

# TRADE UNIONS

## FOREWORD

This pamphlet is directed to all workers-unionists and non-unionists alike. Membership of a trade union does not determine whether or not you are a member of the working class. Workers are an economic unit, because they work for a wage or salary. They are compelled to sell their mental and physical energies and in the process are exploited, inasmuch that they produce a greater amount of wealth than they receive. Our analysis of trade unions, and the position of the workers in the capitalist system, is based upon this theory which is dealt with in detail in Chapter Eight.

## PREFACE

Trade Unions have been operating in this country for two hundred years, at first as illegal organisations, later with the protection of the law. From one point of view their history appears to be a great success story. Membership, at one time counted in tens of thousands, has increased (at the end of 1978 to over 13,000,000) and new groups of workers continually become organised.

Employers generally now have to negotiate with the unions. Governments more and more find it necessary to consult them about wage fixing as in the so-called Social Contract negotiated in February 1979 between the Labour Government and the TUC General Council. The twenty-six largest unions, with a membership of over ten millions can, by striking, bring to a standstill factories, power and transport, nationalised industries, government departments and public services.

What is there to show for all this 'success'? Workers' living standards have indeed risen but the unions could not prevent some of this gain being lost in the depression which began in 1974; could not prevent unemployment or its rise to a peak level of 1,600,000 in 1977; could not prevent considerable numbers of workers being paid wages lower than the amounts received by the unemployed under the social security scheme.

The Socialist Party of Great Britain has a distinctive view of the problems facing the unions. It is that-necessary as they are to prevent employers depressing wages excessively-the unions are strictly limited in what they can achieve for their members within the capitalist system of society out of which unions arise and within which they operate.

Capitalist private companies and State-capitalist nationalised industries are both operated for the purpose of making a profit and they cannot long survive without it. Trade unions cannot push wages up to a level which prevents profits being made. When companies are marketing their products profitably a union can hope to win concessions by threatening to halt production and interrupt the flow of profits. But against a firm nearing bankruptcy, or during a depression when firms generally are

curtailing production, standing workers off or closing down whole factories, the strike is a blunted weapon.

Trade unions, fighting the same old battles over and over again, offer no way out of the dead-end of capitalism. There is nothing the unions can do which will substantially alter the way capitalism works.

However, there is a solution, the one for which the Socialist Party of Great Britain is organised. It is the replacement of capitalism by Socialism-which, it must be emphasised, has nothing to do with nationalisation or with having capitalism run by a Labour government.

Only Socialism will free the working class from the problems which flow from capitalism-including war, exploitation, poverty, unemployment and bad housing.

The purpose of this pamphlet is to show the limitations of trade unions and why the establishment of Socialism-an aim far beyond the horizons of the unions-calls for the understanding and support of all workers.

Executive Committee  
Socialist Party of Great Britain  
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## CHAPTER ONE

### Are the unions successful?

In The Early Days of capitalism employers, in their struggle for maximum profits, were able to act with almost complete ruthlessness in their treatment of workers. They could take advantage of every rise of unemployment or inflow of immigrant workers to reduce wages to a bare minimum, using the lock-out if necessary to starve workers into submission. They imposed excessive hours of labour and ordered temporary extensions of normal hours without giving overtime pay. They employed workers in overcrowded and unsanitary factories and workshops, and exposed them to frequent accidents from dangerous machinery. They introduced new working processes and machinery at will, often replacing men by lower-paid women and children. Factory discipline was like that of a military force, and workers who 'mutinied' could be sacked and, by arrangement with other employers, blacklisted, so that they could not get work elsewhere. Employers accepted no responsibility for payment of wages during sickness, and workers sacked or disabled had to rely on their own resources.

Trade unions were formed to resist these pressures. The basic idea was that, by combining together, workers could get better terms, protect individuals against victimisation and provide payments out of union funds during strikes or lockouts. As the immediate consequence of successful union action was to reduce the employers' profits, their reaction was predictable and they did everything they could to crush the unions. They got the government and Parliament to declare the unions illegal organisations under laws carrying savage penalties. They declared that British industry would be ruined by the unions and the workers would become unemployed. They had the backing of the church and of most economists in their anti-union campaign, yet so desperate was the condition of the workers that unions went on being formed and operating. Unable to suppress them the government finally, in 1824, made them legal. In the century and a half that followed, alongside the establishment and growing membership of unions, and in spite of

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periodical set-backs and many unsuccessful strikes, wages have risen and working conditions have been improved. The question is to what extent has this been the result of trade union action? From the outset there were politicians and economists who urged the workers not to form unions because they were unnecessary; wages, they said, would be raised anyway by the employers when they could afford it. That argument is still being put.

The editor of The Times carried the argument a stage further. In an editorial (2 September 1978) he declared that if all British unions had been dissolved in 1973, investment and production would have been higher and the purchasing power of British wages "would be about double" what it actually was in 1978.

The Times based its case on the fact that wages in Germany are higher than in Britain, quite overlooking that the German workers too are organised in unions. Also, German employers do not voluntarily put up wages, simply because their profits are greater. This was shown in the six weeks strike and lockout of the 200,000 German steel workers which was settled early in January 1979. It cost the metal workers' union £24 million in

strike pay and all it extracted from the employers, in spite of rising prices, was a four per cent pay increase and some extension of paid holidays.

Workers do not need to be taught this lesson: they know that employers will, irrespective of the size of their profits, pay their workers only what they must, and that, without trade union resistance, wages would be lower than they are.

It is nevertheless true that at any given time there are limits to what trade union action can achieve, the reasons for which will be explained later in this pamphlet.

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## CHAPTER TWO

### Trade union developments

The First Unions, or "combinations" as they were also called, were mostly local and confined to skilled workers, a fact which is well brought out in the name trade union. Many were unions of artisans or "tradesmen"; workers who, through serving a long apprenticeship, had acquired a skilled trade.

Although in 1824 they ceased to be illegal institutions, their legal status was still precarious. There was no protection for their funds, and other laws could be used against them, as in 1834 when six Dorchester farm workers-the Tolpuddle Martyrs-were sentenced to seven years' transportation to Australia for "illegal oath-taking".

Britain was at this time in the early stages of the industrial revolution which threw together thousands of workers, especially in the textile manufacturing districts of the North and Midlands, so creating for the first time an urban factory proletariat. These workers began to organise, too, but their unions tended to take a different form from those of the craft workers.

Many of the weavers who worked in the new factories had once been independent producers, working on their own in their cottages. They felt very acutely the indignity of working for an employer in his factory, and did not hesitate to denounce their new status for what it was-wage slavery. It was at this time that the slogan "abolition of the wages system" was first put forward. Unfortunately, but understandably enough in the conditions of the time, most of the opponents of the wages system looked backwards rather than forwards, favouring the establishment of cooperative communities. In time, as the number of workers who had known the comparative freedom of not being a wage-worker decreased, the slogan "abolition of the wages system" came to be replaced by the demand for "a fair day's wage for a fair day's work".

This remains to this day the typical trade union demand, and it well expresses the limitations of trade unionism. For, as we shall see, there is nothing fair about the wages system since it is

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precisely through this system that the working class is exploited by the class which owns and controls the means of wealth production and distribution. The demand for "a fair day's wage for a fair day's work" implies acceptance of the wages system as a permanent social institution. Acceptance in fact of the ownership of the means of production by a minority class.

What is a "fair wage"? Wages are the price of the commodity labour-power. This, like the prices of other commodities, tends to fluctuate around a point determined by its value. A "fair wage" can be understood as a wage equal to the value of the worker's labour-power, ie. the amount of commodities (means of subsistence) required to provide his particular energies.

This, however, is not to be understood to mean that the value of labour-power is a fixed amount and that the standards of living about which wages fluctuate today are the same as they were when trade unions were first being formed. The value of labourpower can rise as well as fall, and over the years it has been materially raised.

In the early days of capitalism when unions did not exist or were very weak, if the number of workers seeking jobs exceeded the demand the depressing effect on wages was immediate. The competition of individual workers for jobs enabled employers to take full advantage of their strengthened position. If, however, the workers unite and agree not to sell their labour-power below a certain price, the effect of individual competition for jobs can be, at least in part, overcome. Organised workers can ensure that the wage they get is the current value of their labour-power and, at times when the demand for labour-power exceeds the supply, they can temporarily push wages above the current value of labour power or even, in the longer term, raise its value. This was, and still is, the economic logic for the working class of trade union organisation.

The unions were originally formed on a local basis by groups of workers who had to fight against the hostility of the employers and the State to get them established and to keep them going. Since those days trade unions have come a long way. They have even themselves become investors in capitalist industry. Today the unions are to an extent encouraged by employers as a means of introducing some order into what is now called "industrial relations" and are well-integrated into the administration of the State. The TUC is often consulted when certain legislative changes are proposed. Trade union leaders sit on government committees and on the boards of nationalised industries. Some are knighted or retire to the House of Lords.

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Employers have come to learn that trade unions can be useful to them. Now only a few employers and eccentric capitalists are anti-union. Most employers, especially the bigger ones, including the nationalised industries and the government, accept trade unions as "social partners" whose joint task it is to see that industry runs smoothly and with a minimum of industrial trouble. Employers have had to come to terms with trade unions and strikes. In return for recognition (sole bargaining rights, compulsory union membership and sometimes the deduction of dues from wages and representation on various joint committees) trade unions are expected to keep their members in order and, if necessary, discipline them: for example, if they interrupt production by going on unofficial strike. Most unions in Britain today are prepared to accept such a deal.

The question arises to what extent can modern trade unions still be regarded as democratic organisations, in the sense of being run by and for the workers. That the unions do provide a service for their members cannot be denied. What is relevant in this context is the extent to which trade unions are run by their members. Most unions have formal democratic constitutions which provide for a wide degree of membership participation and democratic control. In practice however, these provisions are

sometimes ineffective and actual control of many unions is in the hands of a well-entrenched full-time leadership.

It is these leaders who frequently collaborate with the State and employers in the administration of capitalism; who get involved in supporting political parties and governments which act against the interest of the working class.

But it would be wrong to write off the unions as anti-working-class organisations. The union has indeed tended to become an institution apart from its members; but the policy of a union is still influenced by the views of its members. A union is only as strong as its members. For without their participation at the place of work, and without their willingness to go on strike or take some other form of industrial action, a union would be in a weakened position with regard to the employer.

Even though unions have sometimes strayed from this basic role but can be pressurised by their members into fulfilling it, they are useful to the working class. They provide a minimum of protection against the pressures on wage levels that always exist under capitalism.

During the last century and a half, more and more workers have joined trade unions. Local unions have- been largely replaced by national organisations and, by a process of amalgamation, unions

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have grown in size, with a consequent reduction in their number. In 1896 a combined membership of 1,500,000 were in 1,300 separate unions: in 1978 over 13,000,000 trade unionists were organised in more than 500 unions; but about eighty per cent of the total membership belonged to twenty-six unions each with a membership above 100,000.

More than half the wage and salary earners are now in unions.

At first it was the "manual" workers who formed trade unions. Other workers, supposing themselves to be socially above the working class, held aloof. Latterly their attitude has changed. Teachers, civil servants, local government staff, doctors, nurses, bank clerks, and technical, scientific and managerial workers have increasingly become unionised.

In 1868 the Trades Union Congress was formed as the national representative body.

While most trade unions are not affiliated to the TUC it includes all the larger ones, and all but about a million of trade union membership.

A similar growth of trade unions took place in other countries, owing much to the encouragement given by the formation in 1864 of the International Working-men's Association. Arising out of meetings between French and English workers a Committee was formed on which Karl Marx played a prominent part. The Preamble to its rules proclaimed as its aim the emancipation of the working class and attributed the failure of previous efforts aiming at that end to "the want of solidarity between the manifold divisions of labour in each country, and ... the absence of a fraternal bond of union between the working classes of different countries".

Although the First International lasted for only a few years it left behind unions in many countries which appreciated the need for international organisation, leading in 1901 to the formation of the International Federation of Trade Unions representing for each country national federations like the TUC. At the same time international organisations were formed representing unions in particular industries, such as the miners, the transport workers, engineering workers, etc.

After the Communist Party seized power in Russia in 1917, the position of the International Federation of Trade Unions and its associated "trade" internationals was challenged by the Red International of Labour Unions which was dominated by the Russian government through the Communist International.

At the end of World War II an attempt was made to combine the rival organisations in the World Federation of Trade Unions but four years later, in 1949, British and other organisations withdrew on the grounds that the Russia-dominated organisations

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were not genuine trade unions and that the WFTU was used by the Russian government to promote its political policies. The International Confederation of Free Trade Unions was then formed in rivalry to the WFTU and both organisations continue to operate in their separate group of countries.

The so-called trade unions in Russia and countries under Russian domination are little more than governmental bodies primarily concerned with giving effect to government industrial policies and increasing production. They are not under the control of the members, and cannot exercise independent influence on wage bargaining. Strikes are illegal though from time to time they do take place and are savagely repressed. In many ways the workers in those countries are in the same position as were British workers before unions were legalised in 1824.

It was during the years before 1824, when workers learned how to organise in unions despite the opposition of the employers and repression by the government, that the foundations were laid for working class organisation both industrial and political. It was the first victory of the organised workers; only a beginning but never since then has it been possible for the capitalist class wholly to put the clock back. It was an opening phase of the modern class struggle, continuing through the nineteenth century and spreading to other countries as capitalism developed. Whatever the mistaken policies adopted by the unions from time to time, working class organisation on the industrial field in the struggle against the employers was an indispensable means by which workers gradually began to learn how to deal with capitalist exploitation.

It remains the obvious line of advance for workers in Russia and other countries in which employers and governments still resort to crude methods of repression comparable with those of early British capitalism.

With the formation of the trade union internationals the established unions undertook the task of promoting trade unionism in the less developed countries, giving great financial and organisational aid. This bore fruit in the growing practice of unions giving support to strikes in other countries; but it has failed to meet the requirements of the working class because of the limited nature of the trade union concept of internationalism. While able to grasp the need for solidarity against the employers, the internationally linked unions have continued to give first place to the supposed obligation of workers to support "their" government and "their nation". The two world wars saw them lining up behind their national governments and disregarding their common interest with their fellow trade unionists in other countries.

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## CHAPTER THREE

## The limitations of trade unions

Company Shareholders (and the government in respect of nationalised industries) invest capital for the purpose of making a profit. It is not their aim to produce as much as is technically possible or to employ as many workers as possible. The amount of goods capitalists allow the workers to produce at any time is limited to the amount they expect can be sold at a profit, and their aim at all times is to employ as few workers as possible for the given output: the lower their wages the larger the profit the capitalists will gain. Not all members of the working class are employed in direct production. Goods have to be circulated and sold before profit can be realised. Therefore many workers are necessarily engaged in distribution, commerce, finance and the complex administration of capitalism. This is the situation in which trade unions operate. When and where workers are unorganised the employer can impose excessive hours and intensity of work, and drive wages down to the bare subsistence level. With trade union organisation, workers can defend themselves against unrestricted exploitation; but always subject to the over-riding condition that production remains profitable to the employers.

Karl Marx, who analysed in detail the workings of the capitalist system summarised the position:

"As to profits, there exists no law which determines their minimum. We cannot say what is the ultimate limit of their decrease ... Because, although we can fix the minimum of wages, we cannot fix their maximum. We can only say that, the limits of the working day being given, the maximum of profit corresponds to the physical minimum of wages; and that wages being given, the maximum of profit corresponds to such a prolongation of the working day as is compatible with the physical forces of the labourer.

The maximum of profit is therefore limited by the physical minimum of wages and the physical maximum of the working day.

It is evident that between the two limits of this maximum

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rate of profit an immense scale of variations is possible. The fixation of its actual degree is only settled by the continuous struggle between capital and labour, the capitalist constantly tending to reduce wages to their physical minimum, and to extend the working day to its physical maximum, while the working man constantly presses in the opposite direction.

The matter resolves' itself into a question of the respective powers of the combatants." (Value, Price and Profit, Chapter XIV.)

Trade unions seek to strengthen their position by accumulating funds to be paid out as strike pay. The employers counter this by combining to give financial aid to companies resisting strikes. In the 1971 engineering dispute, when the union called selective strikes, the employers had a fund to help the companies affected. It was reported to have amounted to £2,000,000.

At its conference in 1979 the Confederation of British Industries approved the setting up of a permanent fund of this kind. Based on experience in other countries it will be on an insurance basis. Participating companies will pay into the fund and will be able to draw on it to meet part of the loss they suffer through interruption of production during strikes.

The trade union weapon for bringing pressure to bear on the employer is the strike, by means of which production is halted. It is however effective only when market conditions are such that the employer can sell at a profit all that is produced. At such times he will either make concessions to avoid a strike or quickly settle if a strike is declared.

At a time of trade depression, either general or affecting a particular industry, the situation is reversed. Then it is the employer who, unable to sell at a profit, curtails production, goes in for short-time working or dismissal of his workers. In the recession which began in 1974 scores of factories employing hundreds of thousands of workers were closed down, temporarily or permanently, by companies and nationalised industries.

Among the companies and government-controlled industries which shut down plants were the Goodyear and Dunlop tyre companies, the Singer Sewing Machine Co, Courtaulds, Pye Engineering, British Leyland, British Shipbuilders, the British Steel Corporation and the Coal Board. In addition many organisations permanently reduced staff, including the newspapers and British Rail. A South Wales official of the National Union of Mineworkers criticised "Labour governments for closing down more pits than Tory governments" (Financial Times, 19 Jan. '79). In an interview in 1974 Mr Hugh Scanlon (now Lord Scanlon), President of the Amalgamated Union of Engineering workers,

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summed up the situation:

"The union movement is only strong as long as there is relatively full employment ... as long as there is not a crisis of capitalism. I've never fooled myself that once the economic boot goes on the other foot, those who preach about getting round the table to settle our disputes would be as ruthless once again as they were in the thirties". (Sunday Times, 12 May 1974.)

The financial framework in which trade unions operate in a depression year is shown by the official estimate of total wages, salaries and profits in 1975. Against a total of £59,000 million for wages and salaries the trading profits of companies and surpluses of nationalised industries came to a combined total of only £13,382 million, thus limiting the scope for possible wage increases by even the most militant trade union action.

The employers have another weapon at their disposal—the displacement of workers by machinery. In their competition with each other the market goes to those who produce and sell more cheaply. If a new machine (or new industrial process) enables an employer to get the same output with fewer workers, and provided that the overall costs of the new method are less than existing costs, the employer will seek to make the changeover and reduce his labour force, notwithstanding strenuous trade union opposition. Whether it is worth while making the change depends on the level of wages. If wages are low the new machines are not installed. Marx pointed out that in his day much labour-saving machinery manufactured in Britain was not used here at all because of the low level of British wages. It was produced for export to America where, with higher wage levels, it could be used profitably.

The economist Mr Roger Nightingale attributes the recent big imports of machinery into Britain to the operation of this factor of wage levels:

"The real cost of labour has risen by anything up to six per cent during the past year as wages have moved ahead much more rapidly than prices. So the pressures on a firm to

avoid taking on new labour and to expand output instead by the installation of better machinery has increased. And if the pound is strong as well, then the pressure to buy that machinery from abroad is even greater." (Evening Standard, 11 June 1979.)

It will be seen therefore that one limitation on trade union action comes from the wage increases trade unions obtain. As Marx put it: "Strikes have regularly given rise to invention and to the application of new machinery" (Poverty of Philosophy, Chapter II, Section V).

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It is, however, important to notice that while, at any given time, there is a limit to the wage increase a union can hope to get by a strike, this does not mean that wages are permanently held down to that level. As the workers' average output goes on increasing (in recent years at an estimated two per cent a year) the unions can resume their pressure at a later date under more favourable market conditions and obtain some part of the increase.

Strikes in recent years have demonstrated how workers who are not directly concerned with production, e.g. firemen, hospital workers, dustmen, teachers, social workers and postmen, find they are handicapped in their militant action by their indirect connection with the productive process. Although their strikes can cause great public inconvenience it is the effect on trade and profit that ultimately determines the length of a strike and the success of the strike weapon. The authorities—who are relieved of the need to pay wages to the strikers—will often be prepared to resist indefinitely, while they use all the propaganda channels available to stir up public hostility against the strikers. Another disadvantage for many service workers is that the nature of their job often makes it a practical possibility for the government to use troops for strike breaking.

While it is capitalism itself which limits what trade union action can achieve, some loss of effectiveness also arises from the way in which, historically, unions have come to be organised. Often the workers employed by a particular company and the workers in an industry are organised on occupational lines, in separate unions. This has the result that wage claims and strikes can fail to make maximum impact because not all the unions are involved in the action.

It also sometimes happens that different unions are competing to recruit the same workers so that some strikes are not directly against the employer but to settle demarcation disputes between unions.

Each of the more than 500 unions is organised to promote the interests of its own members only, and it is on rare occasions that union action gives regard to the common interest of the working class against the employers.

What, then, can be said about the potentialities and limitations of trade union action?

Something Marx wrote about it is as true now as it was a hundred years ago:

"The working class ought not to exaggerate to themselves the ultimate working of these everyday struggles. They ought not to forget that they are fighting with effects ... that they are applying palliatives, not curing the malady."

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## CHAPTER FOUR

### Trade unions, the Law and politics

Trade Unions are not political organisations, their main activity being in the industrial field; but because of their interest in trade union law and the laws governing employment, it was inevitable that they would seek political remedies through one or other of the political parties.

The earliest unions were illegal bodies; but as they could not be suppressed, employers had to come to terms with them and governments had to bring them under the law.

Before they were legalised in 1824 some employers "accepted and worked with them-sometimes, it has been suggested, out of fear. Others went so far as to make collective agreements with their workpeople" (Two Centuries of Trade Unionism, TUC, 1952). It was a magistrate who indicated the government's dilemma when he said: "These combinations are mischievous and dangerous but it is very difficult to know how to deal with them". Governments are still trying to solve the problem.

There emerged at that time a pattern which has continued to the present day; of unions pressing for relaxations of the law and of the Courts or the government periodically tightening the law against the unions, only to have it relaxed again by a succeeding government.

It was largely the unions' concern with the law that led in 1868 to the formation of the TUC and in 1906 of the Labour Party largely based on affiliated unions.

Some of the early unions had the declared aim of abolishing capitalism but this was short-lived, and after the middle of the nineteenth century they settled down to wage-bargaining and the provision of strike pay and unemployment and other benefits. They had accepted that it was their function to work within capitalism, not to try to overthrow it. If some unions still have "socialism" as their object, it is only nationalisation (State capitalism) that they have in mind.

Typical of the trade union issues thrown up from time to time was the decision of the magistrates in 1867 that unions were still

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illegal, and therefore a union could not bring proceedings against a branch treasurer who had withheld union money.

"Thus the officers of the great national Trade Unions found their societies deprived of the legal status which they imagined they had acquired and saw themselves once more destitute of any legal protection for their accumulated funds" (History of Trade Unionism, Sydney and Beatrice Webb, 1920 edition, p. 262).

After enquiry by a Royal Commission in 1874 the law was amended by a Tory government.

Following the decision of a court awarding damages to the Taff Vale railway company against a railwaymen's union after a strike, the law was amended again in 1906; and again in 1913 over a Court decision (the Osborne Judgement) holding that political expenditure by a trade union was illegal. On these two occasions it was a Liberal government which amended the law.

In 1927, after the general strike, a Tory government enacted the Trade Disputes and Trade Unions Act restricting union activities. This was repealed by the Labour government in 1946.

In 1971, the Tory government imposed new restrictions under the Industrial Relations Act which the Labour government repealed when it came to power in 1974.

One issue which has repeatedly occupied the Courts and Parliament is the law on picketing. A strike is effective to the extent that it brings production to a halt and from the first unions tried, by persuasion and sometimes by force, to prevent blacklegs from carrying on at work. The law eventually took the form, as in the 1974 Trade Union and Labour Relations Act, of permitting one or more persons to picket "for the purpose only of peacefully obtaining or communicating information, or peacefully persuading any person to work or abstain from working". It ruled out the use of force and picketing at a worker's home.

Unions attempted to get round this by "mass picketing" as in the Grunwick strike (1977). Here the majority of the workers under pressure from their employer refused to strike, and after many months the strike was called off. Mass picketing, if unimpeded, could have shut the works down but large numbers of police were brought in to prevent it, and on one occasion there were seventy arrests.

Another issue has been about so-called secondary picketing, that is bringing pressure on the employer involved in the dispute by picketing other employers who are supplying the employer in question.

It was on this that the Labour Prime Minister, Mr Callaghan, up

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held the legal right of a worker to cross picket lines "if he disagrees with the arguments put to him", and also admitted that instructions had been given to the police to enforce the law. He threatened that the government might be forced to introduce new legislation to shackle the trade unions (Financial Times, 24 January 1979). He hoped however to get the unions themselves to agree to a code of practice making legislation unnecessary.

At one time the Tories completely opposed the closed shop. Their Trade Disputes and Trade Unions Act 1927 prohibited closed shop agreements in the local government service; but by 1979 they had moved away from total opposition. The Secretary of State for Employment, Mr James Prior, in an interview given before the general election rejected the demand by some Tory MPs to ban the closed shop entirely.

"I am absolutely convinced that would be the wrong way to proceed. It would be flying in the face of the evidence of the past few years of how industry works. Most firms want it because they are dealing with one group representing the whole work force. We are right to say the closed shop is here to stay but we can modify it by law" (Sunday Telegraph, 18 February 1979).

The Tory government's Employment Bill, 1980\* amending Trade Union law, was in line with Mr Prior's forecast in not abolishing the closed shop. It provided, however, that if a new closed shop is not supported by a suggested 80 per cent of the workers covered by it, workers losing their jobs because of refusal to join a union will be able to claim compensation from the employer for "unfair dismissal" if refusal to join is based on grounds of conscience or deeply held personal convictions.

To encourage unions to hold secret ballots for the election of officials, alteration of rules and strike decisions the government, under the new law, will give financial assistance towards the cost.

With regard to picketing, the Tory Manifesto at the 1979 General Election had pledged the incoming government "to ensure that the protection of the law is available to those

not concerned in the dispute but who can suffer severely from secondary action (picketing, blacking and blockading)".

The amending legislation provided that picketing, in order to be lawful, must not go beyond peaceful persuasion and must be at or near the strikers' place of work; thus ruling out "secondary picketing", as, for example, of striking lorry drivers picketing at the docks.

\*At the time of printing this pamphlet the Employment Bill was still being debated in Parliament and had not reached the Statute Book.

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Trade unions and their members have long been protected by law against employers' claims for damages for losses caused by strikes. The Labour government in 1976 extended this protection against employers' claims for damages, to cover trade union action against employers not themselves involved in the dispute; and the House of Lords early in 1980 ruled that this protected the steel workers' union in dispute with the British Steel Corporation, when it extended the strike to the private steel companies with which the union was not in dispute. While not entirely depriving unions of this widened protection the amending legislation limited it to employers who are "first suppliers and first customers", doing substantial business with the company involved in the dispute. Companies which consider that they fall outside the defined area will have to take steps by applying to the Courts for an injunction to stop trade union action as it affects themselves, or making a claim through the Courts for damages.

The government announced that these amendments to trade union law were only a first step, and that a new bill would be presented in a later session of Parliament.

Voicing the TUC's total opposition to the amending legislation, Mr Len Murray, TUC General Secretary, anticipated its repeal by a future government:

"I am absolutely convinced that this legislation if it becomes law, will have to be removed by Parliament itself; and I would guess that the reasons for that will be the reaction, resentment and pressures of employers as much as unions" (The Times, 8 December 1979).

Why do different governments take differing attitudes on trade union law? When unions were first legalised it had become obvious that they could not be stamped out and another way of dealing with them had to be tried. There were even economists who advised the government that if unions were permitted workers would soon discover that they were useless to raise wages above their "natural" level and would give them up. However the workers knew better than the economists.

Sometimes divisions in the ruling class played a part. Some Tory landowners were not at all averse to embarrassing the manufacturing capitalists in the Liberal Party, as they showed by amending the law in 1876.

Later, when workers had got the vote (for which the unions had campaigned), it became a matter of calculating electoral advantage; whether to appeal to the trade union voters or "to stand up to the unions". The Tories won the 1979 election in spite of whatever support they may have lost by promising further re

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strictive legislation; but they also sought to attract trade union support by promising "free wage-bargaining".

During the nineteenth century trade union "politics" had been concerned with securing amendments of the law which would make it easier for them to function. With the formation of the Labour Party and the prospect of a Labour government the unions were persuaded they were entering into a new era. In place of Liberal and Tory governments which backed the employers they expected a Labour government would back the workers against the employers. They were encouraged in this belief by Labour Party propaganda. Clement Attlee, before he became Prime Minister in the Labour governments 1945-51, had pledged his Party to "work to reduce the purchasing power of the wealthier classes, while by wage increases ... it will extend the purchasing power of the masses". He promised the abolition of rich and poor, "an equalitarian society", and indeed the establishment of Socialism (The Will and the Way to Socialism, p. 42). Experience under successive Labour governments (the first was in 1924) dashed the hopes of the unions. Labour governments took on the administration of capitalism, and came up against the inexorable law of that system, that in the long run production continues only while it is profitable. This requires that wages shall be low enough to leave a profit margin. Faced with strikes which threatened this, Labour governments (like Liberal and Tory governments), have declared a state of emergency and used troops to break strikes. Since 1945 Labour governments, like Tory governments, have tried to limit wage increases; sometimes by persuasion and agreement with the TUC; sometimes by a "wage freeze" as in 1966; sometimes, as in the Spring of 1979, by trying to hold wage increases to 5 per cent against a rise in the cost of living of nearly double that amount.

Even in the narrower field of trade union law the Wilson Labour government 1966-70 found itself in conflict with the unions. Based on a government White Paper, In Place of Strife, an Industrial Relations Bill was proposed which met a storm of protest from the unions. (The Bill in a modified form was still before Parliament when the government went out of office in 1970.)

The lesson is plain. In the struggle of the working class against the employers, it is not in the workers' interest that their unions should affiliate to or support the Labour Party, or any other political party which is committed to administering the capitalist system. In order to be effective, trade unions have to seek to organise all workers irrespective of the fact that they are divided in their

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political views. (At the May 1979 general election more workers, and possibly more trade unionists, voted Tory and Liberal than voted Labour.) Tying the unions to one or other of the parties of capitalism promotes division not unity. Workers join trade unions in recognition of their common interest against the employers. They need to learn that no matter which political party is in power its weight will be thrown in support of the employers against them in their struggles.

In the long run trade unions must recognise that the industrial struggle is inevitable but it is only a rearguard action. They must see that it is in their class interest to abolish capitalism and establish Socialism.

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## CHAPTER FIVE

## Industrial democracy and the closed shop

Unions, employers and governments all have proposals for changing the legal status, the structure or the practice of trade unions though with very different purposes in mind. Mention has already been made of the problems created by the multiplicity of unions in this country. The idea has been put forward that all workers should become members of one comprehensive union; or that the unions should surrender wage bargaining to the TUC. Recently there has been a revival of interest in having one union for each industry. This would reduce the number to about a dozen, the basis on which the German trade union movement was reconstituted after World War II. It must, however, be remembered that the attitude of unions and their members towards capitalism is not a consequence of the structure of the unions and would not become different merely through a change of structure. One of the weaknesses of unions is their readiness to co-operate with the employers to solve marketing problems and increase profitability, instead of concentrating on working class interests, and this has affected all types of unions--craft, industrial and big general unions--and at all levels, from the individual company to the TUC. It is a weakness of the German unions just as much as of the British unions.

In Germany and other countries, as in Britain, the unions cooperate with employers and governments to promote the exports of their particular national capitalism or advocate import controls.

In most countries unions have from time to time been persuaded to support governmental "incomes policies" designed to prevent wages from rising as much as market conditions would make possible. In spite of the existence of international trade union organisations, the national sections have only partly accepted that there is one world-wide working class with common interests.

Employers for their part have always tried to weaken trade unionism by encouraging the idea that a worker's first loyalty is to his employer. One way of doing this is by introducing profit

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sharing schemes and encouraging workers to buy shares.

There are companies which operate profit-sharing schemes, a certain proportion of profit being distributed each year to the employees. The intention, and to some extent the result, has been that these workers come to believe that they have an interest in increasing "their" company's profit, and are willing to work harder and are also less inclined to strike.

Under pressure from the Liberal Party during the period of the Labour-Liberal parliamentary pact, the Labour government in the Finance Act 1978 introduced tax concessions to encourage employees to become shareholders, and this has led to an increase of the practice. Commenting on this the City Editor of the Guardian, 4 March 1979, wrote:

"Such schemes will help to bring about a closer harmony between employees and management. This will be to the whole community's advantage. In fact, even at this early stage,

companies with such schemes report a greater profit consciousness among employees".

From the employers' point of view the advantage is obvious if it increases total profit. What the workers get, at best, is a small increase in income in return for harder work, always with the possibility that what little extra they receive as dividend on shares may be offset in their wages because union pressure will be weakened.

## WORKER-DIRECTORS

It has been suggested that one reason why employers are showing greater interest in profit-sharing and worker-shareholder schemes is to head off plans for worker-directors put forward by the Labour and Liberal parties, following the report of the Committee on Industrial Democracy under the chairmanship of Lord Bullock. The Labour Party Election Manifesto (1979) promised legislation on these lines.

For many years German law has required companies to include elected worker-directors in a supervisory board, without serious objection by the employers. They did, however, strenuously oppose a new Law passed in 1976 raising the number from one third to one half, and took their case to the German Constitutional Court arguing that the law was unconstitutional, and that it would prevent the management from functioning properly. They lost their case, although the Court did rule that if the Act is found not to be applied "in a spirit of constructive co-operation" it would need to be amended.

In this country worker-directors have existed for some years in

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various industries. Those who support the idea do so on the grounds that it will increase the workers' interest in the company or nationalised Board that employes them; will make for greater efficiency, enable the unions to participate in policy-making and give them access to inside information not otherwise available. While some unions welcomed the proposal others are strongly opposed.

The danger to the unions is obvious. They are dealing with capitalist organisations constantly concerned with remaining competitive and profitable. This necessitates periodically replacing old plant with more modern plant, employing relatively fewer workers and not necessarily in the same locality (as happened with the Steel Board in 1979). In times of depression workers are stood off or made permanently redundant. When union representatives become involved in these Board decisions it creates division within the unions without achieving anything.

## THE CLOSED SHOP

Another trade union issue increasingly discussed as membership has grown is that of workers being compelled to join a union. A trade union will be more effective the more complete its membership. One hundred per cent trade union membership on a voluntary basis is the ideal situation that should always be aimed at. There are, however, other ways of arriving at this which are open to criticism.

The first is the "closed shop" in the original sense of the term, where a union has negotiated with (or imposed on) the employer that only its members are employed. The original logic of this was to ensure that only craftsmen who had been through the union-approved apprenticeship were engaged. It is a practice that can easily degenerate into a kind of job reservation for union members at the expense of other workers.

A different way of arriving at one hundred per cent membership is also popularly known as the "closed shop". It has also been called the "union shop" in order to distinguish it from the practice above described. Under this arrangement the trade union negotiates with the employer that all who work for that employer shall be compelled to become members of the union. This at least avoids the job reservation aspects of the closed shop proper since all workers, whether in the union or not, have an equal chance of being engaged by the employer; but it is still open to abuse. Once a trade union has such an agreement with an employer, a powerful weapon that can be used against workers has been put into the

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hands of the leaders: the threat of the sack. For the trade union has only to expel a recalcitrant member for the employer, under the agreement, to dismiss him. The same applies to workers who leave the union voluntarily, even if to join or try to set up another union.

Under the Tory government 1970-74, some forms of the closed shop had been made illegal. The Labour government in 1974 made them legal. The Tory government elected in May 1979 pledged to change the law again. It is however interesting to observe that many big companies found no difficulty in accommodating themselves to the closed shop and actually prefer it.

Those who may think that the closed shop is worth while should ask themselves, first, whether union effectiveness really is increased by membership obtained in this way. Workers compelled to join a trade union will not make good members and can remain anti-union even if they do have a union card. Bearing in mind that a union is only as strong as its members, such members can only weaken the union. The second point to be considered is why the employers are prepared to accept compulsory trade union membership. It is certainly not because they wish to strengthen workers' industrial organisations. It is rather that they wish to strengthen the power of the trade union leadership and thus what they describe as "union discipline".

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## CHAPTER SIX

### The conduct of strikes

In Their Use of strikes, workers need to recognise certain basic facts about capitalism: that (except on rare occasions when the government chooses to turn a blind eye) the law will be enforced against strikers; that the unions' ability to halt production is of little use during a depression when employers are themselves restricting or halting it; and that the financial resources of the employers are much greater than those of the unions. When the employers consider the issue of sufficient importance to warrant an all-out resistance, the unions cannot hope to win by an indefinite strike. This was shown in the hopeless months-long strike of the miners in 1926 and the strike of firemen (1977-8) when the Labour government used troops as strike-breakers.

Apart from the weakening of unions by long strikes which deplete their funds, there is the fact that any increase of pay that might eventually be gained has to be set against the loss of wages during the strike. This has been obscured during the years of fast

rising prices because the pay increases which seem to be large are for the most part illusory. In the Spring of 1979 a settlement at, say, 15 per cent on gross pay would (owing the the way PAYE operates) give an increase of only 12 per cent or less of take-home pay. With the cost of living rising at about 10 per cent annually, this gave a real gain in purchasing power in the region of 2 per cent.

An example showing the limitations of trade union action in adverse conditions was that of the Bakery workers' strike in November 1978 when their general secretary announced that they were prepared to stay out for three months if necessary (Daily Mail, 7 November 1978). The strike was settled in five weeks with an increase of 14 per cent, against the 11 per cent that was on offer before it began. It was overshadowed by the fact that bread sales by the three big bakery firms had been falling, and that the smallest of the three, Spillers, which had been losing money on their bakeries, decided to pull out of the bread-making side of their operations entirely. Some of their bakeries were sold to their rivals but the others were closed permanently, and many hundreds

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of bakery workers lost their jobs. Spillers were able to report later to their shareholders that by these closures they had increased their profits. A contributory factor to the limited success of the strike was that not all members of the union joined it, giving as their reason that they had not been balloted on the declaration of the strike.

Democratic practice requires that no strike should be started without a ballot and no settlement should be accepted without one. In no circumstances should union members leave the decision to leaders, but should keep it in their own hands.

In the six weeks' strike of Local Authority workers early in 1979 (in which the settlement was submitted to a ballot), trade union division came into the open. Four unions were involved: Transport and General, General and Municipal, National Union of Public Employees and the Confederation of Health Service Workers. While three unions accepted the offer and called off the strike, NUPE voted to continue alone but failed to get a better offer.

This dispute highlighted the absurdity of trade union commitment to support of the Labour Party and Labour government. Their fight was against the policy of the Labour government in trying to impose a limit on wage increases. Yet while they were spending money on strike pay to defeat the Labour government, they were continuing to pay affiliation fees to the Labour Party. When the North-west Regional Council of NUPE decided that they would only support Labour MPs in the coming general election who had actually supported NUPE's wage claim, they were fiercely attacked by a group of fifty Labour MPs (Daily Mail, 21 February 1979). There were over a hundred Labour MPs sponsored by trade unions, some of them by the unions on strike. It is absurd to go in for a long and costly strike to force a Labour government to change its policy, and at the same time to financially support trade union sponsored MPs.

One dispute of particular interest, showing the lengths to which employers will go when determined to get their way, concerned The Times newspapers. The unions had often shown their ability to interrupt production, but the employer's answer was to suspend publication of The Times, the Sunday Times, and their Supplements on 30 November 1978, having given that date as the deadline for the unions concerned to accept agreements governing the introduction of new technical processes which would reduce costs and mean a reduction of staff. Some unions accepted the new agreement and

their members continued to be paid. Fleet Street reported that the dispute cost the owners £30 million. They could

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afford this because the newspaper side of the interests of the owners, the Thomson group, had become of relatively little importance. Their profits in 1978 were £126 million (partly from North Sea oil) and they could have closed The Times newspapers permanently with almost no effect on the group finances. In 1979 they spent £300 million on acquiring control of the Hudson Bay Company.

Where civil servants and local authority workers are involved, it may seem that the question of profitability does not arise; but the events of 1979 demonstrated that the pressures are just the same in this field as with private industry. Seeking to keep pay increases to five per cent, the Labour government announced early in 1979 that, if wages in the government services were pushed up unduly, total expenditure would remain restricted so that the number of staff would be correspondingly reduced. The new Tory government continued and stepped up this policy. Where the government had a special interest (the Police and armed Forces) this was not applied.

A great wave of strikes early in 1979, which involved lorry drivers, teachers, health service and other local government workers, raised another issue as also did the earlier strike of firemen. In the nineteenth century the suffering incidental to strikes was largely confined to the strikers and their families. In our own day the hardship and disruption increasingly extends to the whole working class.

The fact that the whole working class is involved surely calls for recognition that the time is long overdue for workers to see the futility of prolonging the life of capitalism and to direct their efforts to the one worth-while object, the establishment of Socialism.

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## CHAPTER SEVEN

### Do wage increases cause inflation?

Since World War II workers and trade unions have had to face a new factor-inflation-a continuous increase in the cost of living. Small at first, it has accelerated so that during the period of the Labour Government 1974-79 the cost of living more than doubled, and the average price level in 1980 was thirteen times what it was in 1938.

Conditions were different in the century before 1914. There was then no inflation.

Although in the nineteenth century prices rose during periods of good trade and fell during periods of bad trade, the price level in 1914 was actually lower than in 1820.

There were, however, economists and employers in the nineteenth century who put forward an argument that is familiar today. It is that prices are determined by wages, so that every wage increase causes a price increase. All governments since 1945, Labour and Tory alike, have held the workers responsible for price increases, and urged them to moderate their wage claims if they want inflation to be curbed. Many trade union officials have subscribed to this view of events and added their voice to the appeals of governments. The argument that wage increases cause price increases is not new. In 1865 a workers' spokesman advanced this as a reason why the unions should not press for higher wages. His case was that the higher wages would only put up prices and

leave the workers where they were. He was answered in a lecture given by Karl Marx (published as a pamphlet, Value, Price and Profit).

Marx showed that the theory is at variance with the realities of capitalism. Prices and wages are governed by economic laws inherent in capitalism. The prices of goods are not determined at will by the manufacturer or retailer who always sell at prices determined by market conditions, "as high as the market will bear". Unless market conditions change in their favour, the manufacturers cannot raise prices further simply because they have had to pay higher wages. If employers could recoup wage increases by raising prices, there would be no point in their resisting wage claims.

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Marx went on to show that the effect of a general wage increase (or any wage increase) would be a corresponding reduction of profits. Though some prices might rise and others fall, a general wage increase would leave the average price level unchanged. In his lecture Marx was dealing with the situation as it existed in this country at that time, when there was no inflation. The case he put, however, is just as valid today, though continuous inflation has made it more obscure.

If it seems reasonable when an employer says wage increases have raised his costs, it is no less reasonable for a worker to say that he needs higher wages because prices have gone up. It was Marx who showed that wages are themselves prices, the price for which the worker sells his mental and physical energies (his labourpower); so that when prices rise generally due to inflation, wages go up just like other prices. Inflation is the result of the action of governments printing and putting into circulation a continuous stream of hundreds of millions of pound notes and notes of larger denominations, i.e. an excess issue of currency. It is this action which causes an inflationary rise of prices and it is governments, Labour and Tory, who carry sole responsibility--they and nobody else. From under £500 million in 1938, the currency in circulation in 1979 was nearly £9,000 million, and nearly £10,000 million in 1980.

Governments have pursued this policy of inflation for more than thirty years in the absurd belief that it would prevent unemployment. Faced with the consequences of their own policies they have, since 1945, repeatedly tried to moderate the effects by imposing policies of wage restraint and price controls--without any success as regards prices. In the autumn of 1978, as a further stage in this policy, the Labour government laid down 5 per cent as the governing rate of further wage increases though the cost of living was rising at nearly 10 per cent. This was too much even for the trade union leaders who had hitherto backed the policy. Both the TUC and the Labour Party, at their annual conferences, refused to accept it.

The attitude the workers should adopt is plain. Whether capitalism is operated without inflation as in the nineteenth century, or with inflation as since 1938, the interest of the working class lies in pressing all the time for wages as high as conditions permit. This is the lesson that Marx taught; not forgetting his conclusion that the only real solution is to end capitalism itself and establish Socialism.

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## CHAPTER EIGHT

### The wages system

We Live in a money economy in which we have to buy the food, clothes, and all the other things we need in order to live. For most people the main source of income to buy these things is their wage packet or salary cheque: the price they are paid for the sale of their mental and physical energies to an employer. Unlike workers who have to find an employer in order to live, the owners of the means of production and distribution live on incomes derived from their ownership of land and invested capital. Society therefore is divided into two classes: those who own and control, and the wage and salary earners who work for them.

There is a conflict of interest between these two classes: one trying to pay as little as possible for the labour-power it purchases to operate its means of production, the other trying to get as high a price as possible for the commodity it has to sell, ie. its labour-power. But the struggle between the property-owning, capitalist class and the wage-earning working class is more than a simple struggle between buyers and sellers. It is also a struggle on the part of the working class to mitigate its exploitation by the capitalist class.

Human labour-power applied to nature-given materials being the source of wealth, the wage-earning class is the wealth producing class of modern society. The wealth produced belongs not to them but to those who own and control the means of production and distribution. The source of the profits which the capitalist class receive is the unpaid labour of the working class. This is in accordance with the economic laws of the market economy: the workers, although paid more or less the value of their labour-power, are exploited through the wages system itself.

Wages are the price of labour power, determined in the same way as the price of any other commodity; and subject to supply and demand. When the demand for a commodity is greater than its supply, its price will tend to rise; when its supply is greater than the demand, its price will tend to fall. But this does not tell us what determines the price of a commodity when supply and

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demand are equal. The value of a commodity is determined by the amount of socially necessary labour required under average conditions for its production and reproduction. It is around a point regulated by value that the price of a commodity fluctuates according to market conditions. The value of the commodity labour-power is determined in the same way.

To be able to work, workers must consume a certain amount of food; must be clothed and sheltered and must have some relaxation. This will vary according to differing historical, social and geographical conditions, and according to the type of work that workers are being paid to do. Broadly speaking, the value of labour-power is equal to the value of the goods workers need to consume in order to keep themselves fit to work in the job they have been trained to do and to raise a future working class. Not all labour-power is of the same quality. Workers acquire different skills, and it takes more labour to train and maintain a skilled worker than it does an unskilled one. Inequality of wages is a feature of the wages system, a simple reflection of the economic fact that different types of labour-power require the expenditure of different amounts of labour-power to train and maintain them.

Labour-power has a peculiar character: it is the expenditure of labour-power that creates value. It is precisely because of this value-creating capacity that the capitalists buy it. The value of labour-power and the value of what it can produce are two different quantities. During a given period it can produce more than is needed to maintain the worker during the same period. Labour power produces more than its own value. After meeting all the expenses of production (on raw materials, machinery, buildings, etc. and on wages) there is a surplus from which the employer reaps the benefit.

Suppose, for example, that a worker is producing a value twice as large as the value of his labour-power. This means that in half of each hour, each day and each week the worker produces a value equal to the wage he receives for the full hour, day or week. In the other half he is producing a surplus. This surplus value is appropriated in the first instance by the employer. It constitutes his profit after he has paid interest on any borrowed money and after paying rent if the land he occupies is not owned by him.

The division of the working time gives the rate of exploitation or "rate of surplus value".

As Marx put it:

"The rate of surplus value, all other circumstances remaining the same, will depend on the proportion between that part of the working day necessary to reproduce the value of the labouring power and the surplus time or surplus labour per

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formed for the capitalist. It will, therefore, depend on the ratio in which the working day is prolonged over and above that extent, by working which the working man would only reproduce the value of his labouring power, or replace his wages" (Value, Price and Profit, Chapter VIII).

As already pointed out, the working class is exploited under capitalism through the wages system. In trying to push wages down the employers are trying to increase the exploitation of the workers. In trying to push wages up the working class is in effect trying to reduce its exploitation.

The class struggle, however, is more than a struggle about the level of exploitation. Ultimately it is a struggle over the ownership and control of the means of production and distribution. Throughout history, classes excluded from the ownership of the means of production and distribution have been driven by their economic situation to try to gain such ownership and control through gaining political power. The modern class of wage and salary earners is no exception. They, too, are forced by economic necessity to struggle against their exploitation in the first instance, but finally for the ownership of the means of production and distribution by the whole community. Until the dispossession of the capitalist class is achieved, the working class will go on disputing with the capitalists over wages and working conditions.

The modern class struggle is a product of capitalist society. It was described and analysed by Karl Marx but he did not invent it. Mrs Thatcher claimed that Harold MacMillan "had almost got rid of it. Had he won another Election it would have gone altogether" (Observer, 25 February, 1979).

In saying this she betrayed a complete failure to understand that the class struggle is an inevitable conflict of interest between the owning class and the working class. The class struggle will continue. Nothing can stop it or suppress it except the abolition of capitalism.

For the workers to win, their struggle must move beyond the defensive stage of resistance to capitalist exploitation. It must become the conscious political movement for the abolition of the wages system through the dispossession of the capitalist class and the conversion of the means of production into the common property of society. This stage has not yet been reached and the working class has for generations been bogged down in the stage of resistance to exploitation, a fact which explains the limitations of the institutions they created to wage this defensive struggle, the trade unions.

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## CHAPTER NINE

### Socialism and the abolition of the wages system

The Socialist Party of Great Britain urges workers to use their intelligence and imagination to envisage a world fundamentally different from the one in which capitalism operates and trade unions function. It must be emphasised that capitalism is a system, with its own economic laws, and this system cannot be made to run in the interest of the working class.

The only alternative to the capitalist system is Socialism, in which production will be for use, not profit; people will have free access to wealth in accordance with their self-determined needs, not in accordance with their ability to pay; members of society will administer their affairs democratically and humanely, not according to the dictates of profits and power. The Socialist Party of Great Britain stands solely for the abolition of capitalism and the establishment of Socialism, where the means of wealth production and distribution are commonly owned and democratically controlled by all the people. Unlike the industrial struggle of the unions, the task of creating Socialism is a political struggle, for it involves the conquest of political power by the working class. Socialists put great emphasis upon the fact that the new society can only be brought about by a majority of workers understanding and wanting it. It will not be brought about by the Socialist Party, by minority insurrection "on behalf of" the working class or by leaders of any sort. The achievement of revolution-which simply means the political transfer from one social system to another-must be the conscious act of the working class.

The role of The Socialist Party of Great Britain, and our Companion Parties in other countries, is to spread the idea of Socialism, to encourage our fellow workers to stop acquiescing to capitalism, and start organising for its abolition. When socialists are in a majority, the Socialist Parties will be used as the instrument for democratic change. We work toward our objective by organising propaganda to awaken the working class to the case for Socialism: we run indoor and outdoor meetings, publish the monthly

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Socialist Standard, produce pamphlets, attend marches and rallies to distribute leaflets, contest local and national elections, and generally endeavour to advance the case for Socialism wherever and whenever possible.

Joining The Socialist Party of Great Britain is subject to an individual's complete adherence to our Principles which is the most politically conscious move that a member of the working class can make. It does not preclude being an active member of a trade

union but it entails recognition of the severe limitations of the unions' defensive struggle under capitalism. There are many things socialist trade unionists can do. They can put the case outlined in this pamphlet in their branches and their conferences; propose socialist resolutions to be discussed by the members; criticise the sterile policies of the union leaders and the TUC; expose the futility of trade union support for the Labour Party; combat the whole concept of "leadership" and insist on democratic control of the union by the membership. In other words, they can help to build up support for Socialism in the unions. Socialists who are in trade unions try to convince their fellow workers that:

"Instead of the conservative motto: 'A fair day's pay for a fair day's work' they ought to inscribe on their banners the revolutionary watchwords: 'Abolition of the wages system'" (Karl Marx).

The wages system only exists as long as labour power is a commodity. When commodity production for sale with a view to profit is replaced with the production of useful goods and services for human need, prices, including wages, will no longer be necessary.

It is clear that socialist society will be totally unlike the society we live in today. By Socialism we do not mean police States (like Russia or Argentina); charity (Victorian soup kitchens or Oxfam); reformism (futile demands for "justice" under capitalism); syndicalism (sectional workers' control, such as the "mines for the miners"); National Socialism (Nazi Germany); romantic adventurism (the appeal of the barricades); Pol Pot in Cambodia; Chairman Mao in China, the Welfare State or the hypocritical administration of capitalism by Labour Parties throughout the world. All of these lead to confused minds and wasted efforts; socialists view them with contempt and hostility. Socialism will be a world-wide society in which the means of life belong to everyone, without distinction of race or sex. Production and distribution will be democratically planned, with the sole purpose of providing comfort and happiness for the inhabitants of the earth. Some of the mechanisms for world planning are already

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in existence, such as the United Nations Food and Health Organisation which compiles statistics about resources, and the various scientific research bodies which are presently aware of the solutions to many economic problems; but these cannot be implemented under capitalism. The talents and aspirations of men and women will be fully utilised in a socialist society, and much of the unpleasant or boring work will be done by machines. Socialism will combine productive efficiency with social pleasure. The relationship between work and leisure will disappear. Instead of being alienated from real power, people will have reason to cooperate harmoniously. No longer a worker relying on a wage in order to live; no longer one of those cogs in a machine, spending a lifetime in drudgery and useless toil. You, with a creative ability that is distinctive to human beings, will be in a position to use your potential and hitherto hidden and frustrated talents for your own benefit and that of the whole of humanity: no longer living in a nightmare world of inflation, unemployment, war and other problems. Instead, society's ingenuity will be harnessed for a common purpose. You will play your part; you will accept the responsibilities of working and co-operating with others to ensure a full and happy life. There will be problems to solve; but Socialism will have

harmonious foundations from which we will go forth. Let your imagination play for a moment or two on the boundless possibilities that will open up. It is neither fanciful nor idealistic to envisage a society without war, poverty, starvation, unemployment and wage labour. Only such a society can put an end to the rat-race in which the working class can never hope for security. With the strength of understanding of the world around us, the motivation of desire for a new social order, and the united efforts of millions of class-conscious men and women, there is no force which can stand in the way of the establishment of Socialism.