems most appropriate.

However, 'the personal is political' offered an illusory solution. Although women experience male domination in a variety of apparently isolated and random ways, often in the privatised, secretive world of the family, our individual oppression is part of a wider social reality. Women are denied equal access to work and education, forced to bear the burden of work in the home and subjected to sexual degradation and exploitation because of the special role that women and the family play in modern capitalist society.

This role cannot be changed by women raising their consciousness of oppression in small groups, by relating sympathetically to other women or by fighting on the domestic

battle front. For some women, these activities can provide some respite from the pressures and brutalities of male chauvinist society. But in general these very activities simply reinforce women's sense of isolation, atomisation and impotence. By endowing individual survival strategies with the character of a strategy for women's liberation, 'the personal is political' slogan ratified the fragmentation capitalism imposes on women. The disintegration of the women's movement, as lesbians, heterosexuals, black women, white women, Jewish women, disabled women, etc, all pursued their own sectional preoccupations, was the inevitable result of this celebration of subjectivity.

Because of the way capitalism encourages every man (and even more every woman) to fight for themselves, people are forced to try to find their own ways of getting by and having a decent life within the system. The problem is that, for workers and for women, the system puts up powerful barriers to individual fulfilment. If the only way you can make a living as a worker is through soul-destroying labour, which provides only enough money to keep you going from one week till the next, the scope for personal growth is limited. If, as a woman, you are forced to work in menial jobs for a pittance and then have to go home to look after your husband, children, and elderly parents, your prospects are even worse. Within this framework only a very restricted development of individual potential or awareness is possible.

The only way towards a fuller realisation of individuality is through challenging the system that stunts human potential—and that requires more than the efforts of isolated individuals. It requires the collective organisation of the working class, including women. It is only through acting together as a class that individuals can overcome the atomisation of social life under capitalism. By taking an active part in challenging the oppressive structures of capitalist society every individual can gain a wider awareness of their own position in the world and can achieve a real development of their individuality.

The sort of changes that can really make a difference to women's lives—better jobs, better pay, better childcare facilities, better welfare services for the sick and elderly, free access to contraception

and abortion—can only come about when these issues are taken out of the private personal realm and made a central public focus of the class struggle.

Recognising the damage done to the cause of women's liberation by the individualistic interpretation of the 'personal is political' slogan, Wilson now attempts to redefine its meaning. She asserts that it was originally understood as an adjunct to collective struggle, not as an alternative to it. This smacks of wanting to have your cake and eat it. Given the fact that neither the Communist Party nor the British women's movement engaged in any serious 'political challenge to a society where male power and privilege were hegemonic', it was inevitable that the self-indulgent interpretation of the slogan would prevail. This brings us to the second premise Wilson shares with those who have shattered the women's movement and betrayed its hopes.

The myth of autonomy

'We support the existence of an autonomous women's movement' declare Wilson and Weir in their major survey of the British women's movement. The commitment to autonomy is a central feminist principle. As Wilson rightly insists, 'the autonomous women's movement does not simply represent an organisational principle. It also represents a difference and a distance between feminism and organised political groups.'

The fetish of autonomy particularly distinguishes feminism from the Marxist approach to the struggle for women's liberation. Autonomy follows directly from the feminist theory of patriarchy. This identifies women's oppression as the result of male-dominated institutions and deeply established attitudes that are independent of capitalist society. Divorcing women's oppression from capitalist social relations, feminists argue that the struggle for women's rights is separate from the wider anti-capitalist struggle. The socialist-feminists' conviction that women should organise separately from the working class movement indicates their acceptance of the autonomy of women's oppression.

Feminist organisations put the pursuit of the individual concerns

of their members before the wider goal of social change. The autonomous organisation of women, in practice in small-scale local groups, is ideally suited to the limited objectives of sharing experiences without attempting to undertake collective action against the system. Structureless and diffuse discussions can contain diversity and help to preserve the fragile consensus of sisterhood. Hostility to leadership, expertise and an efficient division of labour is consistent with a style of organisation which seeks only to offer some solace to the victims of oppression.

A revolutionary organisation, by contrast, puts the objective of changing the world before the goal of making its members feel more comfortable in the world as it is. Its concern with giving a lead in the wider class struggle means that it is constantly striving to transcend the limitations of individual experience by urging individuals to look at the world from the standpoint of the working class as a whole. Whatever their personal experience, anybody can take part in fighting oppression and making a revolution, provided they accept the discipline necessitated by this project. Rather than indulging the sort of narrow individualism fostered by the capitalist system, a revolutionary party combats this petty outlook and seeks to replace it with a wider sense of individual development through collective anti-capitalist struggle. For women, a revolutionary party offers, not an escape from a hostile world, but a means of transforming it.

The concept of autonomous organisation thus runs against the interests of both the working class and women. In practice it acts to prevent the clarification and resolution of political differences, thus ensuring that the women's movement remains under the domination of the all-pervasive prejudices of the middle classes. Yet on this point too, Wilson wants to have her cake and eat it. She writes that she now 'questions the whole concept of patriarchy', but still sticks by her faith in autonomy. Perhaps this reflects an entirely understandable lack of confidence in the capacity of the Communist Party to play the role of a revolutionary party in relation to women.

Wilson's attempt 'to reinfuse socialist-feminism with some of the political sharpness it had in its early days' is a doomed project. Although in its early days the British women's movement had great

spirit, energy and determination, political sharpness was never its strong point. The Revolutionary Communist Party aims to revive the struggle for women's liberation in Britain by putting the fight for women's rights at the centre of the struggle for working class power. Wilson's attachment to the debilitating tenets of feminism and her allegiance to a party that, as she puts it, regards 'revolution as a long process rather than an explosive moment' means that her contribution to this process must lie as a chronicler of past failures rather than as a herald of future victories.

Kate Marshall



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