and encouragement for shop stewards. Faced with the wall of hostility and indifference erected by Varley and his loyal civil servants KME turned in some desperation to the National Westminster Bank for help. The bank manager was sympathetic and able to offer some overdraft facilities (rather surprisingly private banks and consultants come out of this story much better than public institutions like the civil service and the National Enterprise Board), but his help was insufficient to do more than tide the concern over for a while. With admirable persistence and political skill the convenors kept up a constant pressure on Varley's Department and did eventually manage to get an additional grant when the Government wished to be seen to be doing something about escalating unemployment on Merseyside but, as Eccles says, it was too little too late.

The two convenors, Jack Spriggs and Dick Jenkins, dominated the scene at KME through their trade union and political experience and determination. Did these skills help them in the role they were forced to play as businessmen and co-operators? Tony Eccles clearly believes them to have been at least as much a handicap as a strength. He criticises the convenors frankly for failing to share information and power; blocking the appointment of more able and experienced managers; not insisting on firmer industrial discipline and harder work and failing to close unprofitable lines like soft drinks which would have entailed the redundancy of those workers engaged on them. The way in which these comments are posed, and the fact that Eccles made them all along as a friend of the co-op, gives some weight to his complaints.

And yet Spriggs clearly felt he was in a battle, on a broader and more complex front maybe, but not essentially different from that which he had had to fight with many different antagonists on the 'management side' over the years. In these circumstances his natural instinct was to maintain unity and to attack the 'enemy' rather than his own troops, and who can say — specially in the Labour movement — he was wrong in his priorities. The remarkable thing was not that KME finally failed but that it was got off the ground at all and provided employment for five years, largely through the imaginative efforts of Jack Spriggs and the other stewards (as Tony Eccles freely acknowledges). After all, KME did inherit a huge uneconomic factory with enormous overheads, a concern that none of the several previous owners had made pay, products that were either unviable or in a highly competitive market and an economy that quickly plunged into recession.

There are certainly lessons to be learned, as well as inspiration to be gleaned, from the KME story. Tony Eccles tells us that when it was nearly all over and too late to be applied at KME, he sat down with the two convenors and devised a model for avoiding the kind of role conflicts in which the KME stewards had found themselves: it involved two separate channels for trade union representation. But, as Eccles recognises, to have the most perfect constitution is far from enough; it needs the guts of a "big-headed shop steward with his potty little factory" who was able to cause what seemed an inordinate amount of fuss at Westminster.

It was rather fitting that KME and the Labour Government should go out of business within a day of each other. This book will help to ensure that the struggle is not forgotten, but that the memory will act as a challenge to the Labour movement and the next Labour Government, as well as an indictment of the last.

Ken Fleet

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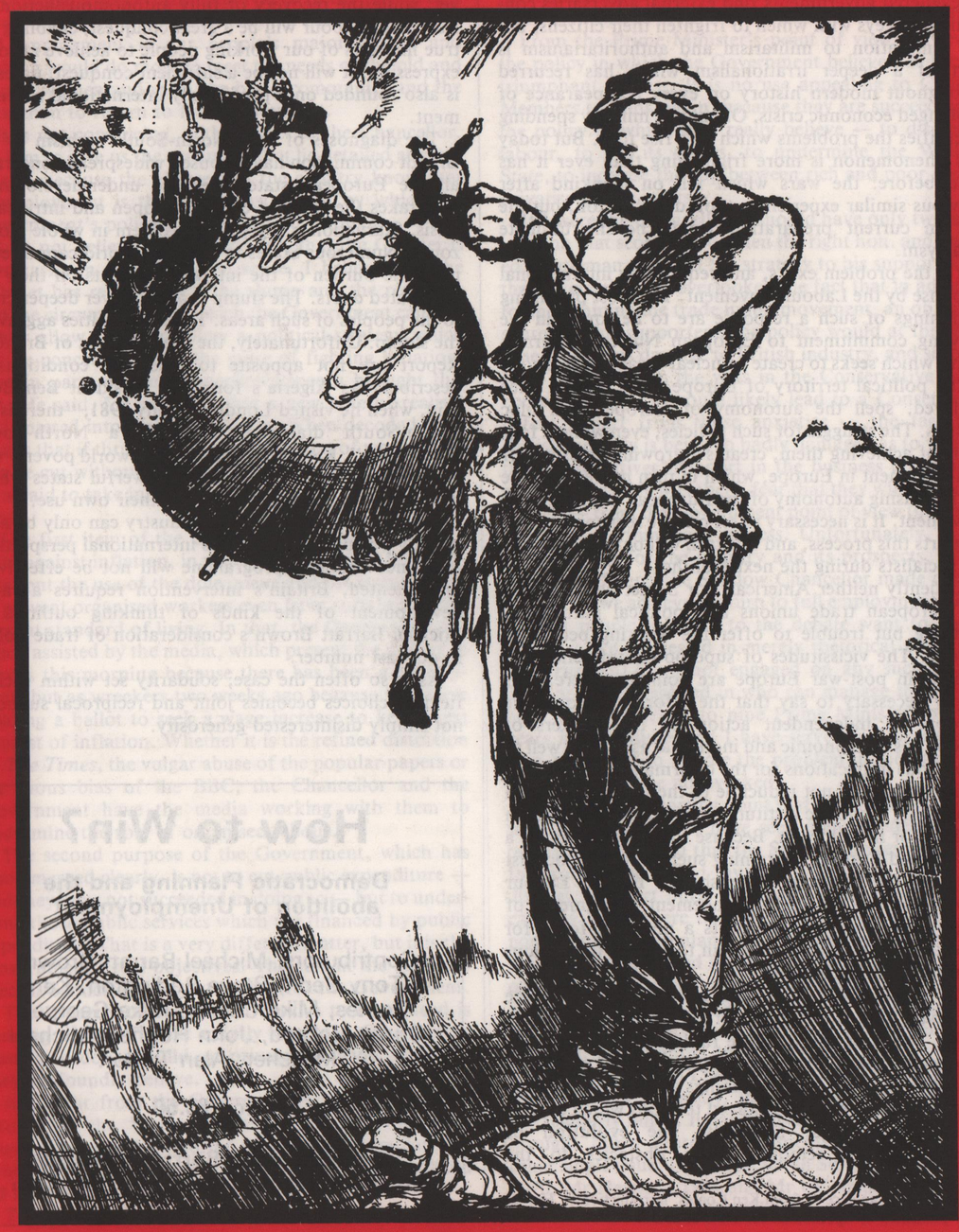
HOW TO WIN — SPECIAL IWC CONFERENCE

- **Crisis, Slump and the way out**
- **TUC and Democratic Planning**
- **New Technology and the Unions**



Two Faces of Slump*

by Ken Coates

Undoubtedly delegates to the IWC Conference on 20/21 March in Nottingham will rightly be preoccupied with the reconquest of full employment in Britain and the policy options which are necessary to protect the interests of Labour from the slump.

However, the slump hits us in more ways than one. Its effect drastically augments military threats: not only do beleaguered governments find external adversaries convenient bogeys with which to frighten their citizens, but the temptation to militarism and authoritarianism is part of a deeper irrationalism which has recurred throughout modern history on every reappearance of prolonged economic crisis. Of course, military spending intensifies the problems which give rise to it. But today this phenomenon is more frightening than ever it has been before: the wars which fell on mankind after previous similar experiences took dreadful toll, but the war in current preparation would be the ultimate cataclysm.

Yet the problem exists, and requires an international response by the Labour movement. The most promising beginnings of such a response are to be found in the growing commitment to European Nuclear Disarmament, which seeks to create a nuclear-weapons-free zone in the political territory of Europe. This would, once achieved, spell the autonomy of Europe from bloc politics. The struggle for such policies, even while it falls short of achieving them, creates a growing pressure for non-alignment in Europe, which in turn makes possible the increasing autonomy of the European working-class movement. It is necessary to set out the reasoning which supports this process, and this task will be a priority one for socialists during the next months.

Evidently neither American nor Soviet patronage of the European trade unions and political parties has anything but trouble to offer the working people of Europe. The vicissitudes of superpower influence and intrigue in post-war Europe are complex. Here, it is simply necessary to say that the effort to recover the freedom of independent action by the workers of Europe has its economic and industrial aspects as well as its obvious implications for the disarmament campaign. These aspects are not reducible to the issues at stake in the existing economic institutions of Europe, whether in the EEC or in Comecon. Because there already exists a non-aligned Europe, containing such powerful socialist forces as the Austrian, Swedish and Finnish Labour movements, and the self-management experiments of Yugoslavia, there already exists a potential focus for alternative links which will begin to change the options open to other Europeans.

The socialist and eurocommunist parties in Greece and Spain have shown considerable awareness of these issues. The adoption of more radical policies in many European socialist organisations, the victory of Mitterrand in France, offer new openings as well, even though in each case there are unresolved tensions which express serious difficulties. Similarly, the evolution of Eurocommunism removes many obstacles to the ultimate reunification of the mass European Labour movement, at the same time that it reflects some of the still unresolved problems we must all face, whether we approach them separately or together.

British socialist policy should clearly seek to develop all these affinities, as a deliberate part of an attack on the disastrous legacy of capitalism in our island. And yet, while the recovery of fully autonomous action by European Labour will be a great conquest, enabling the true interests of our working people to achieve rational expression, it will not be a sufficient conquest, unless it is also founded on a profoundly international commitment.

The diagnoses of the "North-South" schism by the Brandt commission have aroused widespread concern in all the European states, because under-development now takes the form of ever more open and intractable crisis. Starvation is a growing problem in whole global zones. Numerous States in the third world cannot even meet the burden of the interest payments on their accumulated debts. The slump threatens ever deeper crisis to the peoples of such areas. Their difficulties aggravate the slump. Unfortunately, the prescriptions of Brandt's Report are not apposite to meet the conditions it describes. As Algeria's founding President Ben Bella said, when he visited London in July 1981, "there is no North-South dialogue: there is a North-South monologue". Keynesian remedies for world poverty will never be implemented by those powerful states which have already repudiated them for their own use.

Yet the recovery of British industry can only be adequately postulated within this international perspective, and since Brandt's programme will not be effectively implemented, Britain's intervention requires a rapid development of the kinds of thinking outlined in Michael Barratt Brown's consideration of trade policy in our last number.

As is so often the case, solidarity set within such a field of choices becomes joint and reciprocal support, not simply disinterested generosity.

* This article is an excerpt from Ken Coates' introduction to *How to Win?* published by Spokesman for IWC at £3.50.

Full Employment — Not Rhetoric

Speaking in the debate in the House of Commons on 28 January 1982, Tony Benn outlined the measures necessary for restoring full employment.

Mr Tony Benn (Bristol, South-East): When the Chancellor of the Exchequer's speech is cleared of its jargon, it amounts to telling the country that the levels of unemployment that we now have will remain and will get worse and that nothing can be done to meet the major need of our people, which is to return to full employment as quickly as possible.

Although I place little importance in the public opinion polls, there is no doubt that the desire to return to full employment is our people's major desire, and nothing would do more to meet the needs of the old and young, women and men, the black community and the poor than to return to full employment.

It is not convincing, with respect to the Chancellor, for him to give us the argument that he detailed at great length, because the House and the country know that unemployment is the major instrument by which the Government's policy is being carried through.

I do not believe, and never have, that the Cabinet is monetarist in an ideological sense. I believe that the Cabinet has resolved that the slump and the recession and the circumstances in which the Government came to power allow them to follow a political strategy which can be concealed under the guise of fighting inflation. Certain parts of the Chancellor's speech brought this out. He said, for example, that a new note of realism had entered into wage bargaining. When decoded, that means that if three million people are out of work wages can be cut without causing strikes because workers will be afraid to take industrial action in case they lose their jobs.

The first item of the Government's strategy is not a fight against inflation, in which they have had little success, but the use of the dole queue and the statute book to prevent organised workers even from sustaining their present standard of living. In that, the Government are much assisted by the media, which present the miners as heroes this morning because there has been a pit accident, but as wreckers two weeks ago because they were holding a ballot to seek a wage increase to keep them abreast of inflation. Whether it is the refined distortion of *The Times*, the vulgar abuse of the popular papers or the pious bias of the BBC, the Chancellor and the Government have the media working with them to undermine the role of organised labour.

The second purpose of the Government, which has also emerged clearly, is not to cut public expenditure — and they have not succeeded in doing so — but to undermine those public services which are financed by public expenditure. That is a very different matter, but it is the Government's real objectives. The cuts in the National Health Service are very attractive for the Government.

The capacity of the Health Service to meet need is running down. That is exactly what the Government want in order to build up private medicine, in which they profoundly believe.

It is clear from the Government's speeches and actions that the Welfare State built up by previous Governments and supported by Harold Macmillan and others is being deliberately undermined in order to build up a private health service in Britain.

The Government's third objective — and this is entrenched in their legislation — is to undermine the public sector by the sale of assets built up by those who work in that sector and by public money.

The fourth objective of Government policy is to widen the gap between rich and poor. That has been achieved by the wage cuts to which I have referred, the benefit cuts announced in Government statements, the tax handouts and the savage increases imposed on council house tenants, which are all part of the same policy.

From the Prime Minister's point of view, however, the policy in which the Government believe has been a triumphant success. It is no use appealing to Cabinet Members to think again, because they are succeeding in the policy in which they really believe — to discipline labour, to cut its wages, to undermine the Welfare State, to increase the gap between rich and poor and to privatise public assets.

If I were the Chancellor, I should have only two anxieties on that score. First, when the right hon. and learned Gentleman unveiled the strategy to his supporters in the last election, he overlooked the fact that in addition to undermining the trade union movement, an objective shared by his supporters, the policy would at the same time do serious damage to British industry, and secondly — this is where the wets in the Conservative Party come in — that it would likely lead to a Conservative defeat. Apart from those anxieties — the fact that British industry is being so badly damaged as to weaken the Conservatives' support in the business community and Conservative Members' fear that they will not be re-elected — from the Government point of view the policy has been a triumphant success. Unfortunately, it has been ruinous for the country and its prospects, as my right hon. Friend the Shadow Chancellor made clear.

How do we achieve a return to full employment? That is what people listening to the debate want to know. They are not interested in merely rhetorical attacks — *(Interruption)* I am not engaged on any such attack. They are not interested in who can manage this system best. I have listened to nine Prime Ministers over 32 years in the House and I have served in Governments who have tried to handle the problem in the past. The old remedies have not worked.

It is from that starting point that the House must consider what to do. We have seen many modest acts of reflation of the kind that the SDP advocates. The dash for growth instituted by Mr Maudling resulted in disaster. A short burst of growth is achieved, but the capacity is not there to meet it, bottlenecks occur, imports pour in, the balance of payments goes wrong and the IMF comes in and stops it if it goes too far. That is one attempt which has been made. Various methods of import restraint have been tried, with import deposits and various other schemes, none of which has solved the problem. Devaluation, too, was no solution.

Pay policy, which I believe was strongly advocated by Mrs Williams yesterday, has been regularly tried and has regularly failed. It has been rigid and unfair and has brought down more Governments than almost any other single issue. It brought down Sir Harold Wilson in 1970, Mr Heath in 1974 and Mr Callaghan in 1979. To believe that a pay policy will save the economy and in-

dustry now is absolutely to misread the history of the past 30 years.

If we had a proper pay policy, extending from the Prince of Wales to the pensioners, we would be a salaried nation in which everyone was entirely regulated by legislation. But no one who knows anything about the industrial process believes that one can abstract the business of wage negotiation from the business of production. That is why the Chancellor's statement about ASLEF was so singularly stupid. ASLEF represents highly skilled drivers. *(Interruption.)* Hon. Members laugh, but every inter-city train is worth £500,000. The safety of millions of people depends upon those drivers and it reflects no good upon a Cabinet Minister to speak of them as though they were wreckers of the economy. That is no basis on which to solve the problem.

Nor has anybody recently had the courage to say that the Common Market will solve the problem. I sat through all the debates when we discussed Common Market membership, which was supposed to solve our problems by the international free movement of goods and capital. We were going to find investment in the British economy. There was supposed to be a surge of such investment. What has happened is that we have paid more for our food. We are pounded by imports from our strongest competitors. We are taxed from Brussels and we have lost control of our own affairs.

The TUC and Labour Party conferences last year clearly rejected the policies that have failed, which are normally described as a pay policy. I believe that it was advocated yesterday that we should have a statutory pay policy. I have sat in so many Cabinets elected against pay policies, which have introduced them and been broken by them, that I advise my hon. Friend not to ask us to follow that course again.

All these policies, which have been tried by people of good will — I am not doubting anyone's integrity — in the many Governments since 1951, when Labour was defeated, have failed to deal with the fundamental problems of British industry and of the creation of wealth in our society. We are entitled to discuss on the Floor of the House — and the country expects us to discuss — how to find four million jobs in Britain. That is the true requirement. We have three million unemployed, a lot of concealed unemployment and more people are coming on to the labour market. Therefore, four million jobs are needed if this country is to create wealth and then distribute it fairly. That is the enormous problem that is not dealt with in normal party arguments.

At the end of the war we brought people back — I agree with Mr Skinner who compared the Government with the German high command — in great numbers from the Services and put them into industry without the terrible unemployment that followed the 1918 armistice. Any hon. Member who thinks that we can create four million jobs within the lifetime of another Parliament without looking fundamentally at what would need to be done to achieve that is misleading his electorate.

I believe that the first requirement is to accept, as the central objective of Government policy, the restoration of full employment, combined with the will to achieve it. I must stress a point that has been touched on by the Front Bench. Such a step cannot be achieved without the conscious planning of our own resources to meet our needs. The restoration of a serious planning role in the return to full employment alone makes that objective credible. I do not mean by that only national planning or "Whitehall knows best". I am talking about a completely different concept.

From the municipalities such as London, Sheffield and Leeds, which are now beginning it, to the place of work, up through the regions of England, to Scotland and Wales to the national level, there must be massive investment in industry and in services that are now desperately undermanned. What is wrong with the National Health Service is that it is undermanned. The educational service is undermanned.

We require public initiatives. Whether they be in the form of municipal enterprise, co-operatives or a discussion about the way in which the public sector can create jobs and meet needs, that is the only way that we can hope to return to the desired employment figures. Of course, that will mean more training, earlier retirement and a shorter working week. Above all, it means that the Government will have to use oil revenues, to control the use of credit, to channel savings, to cut defence, to reimpose exchange controls, to plan our trade and to extend common ownership. The operation is one of such magnitude that bribing and bullying business men, which has been the stock in trade of interventionist Ministers — I have been one for longer than anyone else — will not be an adequate response to the size of the task facing us.

We must realise our people's talents by restoring to trade unions the full and proper rights that they need to perform their tasks. In addition, we must repeal the new and forthcoming anti-union legislation. We must develop strong trade unions that have an active role in job creation, because the expansion of industry and the services is an integral part of the return to full employment.

We must open up the workings of the Government because one body has been in power throughout our years of failure. I refer to the Treasury and to Whitehall. I do not say that their advice is always more acceptable to Ministers now than it was to me, but the steady flow of Whitehall advice on how to run the economy has been shielded from the public view by the Official Secrets Act, so that we are denied knowledge of how that system of advice works. Leaks are supposed to be a substitute for it. A Minister makes a speech that is unintelligible to the ordinary listener, who then reads that the Minister is really warning the Chancellor of the Exchequer that the Budget will have to be better than might be expected.

Everything is done by means of leaks and briefings. We do not know the nature of the advice that plays such a major part in the shaping of successive Government policies. I refer not only to the Treasury and Whitehall, but to the Bank of England, which, although publicly owned, is no more accountable to us than an offshore island moored in the Thames with extra-territorial rights.

We must recognise that if we are to ask people to accept the difficult things that must be asked if the policy is to succeed, we must accompany that request with a lifting of the stranglehold of privilege from much of our society. The other place regularly discusses overmanning, without realising what a comic idea that is in that Chamber. Sir Michael Edwardes would close it in 24 hours if he were responsible for its operation.

In education, health and the distribution of wealth we run an unequal society. That inequality is unjust. Those who have the power that goes with inequality also have the power to stultify investment and development. Anyone who does not believe that should ask those who live in the parts of Scotland where landowners have held back development, because they own the land and can do so. The same is true of the General Electric Company and other big companies.

We must break free from the Treaty of Rome, because none of these things can be attempted while we are controlled by Brussels. We must try to re-inject some decent values into our society and allow them to be publicly discussed, together with the alternatives that I have mentioned. It is no good talking about full employment or having endless debates about unemployment unless we can convey to the British people that there are those in the House, on our side, who believe it to be a major and central task. We must set objectives that can be realised only by a democratic challenge and an unashamedly Socialist programme. I believe that the alternatives — the monetarism of the Government or the shabby, secretive, centralised corporatism of the SDP — are no way forward.

There is no longer any point in arguing about who can manage welfare capitalism best, because we have all tried and success has slipped through our fingers. The British people want a new deal that is democratic, fair and just. They want full employment, and neither this Government nor any bunch of wets can offer it to them. I believe that our best hope lies in the people whom we seek to represent in this House of Commons.

A Bill for Amnesty

by Tony Benn

This Bill has been drafted by Tony Benn. If it were passed it would enable local councillors and trade unionists to go about their normal business without fear of penalty or discrimination.

Introduce an amnesty for those who in the discharge of their democratic responsibilities as citizens have suffered punishment in the Courts and the imposition of fines under legislation introduced since May 1979 for offences in connection with the work of elected councillors, Trade Unions and members of Trade Unions and for the repayment of moneys paid in such fines where the offence committed was not an offence prior to that date.

Whereas the democratic rights of the people of the United Kingdom have historically been vested in Local Authorities elected for the purpose of serving the citizens in their localities; and whereas the Trade Unions and their members have enjoyed historic rights to exercise their responsibilities in the interests of their members; and whereas these rights have been unfairly restricted and limited by the Government, Parliament and the Courts in legislation passed and judgements given since May 1979 for offences which were not offences before that date; and whereas it is in the public interest that an amnesty should be granted for those who suffered under this legislation or who were penalised by the Courts and for the moneys forfeited to be repaid in full now therefore:

Be it enacted by the Queen's most Excellent Majesty, by and with the advice and consent of the Lords Spiritual and Temporal, and Commons, in this present Parliament assembled, and by the authority of the same, as follows:

1. (1) This Act applies to any Act passed and every Order or Regulation made on or after (31) May 1979 (in this Act referred to as "the unjust legislation").
   (2) This Act applies to any act done or or after (31) May 1979, by
   a. members of local authorities;
   b. officials acting under the instructions of such members;
   c. independent trade unions; and
   d. officials and members of such trade unions

   in this Act referred to respectively as "the penalised act" and "the oppressed persons".
2. (1) Where any penalised act has given rise to
   a. any liability for a criminal offence by an oppressed person; or
   b. any civil liability on the part of such person, directly or indirectly by reason of the repeal or amendment by the unjust legislation of some other enactment or rule of law which would have afforded that person a defence, or otherwise arising out of the legislation, the Secretary of State shall take the steps provided for in this Act.
   (2) Whether or not the Secretary of State takes any other action under this Act he shall on the application by an oppressed person to him under section 4 of this Act cause an amnesty or other discharge of liability to be granted to the applicant in respect of any offence or liability referred to in subsection (1) above.
   (3) The Secretary of State shall, on the application of an oppressed person, make a payment in respect of any liability falling within subsection (1) above to that person or, to their next of kin as the case may be, under sections 3 and 4 below.
3. (1) Such payments shall subject to subsection (2) be calculated on the basis of the amount of the fines or damages paid so as to be an indemnity paid by the oppressed person, indexed to cover subsequent inflation and supplemented by an additional sum to cover the interest that would have accrued over the whole period had the money been invested in Government Securities from the date of the payment of the fine to the date under which it is repaid under the provision of this Act.
   (2) The Secretary of State shall have power to award a compensatory sum in respect of any period of imprisonment undergone by an oppressed person by reason of any liability within section 2(1) above.
4. (1) Applications for any payment under this Act shall be made in writing to the Secretary of State in accordance with regulations made by the Secretary of State who shall defray the costs out of moneys provided by Parliament and shall simultaneously delete the record of the conviction from the record of the Court.
   (2) An Order under this section may contain such transitional and supplemented provisions as appear to the Secretary of State to be necessary or expedient.
5. This Act shall come into force at once and may be cited as the Democratic Amnesty and Unfair Penalties (Repayment) Act 1982.

The TUC and Democratic Planning

Tony Topham

The TUC has, in recent years, produced a valuable series of very polished publications on economic policy, dealing with the unemployment crisis, the problems of the Inner City, the Reconstruction of Britain, and of course, its annual Economic Review. This year, the Review, entitled *Programme for Recovery*, has been timed as usual, as a pre-budget declaration of TUC policy. As such, it has predictably been dismissed by the commercial press as the TUC's annual ritual call for reflation. In fact, the Review constitutes one of the most effective and rational critiques of Tory, monetary economics which has yet appeared anywhere, embodied in assimilable form, elegantly and persuasively presented. It uses the Treasury's own forecasting model on which to test the effects of its proposal for an £8.3 billion reflation programme for the immediate future, and demonstrates that this would generate a higher growth rate, 677,000 jobs, and an accompanying rise in inflation of only 1.1 per cent.

The Review is however, much more than an immediate prescription for short-term budgetary strategy. It develops the proposals, first published in its *Reconstruction of Britain,* for a five-year investment programme, it advances proposals for planning, the future role of the public sector and nationalised industries, it argues for very substantial new manpower and educational programmes, it examines the case for "managed trade" and documents the evidence of growing inequality in British society. Finally, it deals with the important question of the trade union role in the planning process. On the way, the volume contains much ammunition about the real nature of Britain's current economic crisis, and many signs that the TUC's thinking has broadened and deepened, under the impact of that crisis. (It is very good, for example, to see reflected here the thinking within the labour movement about the economics of the arms industry, and the need for arms conversion programmes.)

Planning 'from bottom up' needed

During the years of Thatcherism however, and reaching back into the 'seventies, other diverse and creative elements in the labour movement have also been pursuing their own researches and re-appraisals of the planning process. The most significant contributions to this re-thinking have come from Combine Shop Stewards' Committees, Trades Councils, radical Labour local authorities, the women's movement, and the locally-based Trade Union and Community Resource Centres. The IWC has in turn given platform and publication space to all these movements. Through the work of the Community Development Projects, the Workers' Plans of the Combines, the ideas of Michael Ward and many others on Local Authority job creation, and the Trades Councils' publication *State Intervention in Industry*, there runs a common theme: that we must seriously analyse and *learn* from the disastrous and mis-conceived distortions of Labour's industrial strategy in the 1975-9 period. The key lessons concerns the top-heavy, Whitehall-directed control exercised over the strategy, which failed entirely to involve shop stewards and communities in the decisions which directly affected them, and the consequently orthodox, merchant-banker, rationalising, community and job-destroying role played by such institutions as the National Enterprise Board.

From those lessons is largely derived the framing of an alternative view of planning, "from the bottom up", based on workers' plans, criteria of social usefulness and the identification of social need, local authority job creation based on industrial democracy and localised Enterprise Boards, and non-hierarchical forms of community and trade union organisation. These concepts have been embodied in *A Declaration: Popular Planning for Social Need*, published last year, and sponsored by a group of Trades Councils and Combine Committees. (Obtainable, price 20p, from Colin Lindsay, 31 Stepney Road, Coventry, Warwicks.) The Declaration is intended "as a serious contribution to the development of Alternative Economic Strategy proposals, and we trust therefore (say the authors) that the labour movement's leaders will see in it opportunities, rather than threats . . ." The purpose of what follows is to ask how far the TUC *Programme for Recovery* reveals signs that the TUC has also learned the lessons of the seventies, what response it shows to the *Declaration's* call for democratic planning.

The *Declaration* affirms, in a key passage that:

> "We believe that an effective alternative strategy from a trade union point of view has to reject competitive success as the *objective* of industrial reconstruction. Instead, our proposals must start by linking the social needs still unmet as a result of the rundown of public services, with the resources (particularly human resources) of the manufacturing, energy and construction industries."

And later:

> "What's normally meant by competitive success anyway? We can no longer talk sensibly about 'British industry' in an economy which is dominated by companies whose interests are truly international . . .
>
> The process of matching need with resources will have to be done 'from below' through workers' and community based organisations drawing up their own plans, meeting their needs both as consumers and producers. Many of us making this Declaration have already begun to do this . . ."

The Declaration's invitation to a debate should receive an early response, at all levels of labour, because (a) the TUC-Labour Party Liaison Committee system is already at work on a whole series of deliberations on different aspects of policy, including crucially the question of planning and industrial democracy; (b) a general election looms ever closer, and the drafting of the election Manifesto even more so; it will effectively be determined by proceedings at this year's union, TUC and Labour Party conferences; (c) unless there is a positive response from the leadership to the debate about the democratisation of planning, many good people in those locally based agencies — already more than half inclined to discount electoral politics — will withdraw from involvement in the decision-making process in Labour institutions, in order the better to sustain autonomous and lateral socio-political organisation and activity, based on their own, self-determined, plans. (I believe that they can *combine* participation in national policy-making, whilst still continuing that process; the point is that many of them don't — and their commitment to community politics will prevail if they are disappointed.)

How and why the Trade Unions must be involved

How then, does the TUC *Programme* emerge from an examination in the light of the *Declaration's* concerns? There is no doubt that the TUC has made considerable acknowledgement of the force of the arguments in *State Intervention in Industry*. There are numerous references to the need for "trade union involvement" in the planning process, and an explicit reference to the fact that "previous attempts at planning in the UK have been unsuccessful because they were unco-ordinated and did not decisively influence decision-making in industry and the government sector". And further: "Over-centralised and bureaucratic forms of planning will not enable this goal (the alternative strategy) to be achieved". The TUC wishes to ensure that "planning is built upon and firmly meshed in with advances in industrial democracy".

All this is good to read. But the *Declaration's* fear, based on earlier versions of the TUC's account of the alternative economic strategy, that it placed its emphasis on the achievement of "competitive success", is also borne out in page after page of the *Programme*. The "success" of other advanced capitalist economies is constantly held up as a guide, with such a heavy debt to the Japanese example particularly, that one is led to fear the presence of a "Japan syndrome" in the TUC Economics department. Consider the following: "Next, an aggressive selling strategy is needed, which may require active government involvement through public purchasing and through the protection of home markets: the typical marketing strategy of successful Japanese companies is based on saturation of the large Japanese domestic market, low price aggressive entry into foreign markets (often to start with at the low end of the market) and then domination of those markets through low cost, high quality, large volume production". Is this frenetic model really the one which the British labour movement should be adopting? Mike Cooley has pointed out that British workers have been offered coercive comparisons of this kind since the 'fifties. Then, it was Sweden; in the 'sixties it was Germany. Now it is Japan. What next? Korea, Hong Kong . . .? At the very least, the TUC should consider the *possibility* that labour planning, particularly decentralised and de-bureaucratised planning, may well produce decisions incompatible with "competitive success" defined in these terms.

Further to this, in its chapter on International Trade, the TUC document concentrates almost exclusively on relations with developed countries. In the light of the *Declaration's* view that we must "identify the international economies with which we can build trading relations — based again on matching mutual needs and resources", an important place in the strategy should be found for the development of trading relations between workers' plans and local authority Job Creation initiatives, and the third world countries.

The signatories of *The Declaration* have called boldly for the erection of new and radical criteria for "success", based on tests of social usefulness, the preservation of human skills in the face of new technology, and the enhancement of the quality of work.

The TUC's *Programme* envisages planning institutions at several levels, national, regional and local. On local initiative the TUC says: ". . . local authorities at the county level will be encouraged to play a key role, both through local economic planning and through the development of new local agencies such as the Greater London and West Midlands Enterprise Boards. These local agencies will use pension fund and other institutional money to invest in local firms in order to preserve and create new jobs. Planning agreements at the local and national levels will play an important role . . . Trade unionists will also have an important task . . . through monitoring at plant and company level how regional assistance is used". This is a welcome acknowledgement of some key elements in the *Declaration* strategy. But at present the TUC vision of such developments is limited in several ways.

It still appears to view the local level planners as secondary to, and dependent on, the national plan; there is no concept present of any *reciprocal* relationships. It makes no reference to what may be called "lateral planning" under which local authorities, combine committees and other community agencies could work together for mutual trading, product and services development, and job creation. It speaks of re-charging the *existing* Sector Working Parties and little Neddies with important tasks, including the overseeing of trade management. The *Declaration* wants to see the whole planning apparatus, from the NEDC to SWPs re-constituted, with lay trade union representation taking over the union seats, governed by appropriate rules of accountability, and applying the criterion of social use and the satisfaction of unmet social need. (Of course, to expect an over-night conversion of the economy from an exchange- to a use-value basis would be utopian: Steve Bodington has pointed out that "people-controlled" systems will have to co-exist with market and money-controlled systems, in a transitionary phase. The TUC formula shows no awareness of this kind of transitionary strategy — it remains concerned to make the old system work better.)

The TUC places new emphasis on *regional* level substructures of the National Enterprise and National Investment Boards. This may be interpreted as a step in the direction of de-centralisation; the problem is that in England there is no regional democratic machinery, whilst in Scotland, Wales and Northern Ireland, devolution to elected assemblies lies in cold storage. The TUC itself *has* a very thinly staffed regional structure, which it is trying to equip with research facilities, but this is no substitute for a fully-fledged regional government with Labour Party and trade union involvement. There are no signs of any political will to create such a structure. In which case, the use of the present purely administrative regional divisions could result in enhanced power for regional civil servants and other bureaucrats. A better solution would be to decant substantial moneys and power to local authorities, with provision for trade union and community co-determination of their uses, and with scope for lateral planning between adjacent local authorities in whatever regional arrangements they may want to make.

The TUC document refers frequently to "*trade union* involvement". Apart from the failure to clarify whether this means lay or officer representation, there is an absence of any reference to other local agencies. The women's movement, community organisations of tenants and residents, special interest groups and care organisations, appear to have no place. This is to perpetuate the fragmentation of much invaluable knowledge and activity, and to fail to call on the many people in our society who, from direct experience as well as research, can *identify* social needs and make concrete demands for the employment of unused human resources.

Undoubtedly too, the fulfilment of the needs expressed by these arguments will constitute a demand on *public* services. The TUC stresses the enormous influence of public sector activity in the economy, but

tends to see it as a stimulant to private sector expansion only. Thus, it points out that "one-sixth of total manufacturing output is purchased by the public sector: four-fifths of all goods bought by government are produced in the private sector; one-third of *all* final transactions in the UK economy involve the public sector as purchaser or supplier". What is needed here, and missing, is the vital distinction between the public sector as supplier and purchaser to and from the private sector and trade within its own parameters. The TUC seems to place its emphasis on the public sector as purchaser *from the private sector*; in the new movement based around radical local authorities, there is much thought being given to the *expansion* of the public sector into the business of meeting its own needs by mutual supply and purchase within and between public agencies. Here enters the whole field of a revived local or municipal socialism, including extended and democratised direct labour departments, and the establishment of co-operatives to supply and service community needs. Let the public sector stimulate the *public* sector! But this notion again, can only arise if the policy-shapers are thinking consciously of a transition to a socialist society.

There are two further doubts to express, about the conversion of the TUC to democratic planning. The *Programme's* language, in defining the nature of trade union involvement, is evasive. It speaks of "consultation", "participation", and — the strongest — "influence". It does not use the language of joint determination, or of control.

Role of local Trade Union Resource Centres

Finally, those genuine and new notes about decentralised and non-bureaucratic methods sit very oddly alongside the recently reported ban placed by the TUC on the establishment of new local trade union resource centres in the wake of decisions by the Labour-controlled Greater London and West Midlands Councils to provide public funds for launching such centres in their areas. It is clear to all who have studied the literature, that a great deal of the research and insight into the past errors of centralised planning, — errors now acknowledged by the TUC — emanate from independent, locally-accountable resource centres of this type. A TUC circular to TUC Regional Committees and Trades Councils says that the General Council fears that "alternative trade union structures" might emerge from such centres, driving a wedge between unions and their members, unless local resource centres are made fully accountable to affiliated unions and to the TUC. Birmingham Trades Council has been told by the TUC that the functions proposed for its resources centre go "well beyond" what a trades council should be doing and are unacceptable.

This, regrettably, sounds like the distant echo of a byegone, Deakinite age, when any sign of independent thought on the part of rank and file trade union members was frowned upon and if possible suppressed. The TUC itself has sponsored and organised a substantial expansion of trade union education in recent years, partially financed by public money. An educated membership will, inevitably, develop its own initiatives; this is surely a very healthy sign of a more mature trade union democracy. It is widely acknowledged that research facilities in the national trade unions and the TUC are inadequate for the burgeoning creativeness of local initiatives and shop steward corporate plan-type activity. The TUC's own regional facilities, although developing, are likewise incapable of servicing the existing level of demand for research, leave alone the output which would be required if de-centralised, non-bureaucratic planning developed as the TUC envisages. It used to be feared by the Deakinites that joint shop steward committees and combine committees would themselves develop an "unacceptable" alternative trade union structure. These fears have proved groundless; indeed the TUC in its educational material now advocates the further evolution of such committees. Resource Centres do, in fact, recognise and operate under conditions of accountability to the local trade union branches and Trades Councils which sponsor them and which supply funds. Surely the TUC, whose Economic department is capable of producing the kind of high-quality analysis contained in *Programme for Recovery*, must have self-confidence to engage in the exchange of ideas with other contributors to the debate on labour movement strategy from within its ranks.

The ban is a great mistake, which is being widely interpreted as an attempt by the TUC to control and confine this debate. It is contrary to the spirit of anti-centralisation which the TUC has expressed in the volume under review, and it ought to be lifted forthwith.

Meanwhile, we can look forward to a flourishing and uninhibited debate at the IWC conference in March.

The Newcastle Charter

from Terry Rodgers

At the back end of the last war Churchill's government issued a White Paper on employment policy. It promised post-war administrations which would "accept as one of their prime aims and responsibilities the maintenance of a high and stable level of employment after the war". The right to a job was accepted as a fundamental human right, the absence of which threatened all other rights.

"The Charter for the Unemployed" fully supports this basic right and the Campaign for the Charter in no way must be seen as an alternative to the struggle for the right to work. We do recognise, however, that there are three million registered unemployed, and the TUC estimate that there are another one million unregistered unemployed. These four million people, and their families, are suffering not only from the indignity of being without work, but also from the deprivation and suffering that comes from trying to exist on a totally inadequate income.

Furthermore, we are concerned with the repeated ideological attacks on the unemployed, followed by legislation which further erodes the existing meagre financial state benefits. The elimination of earnings related benefit, the decision not to increase benefits in line with the increased cost of living, and actively to cut unemployment benefits are just a few examples of this trend.

The Charter declares that individuals who are made redundant and are denied a job suffer rejection, humiliation, loss of dignity and poverty. These citizens are not criminals and are *not* responsible for the unhappy situation in which they find themselves. It is intolerable that, as well as the psychological trauma experienced with being thrown on the dole, the unemployed should also have to suffer social and political classification as malingerers, or social inadequates confined to a scale of benefits which guarantees hardship and struggle for themselves and their families.

Norman Tebbit, the Secretary of State for Employment, stated in a Party Political Broadcast, that Britain today, unlike during the 1930s, is a rich country and consequently we could afford a level of benefits which means that the unemployed should have no difficulty in paying their bills. The first part of this statement is correct — relative to the thirties, Britain is today a rich country. But the second part is completely untrue. Four million unemployed people and their families can testify to this. So can millions more of the wageless — pensioners, the chronically sick and the disabled.

For example:

— Single parent with two small children trying to exist on £45.00 per week cannot live adequately.

— Families with three children have only £54.20 per week to live on.

— A 50 year old single person made redundant with the possibility of never finding work again has £22.50 a week to live on now that the earnings related supplement has been abolished.

All of these figures are for the basic benefit without additions for rent/rates — but do include Child Benefit.

We therefore demand . . .

- An increase in the real value of Unemployment Benefit.
- No direct taxation of benefits.
- Money already saved by cutting benefits and doing away with earnings related supplement, be returned to the unemployed.
- An end to means testing.
- Unemployment Benefit be paid as a right, until a person finds a job.
- Unemployment Benefit be paid at a higher rate after one year out of work.
- The YOPS Scheme be replaced with a proper programme of training and education, paid at the Trade Union negotiated rate for the appropriate job.
- Existing apprenticeship schemes be strengthened and extended under Trades Union control.
- The unemployed be given free travel facilities, free use of leisure and recreation facilities and that free further educational facilities be made available to them, until such time as they obtain a living wage.

Finally, we must stress that our demands in no way detract from the struggle for the right to work and the restoration of full employment.

Messages of support, requests for further information or queries should be sent to: Terry Rodgers, Campaign Secretary, 12 Bainford Avenue, Newcastle upon Tyne, NE15 7AN. Tel: 0632-741921.

Celebrating Mitterrand

by Nicholas Bell

"On 10 May 1981 the election of Francois Mitterrand was acclaimed by such an extraordinary explosion of joy from Paris to Lisbon, Algiers to Mexico City, that it must be acknowledged that the importance of the event went far beyond that of the mere coming to power of a new president.

"Longo mai, a group of co-operatives active for the last 10 years in France has just published *News from Longo mai** in which the members describe the political change there and why they feel them to be of great importance not just within France but for all Europe. Longo mai has decided to write this newspaper because they feel that the European press has very inadequately reported these changes.

"While our neighbours turn more and more to the right . . . and England bludgeons the Irish, her young unemployed, coloured immigrants and pursues a delirious and violently anti-social monetarist policy, France sets out on a radically left-wing course.

"Great reforms have at once been put into effect: immediate raising of the minimum wage, family allowances and pensions, nationalisation of the biggest industrial and banking groups, decentralisation of state power, abolition of capital punishment and of the special courts, widespread amnesty for juvenile delinquents, residence permits for illegal workers, reinstitution of the right of asylum etc . . .

"Outside Europe the first official declarations of the French Socialists clearly indicate their desire to create new programmes of exchange with Third World countries based on genuine, reciprocal interests. Included in the *News* is the text of Mitterrand's speech in Mexico the day before the Cancun conference in October in which he speaks of El Salvador, and France's joint declaration with Mexico recognising the guerrillas as the true voice of the Salvadorean people. 'France says no to the despair which impels to violence those deprived of any other means of making themselves heard. She says no to the attitude consisting of trampling basic liberties underfoot, and then declaring as outlaws all those who take up arms to defend those liberties . . . Greetings to the brutally mistreated priests, to the imprisoned trade-unionists, to the unemployed who sell their blood to survive, to the Indians pursued in their forests, to the workers without rights, to the peasants without land, to those who resist without arms, all those who want to live and live in freedom'.

"Many of the movements for social reform and equality in Britain, such as the Chartists, found their inspiration in the French revolutions of 1789, 1830, 1848 and so on. Britain, burdened by three million unemployed, an unrepenting Thatcher and a too strong island mentality, must once again turn her attention to France and other countries where there exists a possibility for real change. Longo mai has written this *News*, a 'veritable bottle thrown into the sea', in the strong hope that a reaction will be provoked — a contact between France and her neighbours and a far-reaching discussion about how the 'changement' in France can be supported and what can be learned from it by those in other countries who are fighting to find paths to a genuine socialism."

* Copies can be ordered from the Institute of Workers' Control, Gamble Street, Nottingham. Cost incl. postage: 50p payable to Acc. No. 911172743, Longo mai, Barclay's Bank, 92 Cherry Hinton Rd, Cambridge.

Phoney Prospectus: Real Crisis

Michael Barratt Brown

As we in Britain enter 1982 we are being sold a phoney political prospectus by every media of mass communication. The tale that is being peddled is that we have two extremist parties whose dogmatic jousting has set the mould of British politics over the last three decades. What we need we are told is a rallying of all the moderate forces in the middle ground to the defence of social democracy so as to break out of this old mould and build a new national Government of popular talents. A less publicised part of the prospectus is that the adoption of a voting system based on proportional representation would ensure for ever an end to the old ding-dong Party system of Lefts and Rights and bring Britain into line with our continental associates in the Common Market for whom coalition governments of the Centre are the norm. With still closer political links to what is called "Europe" (i.e. the rich west end of Europe) we could enjoy the security of common institutions and a common defence system against the extremes of East and West, both Soviet and United States power.

There is not a single element in this story that bears the least resemblance to the reality of the political situation in Britain today, yesterday or tomorrow. What we have, in fact, been living under here in Britain since the Second World War has been a succession of Governments, both Labour and Tory, not fundamentally different in their commitment to social democracy and the Atlantic Alliance, always firmly occupying the middle ground until the election of the Thatcher Government in 1979. What the Liberal Social-Democrat alliance is proposing is a return to that mould — precisely to the *old* solutions that worked well enough for 30 years but were found wanting in the mid 1970s. It was their failure that led to the demand for radical alternatives whether of the right or the left. It should be enough to see who have joined the Alliance to recognise the champions of those tired old solutions — the very architects of that building on the middle ground, the Gaitskellite campaign for Social Democracy designed to excise Clause 4 from the Party Constitution, the Labour Committee for Europe, the Liberal rump and the Heathite Tories, committed Europeans and Butskellites to a man, and occasionally a woman. It is significant that the female member of the Gang of Four should, in fact, show no awareness, no more even than Mrs Thatcher, of the new insights and claims of the Women's Movement that have been developing over the last decade in Britain and elsewhere. The middle ground of the post war boom was, as we shall suggest later, very much a middle ground of white, professional, skilled or semi-skilled males.

The purpose of this article is to show that there is no possibility of returning to the Butskellite middle ground. The attempt to do so will simply lead to disastrous confusion and to drift into the most extreme right wing, neo-fascist "ultimate solutions", as the Stresemann Social Democracy of Germany in the 1930's led inevitably to Hitler. It is not easy for those who didn't live through the 1930's to recognise how the most decent and honourable moderates created the conditions for fascist solutions. I should know since I was one of them; and if I have learnt that lesson from the 1930's I have also learnt another, that no two periods of history are the same. While there are some similarities, there are many differences. The economic crisis of the 1980's is in important ways different from that of the 30's; the Labour movement that faces this crisis is in crucial ways different. Moderates of the Left may still let in the ultra extremists of the Right but that is not to say that I was wrong in the 1930's to reject the Communist's uncritical support of Stalin or that we today should follow the lead of the authoritarian Left. We have to find once again as many of us did in the end find in the Second World War, in resistance to the Nazis, a truly democratic socialist way forward. What 30 years of prosperity and undoubted advance in the condition of working people, at least in the developed countries, have overlaid is the commitment to radical social change that those of us who lived through the late 1930's and early 40's learnt then.

There is no doubt that the new generation that rallies in their hundreds of thousands behind CND and that revolts in protest in the Inner Cities of Britain is looking for a new commitment. What they may perhaps learn from us oldies is that the easy years are over: there isn't any longer a moderate, middle ground to occupy of the sort we have held for 30 years. They can thus not only be warned against old siren voices of the so-called "new party of the grassroots" but be encouraged to make their contribution to creating the genuinely new party emerging now from the old Labour Party. To meet their aspirations for a real break in the mould of post-war Government, the new Labour Party will have to be genuinely based on grassroots power at the work-place and in the housing estates, not rhetorically based there while real power is retained by the Parliamentarians and Bureaucrats at Westminster and Brussels; and it will have to be seeking a genuinely neutral nuclear free zone in Europe, not a rhetorical third force that barely conceals the nuclear armoury of the Atlantic Alliance. The gap between rhetoric and reality in the claims of the SDP-Liberal alliance can best be tested on just those two issues of decentralised government and disengaged Europe.

But why am I so sure that the easy days are over, that middle of the road policies can no longer serve under the shield of NATO to re-establish full employment and sustain rising living standards, not in Britain at least, whatever may be the experience of working people in Germany or Japan? The reasons can be listed and need to be widely understood:

1. For 30 years the hegemonic power of the United States served to assure not only some common policy for world capitalism, but a steady excess of US expenditure over income which served to finance expanding world trade and development. By the early 1970's the emptying vaults of Fort Knox combined with the rising challenge of German and Japanese industry to unseat the mighty dollar. Dollars could no longer be converted into gold and there were more and more of them — US Dollars, Eurodollars, Petro-dollars, all serving as the world's money but less and less to be trusted to retain their value. Fixed exchange rates were abandoned. National currencies were left to float, or sink. A Dutch auction began among governments to raise interest rates to attract and hold international movements of funds.

Summit meeting follows summit meeting but the powers that be cannot agree on how to put together again the house that Keynes built at Bretton Woods. Growth in trade and output had slowed down world wide almost to a complete halt in 1981. None of the experts believe in more than the most modest growth in the next years — two to three per cent in output, four to five per cent in trade compared with average growth rates more than double these levels in the 1960's and early 1970's. Britain at the bottom of the table can hardly expect to see any growth at all, even after the 15 per cent fall in output between 1979 and 1981.

2. The challenge posed by German and Japanese industry to the United States had more profound consequences than in the sphere of money and circulation. At the heart of the capitalist productive process the monopolistic positions that each of the giant transnational companies had established through innovation and the take over of their less efficient competitors began in the 1970's to be eroded. The giants then faced each other in world wide competition across the globe, their technological advances increasingly generalised, the greatly extended productive capacity of each increasingly under-utilised. As rates of profit fell, new investment was checked, plants were rationalised, only the most advanced semi-automated productive units surviving the process. Nothing less than an enormous expansion of demand would take up their productive capacity and restore profitability.

3. Lying behind the rationalisation of the giants can be seen the spread of the new automated technology which has been destroying jobs not only in manufacturing and mining but in retailing and office work, at a rate that has not been equalled since the first industrial revolution. In the decade of the 70's in Britain alone three million jobs were lost in the production industries without any reduction in output, indeed with an actual increase of 12 per cent. It was only the creation of a million new jobs in the professions and services that kept the numbers unemployed from reaching the four million mark by 1981. New investment placed now in British industry to make it more competitive can only mean less jobs not more; could so many more be found now in the caring and catering services for all the women and the immigrant youth who are unemployed let alone for their husbands and fathers?

4. Most of the jobs created in the 1970's had been the result of increased public spending; most of those lost were in the private sector. Governments had thus to find new jobs by increased taxation or borrowing from a reduced private sector, unless they were to increase their own resources. Ownership of a part of North Sea oil was a bonus but nowhere near large enough to finance three million jobs. Government spending had risen in 1975 to over 55 per cent of the Gross National Product. While the whole economy was growing it was not so difficult for the Government to increase its take in taxes, but with nil growth higher Government spending meant higher tax rates, reduced company profits for investment and reduced take home pay for workers.

Governments began to borrow more and as interest rates rose, were pressed to make cuts in their spending. The Labour Government of 1976 was the first to do this, to make the cuts and reduce company taxation. The Thatcher Tory team won the 1979 election on a promise to cut further and reduce taxes for all. Without more resources of their own, Governments can choose either to cut ever deeper, despite the loss of tax and added dole payments the extra unemployed imply, or to borrow to expand the economy hoping thereby to recoup in the following year from the tax take and reduced dole payments. These are the choices posed by the monetarists advising Mrs Thatcher on the one hand and the Cambridge School advising Mr Foot on the other. And there are real problems that the Left has to recognise about borrowing for expansion as we shall now see.

5. A large element in the drive behind the capitalist world's economic growth over three decades has been the expansion of credit. In the United States private debt rose from the equivalent of 75 per cent of national income in 1945 to 175 per cent of national income in 1980. In Britain and elsewhere in Europe the proportions are not so high but the rates of growth have been similar. The truth behind monetarism is that expanded credit and rising interest rates as credit risks rise are inflationary. Where the monetarists are wrong is that the growth of borrowing for current consumption is not mainly, as they believe, in the public sector; it is in fact mainly in the private sector. Private business is increasingly run on credit. The monetarist discipline means that those who have the money — the giant transnational companies in the main — shall dictate the terms on which they lend. Whatever they do about their borrowing policies, individual governments can no longer manage the rates of interest in their own countries. The fact is that rates of interest are set internationally now by the decisions of the major owners of capital — the transnational corporations.

6. The power of these giant companies to fix prices, to transfer funds from country to country and avoid national taxes has seriously reduced the power of governments to manage their economies; and it is also these companies that have the funds to lend to governments at a rate they can fix. Finding ways to control or at least to bypass the machinations of the transnationals has become a major problem for governments; and there is no sign that they have fared better acting jointly inside the Common Market than when they have acted separately outside. It is not simply, as we saw in Section 2 above, that new Japanese and German companies have risen to challenge the American and British based transnationals. What is much more difficult for governments to come to terms with is that the companies which originated in their territories not only sell more but also produce more outside their homelands and have become increasingly opportunistic in their attitude to what were once seen as "their" governments. Even the United States' government finds difficulty in discipling "its" companies. How much less chance have lesser powers?

7. For at least 20 years from 1950 prices of raw materials rose more slowly than prices of manufactured goods in world trade. The trend turned around 1972 when the more easily mined sources of minerals began to be worked out and depletion rates suggested dates of exhaustion of supplies within 10 to 30 years. The most noticeable subsequent price rise has, of course, been the 30 fold increase in oil prices, but other primary produce price rises have been leading manufactured goods prices since the early 1970's rather than lagging behind them as before. Cheap raw materials do not of course lead to thriving consumers in the lands that produce them; but they do keep down manufacturers' costs and keep up their profits. There seems to be little or no chance of a reversal of these trends, although, as is usual in a slump, cartels of manufacturers are better able to keep up their prices than the uncartellised raw material producers. The OPEC oil cartel may be the one exception to this rule, but it seems clear enough that the era of cheap energy and cheap raw materials is over. A major expan-

sion in nuclear power output might be possible but it would entail massive investment in uranium mining and in plant installation for it to begin to challenge oil and coal, and what is certain is that the third world will now resist intensified exploitation.

8. Finally, none of these developments in world capitalism which appear so irreversible can be seen out of the context of the continuing struggle between capital and labour. There can be no doubt that the combined effect of the 1930's slump, fascism and war was greatly to reduce the power of labour by the time of the post-war recovery of the late 1940's. Cheap labour including migrant labour undoubtedly at first enhanced capitalist profit; and the rising strength of labour during 30 years of virtually full employment in Europe and North America certainly thus raised the level of wages thereafter extending the market for capitalist production while undermining the rate of profit. As wages have been raised ahead of productivity (particularly true of Britain) capitalists have sought cheap labour elsewhere — in the Third World and even in the Soviet Union and Eastern Europe (through payment in kind agreements for the supply of modern plant). As the climate of growth froze into decline and competition became increasingly severe the pressure to cut wages was universal. In the 1930's unemployment decimated the trade unions and wages were savagely cut with little resistance from the workers. Today's trade unions have proved more resilient and workers resistance to cuts more effective. But there is little or no room in an economy as uncompetitive as Britain's for concessions to be made to workers' demands when output is held back by government spending curbs.

9. Within the overall demands of workers there is now the need to consider separately the demands of two groups whose unsatisfied aspirations could easily be overlooked a decade or more ago but cannot be ignored today — those of the immigrant black population and those of women. The one is a minority, the other a majority of the population. Both have made it perfectly clear in their different ways that a middle ground that excluded their aspirations is no longer acceptable. The protest of black youths against police harassment, discrimination, bad housing and unemployment burst into riots in Bristol, Brixton, Toxteth and elsewhere in the summer of 1981. They have learnt to have no expectations of the Tories or of a Labour government and they are unlikely to be fooled by the blandishments of the Liberal-SDP alliance. But they are a new political force to be reckoned with and their demands imply radically new policies from socialists in the Labour Party who lay claim to recruit their involvement. All that has been said above about cheap migrant labour after the war as a source of profit has been challenged by the introduction of robots. In Germany the migrants are sent home. In Britain the older generation remains in low paid service jobs, on the railways and in what remains of labour intensive manufacturing industry; but many of the younger generation born in Britain has never known work. If there is no possibility of returning to the full employment of the 1950's and the 1960's then the special plight of these young people presents a new challenge for which the radical right has already indicated its response in the mouth of Mr Powell and in Mrs Thatcher's evocative use of the word "swamped"; but what is the response of the radical left?

10. It is only right that the final item should refer to the aspirations of women in this list of change in the world political economy which make impossible any return to the middle ground of the 1950's and 1960's. Women are half or more than half of the population and in the 1950's and 1960's rose from contributing one-fifth to contributing two-fifths of the work force, nearly a half of this last figure being in part-time employment. Since 1979 women's employment has dropped by 700,000 or roughly seven per cent, men by 1.3 million or 10 per cent, but the fall in part-time employment for women, mainly for married women has been nearly 20 per cent. The rising consciousness of their rights among women and the growing claim to equality not only in pay but in job opportunities will not go away because jobs are scarcer. More women than men voted Conservative in recent elections. Which way they vote next time will not depend on the image of a woman on the screen — Thatcher or Williams — but on the real respect shown by each of the Parties for women's rights and aspirations; and this will mean radical policies that for the first time involve women as equals in the process of policy framing. As we look at the response of the radical left to the challenge of the radical right, this might well be the acid test of their adequacy.

We may now sum up the changes in the capitalist world political economy that together make it impossible to rebuild the fortunes of the British people on the middle ground occupied by governments over the last 30 years. The long boom has ended, rates of profit have fallen sharply, United States hegemony is under challenge from Japanese and German industry, the new micro-technology is destroying jobs in a great wave of rationalisation, governments have not the resources to find new jobs, the limits of expansion on easy credit have been reached, the giant transnational companies have challenged the power of governments to manage their economies, the era of cheap fuel and cheap raw materials is finished and workers' demands, especially those of immigrants and women workers, can no longer be satisfied by concessionary reforms. Any two or three of these changes might have been enough to block the middle way, but in combination they must be regarded as fatal.

Mrs Thatcher's team have shown what the policy of capital must now be, but what is to be the policy of Labour? Must not the radical move to the right be answered by a radical move to the left? For capital the new radical aim is clearly to reduce the entrenched power of labour, to recreate the reserve army of unemployed, to cut back on public health, education and social security benefits and carry through the most ruthless restructuring of capital. This means that they have to re-establish so far as the governments are concerned, for those giant companies with which their own political fortunes are tied up, the basis for a renewed competitive upsurge of profitable activity. If it means also the destruction of much other national industry and the reduction of the welfare state provisions won by Labour over the last three decades, then so be it. If it also means cut-throat competition between the giants to establish superiority, that is where possible to be avoided by cartel agreements on price fixing. But markets must be won the world over and raw material sources commandeered with state support where this can be won. The great joker in the pack, whose importance gains as purchasing power at home and in the Third World is cut back, must be the Soviet and Chinese cards. Any threat to extend communist control over world markets and resources must be resisted, and the giant companies look to their governments to ensure this, but if it means strengthening the nuclear deterrent, can the nuclear threat be made effective without becoming suicidal or splitting the capitalist alliance? Might there not be an alternative of a gigantic expansion of sales in the Eastern blocs and of sharing in the development of their mineral resources? If the others don't do it perhaps the Japanese will.

What then must be the aim of Labour in face of this radical offensive from the right? It cannot be to return to the middle ground which the right have evacuated, because we have seen that this is no longer a tenable position. Of course, it is true that the right may have exaggerated the failures of the middle way, but monetarism is not just a theory; it reflects a reality. Capitalism is in crisis. This should be, as never before, the moment for Labour to take the initiative, to respond to the offensive from the Right with its own advance from the Left. But what should this be? A frontal assault upon the transnational companies by sectional strike action or upon the governments that support them by revolt and sectional violence is to attack where the power of capital is strongest in dividing labour the better to conquer, and where state power is strongest in its ability to mobilise force against unarmed workers.

A more subtle response is called for that would combine the strengths of workers at their workplace both in Britain and in the employ of the same companies overseas, together with the strength of voters on the housing estates where they live. Somehow the two must be brought together so that far from workers striking *against* consumers they seem to be striking with them and far from central government seeming to provide *for* grassroots activists they must be seen to be providing *with* them. The rhetoric of social democratic grassroots propaganda must be challenged by pointing to the reality of Westminster parliamentary and of Brussells bureaucratic decisions. But how are these strengths to be mobilised? It will need common programmes of advance — of workers and consumers (tenants, etc.), whites and blacks, men *and* women, and of workers in Britain and overseas (often working for the same companies).

Governments cannot, however, stand back from the mobilisation of socialist unity. Left wing governments will on the contrary have to create the framework for it. What has come to be called the Alternative Economic Strategy is supposed to have this purpose. But as an alternative to Thatcherism it could have three meanings:

1. As a return to the middle ground of consensus politics which we have rejected as impossible — a mix of moderate increases in state spending, subsidies for private industry, reliance on Common Market strategies, and pursuit of incomes policies to regulate inflation.
2. As a violent destabiliser — the caricature of left policies — that is supposed to force a confrontation between labour and capital in which trade union defensive positions are suddenly transformed into their offensive opposites and the knell of capitalism (whatever that is?) is triumphantly sounded by the National Union of Mineworkers.
3. As a political strategy for mobilising maximum unity for radical economic change in Britain and as widely as possible among Britain's potential trading partners — this would imply
   a. social ownership of key British companies to fulfill the major investment needs of combine committees "workers plans", including those of the NUM,
   b. planning agreements for investment with other companies using the joint power of combine committees and parliamentary control,
   c. a long term foreign trade development plan worked out between the public sector and planning agreement companies in Britain and the governments of countries moving towards socialist planning overseas,
   d. a major public investment programme in local authority decentralised development of industry and services based on popular plans and harnessing private as well as public sector resources through pension funds and other local finances.

The detailing of the alternative strategy is less important than that really large numbers of people in company combine committees, in trade union branches, in constituency parties, in tenants associations and a wide range of voluntary bodies, calling on experts from Universities, Polytechnics and Colleges, should have been involved in the process of drawing up plans in advance of the next general election. For, let there be no doubt, the next election will be lost or won on the basis of who has done the most effective work in mobilising grassroots action for radical change in the leadup to the election itself. The present appeal of the SDP-Liberal alliance presents itself as one that comes from the activists to the rank and file against the rhetoric of the party politicians. It will be for Labour to show who are the activists and who has the rhetoric if the new Labour Party is to turn the tables on the communicators and win the votes as well as the argument. Nothing less than a radical voice and radical policies will avail; for we live in a world that has changed radically from the comfortable consensus days of the late fifties, the sixties and early seventies. As the ground shifts beneath our feet, we have to find a more challenging stance to rally for a new advance of the Labour movement.

New Technology and the Trade Unions

Roy Moore and Hugo Levie

This paper represents the main findings of the Ruskin College research project on *The Impact of the Introduction of New Technology on Trade Union Organisation and Structure*, sponsored by the European Commission.

The lessons to be learned from the research fall into two categories: substantive and methodological. As far as the former are concerned, the research has demonstrated that new technology does not emerge as a novel, separate, self-contained and standardised issue for unions. It is enmeshed with other bargaining preoccupations and with wider managerial strategies, but its character does tend to expose existing weaknesses of trade union structure, organisation, activity and servicing more sharply than do other problems with which they deal.

At its harshest and most challenging, new technology can slice right through the hitherto seemingly rational logic of the structure and organisation of trade union representation, and consequently convert a strength into a liability. It can reveal the inadequacy and inap-

propriateness of the conventional range, level and time horizons of collective bargaining activity in relation to the fundamental trade union aim of defending and advancing the interests of members. And it can expose the absence of reliable relevant training, research and servicing back-up for workplace representatives whose function and role are changing, whose relationship with members is more tenuous, and whose strategic advantage in the current political, economic and managerial climate is markedly diminished. A key precondition of any real improvement would appear to be the open, honest and self-critical identification of these current weaknesses of trade union organisation on the part of those representatives, both lay and full-time, who are ultimately responsible for initiating viable change.

This point leads directly on to the methodological side of the research lessons, for the project was deliberately designed and executed in close collaboration with the workplace representatives featured in each case study, in order for it to provide a learning experience for them as well as for the researchers (who all had a recent history of sympathetic assistance provided to local trade unionists). Whilst the injection of an external stimulus and the research resource back-up undoubtedly contributed to this process of self-awareness and self-appraisal, it need not be a necessary precondition. What is required for the benefits of the process to become more generally available is a recognition first, that education and training in a trade union context should not be developed as a separate "ancillary" function to workplace organisation and activity; and, second, that union research is not necessarily best executed as a centralised, desk-based head office function, but can benefit massively from being planned and executed in close collaboration with workplace and full-time representatives who are actually confronted by the problems which represent the subject of the research.

IMPACT OF THE NEW TECHNOLOGY

Unemployment

The introduction of new technology is leading to job losses in all four case studies. In the case of GEC, this is very marked; within BL it is more of a gradual process; the same is true of Alfred Herbert, but there the picture is even more dependent on the order book. Within Midland Bank the prospective job losses are enormous. Howver, from our studies another relationship between technical change and unemployment emerged: that the present very high levels of unemployment make it extremely difficult for trade unions to develop adequate answers to technical change.

Early in 1981, official unemployment in Coventry stood at 16.7 per cent and was still rising. In two years, unemployment there has trebled. The same picture emerges in Oxford where British Leyland is by far the main private sector employer. The threat of unemployment is encouraging a much more quiescent attitude amongst those who are still working. In many companies the trade unions have not been particularly successful in coping with major reorganisations and mass redundancies. The unions are often fighting hard to maintain their bargaining rights and even those fights are not especially successful in companies like BL, or for example the old Alfred Herbert's plant at Edgwick. Trade union answers to new technology must be seen against that background of high unemployment and a membership that is in many cases very scared for its own jobs.

When it comes to company reorganisation, time and again management offers an ultimatum: either the proposed changes are accepted, or the future of the whole operation is endangered. With high unemployment in the local community, and members who are increasingly aware of this, it becomes very difficult for trade union representatives not to fall for such an imperative ultimatum. When it comes to the introduction of a specific piece of new technology, common practice in each of our four case studies is that the new equipment arrives without any prior negotiation, or consultation. High unemployment and its effects on the membership make it difficult for the unions to change that situation.

Collective Bargaining

In none of the four cases we examined has technical change been negotiated. The effects of the changes might be subject of collective bargaining, such as redundancies (GEC), changes in job description (Midland Bank), changes in working practices (Alfred Herbert), changes in manning levels and grading (British Leyland), however, such bargaining takes place after the technical change has occurred, after the investment in new technology has been made.

Whatever influence the trade unionists have over the shape of the technical change comes by stealth. The reason for this apparent ineffectiveness is not just that management in these four cases decides unilaterally over the future shape of work in the company. It is also that the current patterns of collective bargaining are not very well geared to negotiating technical change. To explain this point it may be useful to ask what negotiating technical change before the event would involve. The crucial assumption that active trade unionists have to make, when they want to answer this point is that there are many alternative technical solutions to any one problem. Negotiating technical change in a particular situation does not mean accepting, or rejecting new technology out of hand. It means negotiating for the kind of new technology that is acceptable to the workforce and the trade unions. Often this will involve fighting against the ideology, put forward by management and accepted by many trade union members, that the proposal put forward by management is the only solution.* If trade unions want to influence technical change before the event they can choose between two approaches: firstly, setting conditions to the use of particular pieces of equipment; secondly, preparing alternative proposals for technical change. An example of the former approach was found in our case study at GEC where the staff unions on the basis of an AUEW (TASS) initiative on health and safety, have established a code for the introduction and use of Visual Display Units, (VDU's) which gives them some control over the way VDU's can be used by the company. In our case study at British Leyland we found by comparison an example of the second, more far reaching, trade union approach to negotiating technical change: at Longbridge, at the time of the BL participation scheme, the shop stewards were able to influence the equipment, layout and work organisation for the car model that was then being planned, the Metro.

* This ideology unfortunately is widespread. In a recent document by The European Commission to the European Standing Committee on Employment "new information technologies and social change" (Com. 81, 578 final, 12.10.81) this ideology of an unambiguous choice between "the" new technology, or decline returns in the following way: "It is undeniable that in present labour market conditions, rationalisation acts to increase productivity and may in consequence increase unemployment. But from a company point of view, introduction of new technology improves competitivity and may enable them to retain or increase their share of the market. Further, the economic constraints arising from national and international competition should also be noted: a firm which did not introduce these technologies would risk the loss of its markets and put existing jobs at risk. Consequently, there is no escaping from the introduction of the new technologies in our societies".

These examples show how new technology, the way it is used and its effects on work organisation can be influenced, if there is an early trade union input. However, it must be admitted that these examples are rare. Part of the reason for that is linked to the first theme emerging from our case studies. One of the effects of high unemployment and a subsequent decrease in trade union influence at workplace level has been that principles like "mutuality" and "status-quo", that would have given trade unions some bargaining power in case of change of technology and work organisation, have been eroded at BL, Edgwick, to some extent GEC; places where the unions used to be strong. (This argument does not go for BIFU at Midland Bank, nor is it fully applicable to the staff unions at GEC.) The rolling back of trade union bargaining power is only part of the reason for the fact that in many cases members and trade union representatives are forced to accept new technology as a *fait accompli*. Unmistakably, the structure of collective bargaining and the way trade unions are equipped to influence the shape of industrial change, both play an important role. Problems are to be found in union organisation, the overloaded agenda of annual wage rounds, the mismatch between trade union and management organisation and levels of collective bargaining (often chaos appears to reign like at GEC), the shortcomings of existing negotiating procedures and the lack of timely provision of information. As one trade unionist involved in our project said: "Trying to cope with technical changes via existing collective bargaining traditions is like fitting a six foot corpse into a five foot coffin!". The reality we found in our four case studies compares very unfavourably with the TUC book *New Technology and Collective Bargaining**. It would be useful to know whether trade unions in other European countries are suffering under a similarly overloaded state of existing negotiating arrangements. Especially, if the assumption is accepted that to no single problem can there be only one conceivable "new technology". The dangers of new technology to employment, skills, democratic control over information are becoming increasingly clear. Collective negotiations appear, at present, one of the few ways by which society can control what new technology will be introduced. More knowledge about the effectiveness of collective bargaining and other trade union responses to new technology in various European countries appears a priority, not just to the unions, but to society at large.

* *New Technology and Collective Bargaining, a workbook for Union Representatives,* TUC Education Department, 1981.

Company Reorganisation

Academic researchers may want to single out new technology as a subject of specific interest; for trade union activists it is different. Technical change does not come alone: in GEC it came with changes in the orders of the Post Office for telephone equipment; in Alfred Herbert it came with a takeover, a total scaling down of the company and product range and a complete change in industrial relations; in Midland Bank, it was part and parcel of a reorganisation of all bank branches consequent upon a determined shift of corporate marketing strategy, and finally, in British Leyland, it came together with major changes in industrial relations, the phasing out of old models. The introduction of new technology is embedded in many other changes and that makes it more difficult for trade union representatives and researchers in the following ways:

— The trade union representatives may be negotiating changes in the payment system or in work study procedures without being aware of the implications for management plans on technical change.

— It may even happen that the shop stewards in one section unknowingly have accepted a change in work organisation that will facilitate the introduction of new technology elsewhere. This can particularly happen where new technologies are integrated and cut across different groups of workers (draughtsmen and toolroom workers, paint-shop workers and indirect workers at BL, machinists and programmers at Edgwick, draughtsmen and clerical workers at GEC).

— Problems in trade union structure and organisation may imply that negotiations about company reorganisation and new technology are held at one level, without adequate information about the effects on the union and its members at other levels. (This certainly appeared to be the case for BIFU at Midland Bank, where there was a wide gap in information about technical changes and company reorganisation between the union representatives at national and local level).

— In many cases (Alfred Herbert springs immediately to mind, but the same is most certainly true for Midland Bank and BL), company reorganisation and the introduction of new technology do not develop according to a scenario carefully planned in detail by management, before the first change is made. There are too many variables and management does not control them all. Nevertheless management often has got a great advantage over the unions; because it is much better placed to know which variables are crucial at a given point in time and to act upon that knowledge, management will almost invariably have the initiative and will be able to make up the scenario as it goes alone. Union representatives normally have not got the knowledge to know which variables are crucial in determining technical change — whilst management at least have a map and a torch, the union representatives have to manoeuvre by the light of the moon and their sense of orientation.

— The fact that technical change is always just part of a whole series of changes at company or workplace

level means, that both researchers and trade union representatives have to divide their time between many important and related issues. The researcher who is interested in trade unions and technical change cannot solely concentrate on the new technology. The shop steward who is aiming at defending the members longer — as well as short term interests — cannot remain fixed on the day-to-day problems which may well be caused by big underlying changes in company and work organisation. Both the researcher and the shop steward will have to find a way to use their time effectively.

— Many trade union representatives find that their existing facilities and resources are grossly inadequate to deal with company reorganisation and new technology. The staff representatives at GEC found themselves in a position where they could obtain more time off from the company, to be involved in our case study, which they saw as a priority. At BL the current management regime is keen to decrease the facilities to shop stewards, to make it even more difficult to develop a soundly based response to the changes at the plant.

— A final reason why trade union representatives find it difficult to cope with the complexities of technical change is related to the points made under the previous theme. Conventional arm's length collective bargaining often does not touch upon the managerial decision-making procedures which lead to technical change.

Disclosure of Information

To be able to respond to technical change in a way that is constructive, takes full account of the members' interests and pays respect to related changes in work organisation, trade union representatives will need information at a time when they still could help shape the decisions. The starting point may be a total reorganisation of the main production lines in the company as at Midland Bank; the introduction of a new product, such as a new car at BL, or components for System X at GEC; or it may be a paring down and standardisation of the product range and production process, like at Edgwick. Whatever the starting point, the unions will need early information about those proposed changes and the related investment and manpower plans.

Unfortunately, the timely provision to all concerned of detailed financial, economic and manpower data was not something the four companies we dealt with in our research, considered as normal practice. The provision of information about investment alternatives, with an indication of their respective consequences for work organisation and employment, was even more out of the question. This state of affairs is deplorable, because we found that trade union representatives who want to anticipate technical change have a dire need for basic information about the financial structure and investment history of their company. In particular, if they want to develop a strategy that goes beyond ad-hoc relations to the piecemeal introduction of new technology, such information becomes vital. We are not suggesting that better provision for the disclosure of company information would automatically lead to much more developed and sophisticated trade union responses to the introduction of new technology*. However, a near total lack of relevant information certainly did not help the unions in the four case studies to cope with technical change. The fact that many trade union representatives lack basic information and understanding about the financial and management structure of their company, exacerbated the lack of more specific data on the changes we examined.

To counter this basic problem a number of staff representatives at GEC have decided to follow union education courses on financial information. Another indication of how seriously trade unionists take the lack of company information emerged from the questionnaire survey which we undertook at BL. Overwhelmingly, both shop stewards and members answered that lack of information about management's plans for the plant was one of their most serious problems. In fact the members said that, apart from the local press, the stewards were their only source of information.

We are aware of various forms of legislation in Sweden, Norway, Germany and Holland that give trade unions access to at least a minimum of financial and manpower information. It would be relevant to know whether such access puts those trade unions at an advantage when it comes to dealing with technical change.

Information about the industry

— Fifteen years ago Alfred Herbert was still one of the world's leading producers of machine tools. Today the firm as such no longer exists. The only thing that is left at Edgwick, its old centre, is a medium size machine tool plant employing 700 people. New technology plays an important role in Alfred Herbert's downfall: whilst German and Japanese competitors were investing in new technology, both for their production processes and in their production lines, management at Alfred Herbert in the 1960s and 1970s was not investing sufficiently, or even disinvesting. The conclusion to be drawn from this history of Alfred Herbert's by the trade unions at Edgwick is that they need information about the machine tool industry overall as much, if not more than information about the company itself, if they want to assess the options for the future of Tooling Investments.

— Midland Bank is watching organisational and technical change in the banking world in North America and France closely. Midland Bank's branch network reorganisation is not going as fast as management planned originally. One of the reasons for this is technical: management appears to be waiting for the most appropriate technology to appear on the market, (albeit as a result of trial and error to an extent).

* In *The Shop Stewards' Guide to Company Information* (Gold, Levie, Moore; Spokesman, Nottingham 1979) we identified many factors that may constrain a union's use of company information.

— The number of people employed in GEC's Telecoms Division and the work they do depends on the place of the company in the Telecoms industry, the orders from British Telecoms and possible orders from foreign Telecommunication Authorities. If the Post Office (now British Telecoms) decides to decrease its investment in System X, to spread it over a longer period, or to buy less from GEC and more from its competitors, this may have immediate effects for the workforce in Coventry.

— What cars are built at Cowley and where the components originate, depends increasingly on collaboration between BL and car firms like Honda and Volkswagen. The way they are built and the tools that are used to build and design them are also partly dependent on systems developed by other car companies. The stewards at Cowley require, if anything, more links with other firms. Information about the industry must therefore be important to them.

In each of our case studies, in very different ways, information about the industry is vital if trade unions want to influence new technology before it arrives.

Equal Opportunities

Who suffers most from the introduction of new technology? Our case studies all point in the same direction: Asian workers and women in GEC, women in Midland Bank, older workers within BL, women in the case of GEC. They are the groups that suffer most. The picture that emerges is that new technology does not enhance equal opportunities. On the contrary, things seem to be getting worse, particularly if trade unions fall back on older, defensive craft traditions, if trade unions fail to increase the chances of their female members to become involved in trade union activities, or if trade unions allow the views that tend to gain popularity in times of depression in certain quarters to spread amongst their members ("women should not work, but be at home and look after the children ", "coloured workers are stealing our jobs, they do not belong here", "workers who are to old to do a proper job should not take the place of able young men").

The magnitude of the threat of new technology to equal opportunities was, in our case studies, particularly apparent for women.

— There is both a loss of existing jobs for women and a lack of recruitment of women in all four companies. This is not just true for traditional womens' jobs, such as secretaries and clerks. In the 1960s there were several hundred women on the shopfloor at Edgwick. Presently there are two left. We suspect that the same is now happening at BL and GEC.

— The employment effects of new technology hit part-time workers first; at least this has been true at GEC, where they were the first to be made redundant. The majority of those part-timers were of course women. In more general terms it appears that the introduction of new technology may be coupled with an increasing casualisation of sections of the workforce, and the brunt of this casualisation is carried by women.

— In the case of Midland Bank, the womens' jobs, e.g., the clerical and administrative jobs, are automated first and most. This implies that the remaining women have a good change of seeing their jobs most and worst affected by new technology. Worst, because the boredom, stress and isolation that accompany machine-minding is going to affect women in Midland Bank much more than in the past.

— The already poor career prospects for women at Midland Bank are going to worsen, because of a restructuring of the career pattern. The general interest of the banks in creating career possibilities for women is reflected in the directive, sent by one of the other major banks to its managers, which told them not to take on any woman with more than four 'O' levels. In other words a woman with any fancy idea of making a career is barred from entering employment.

The recent document of the European Commission (Com.578, p.15) previously quoted points to the problem of equal opportunities:

> "Moreover, the skills favoured by microelectronics are characteristic of posts at present mainly occupied by men and without a special effort in this direction it may be that the diffusion of the new information technologies throughout the production process will reinforce labour market inequalities."

In direct reference to this quotation, our case studies point out the following:

— new technology *is already reinforcing labour market inequalities*;

— the "skills favoured by microelectronics" is an unfortunate and unhelpful expression. *There is no indication at Midland Bank that employment or career opportunities for women are obstructed because of new technology that does not favour their skills*. The same is true for clerical and design work at GEC. The reasons are to be found elsewhere.

— finally, our case studies fully substantiate the opinion of the European Commission, and other institutions which say that a special effort should be made to provide retraining for women and other groups who are particularly affected by the introduction of new technology. However, as long as employers are allowed, in practice, to discriminate against women who want to work in jobs that are not traditional womens' jobs, retraining may not be enough.

NEW TECHNOLOGY AND TRADE UNION ORGANISATION

Divisions between unions

Clearly different groups of employees (unskilled and skilled, technicians, designers, foremen, computer specialists, clerical workers, managers), all have different interests when it comes to technical change. Some will be threatened more than others, some will feel, rightly or wrongly, that with new technology their services will become more indispensable. A first rumour about the introduction of new technology may lead to very different reactions from the various groups.

The arrival of manually instructed numerically controlled machine tools may lead to a running battle between the programmers and the machinist. This was certainly the case at Edgwick. There the machinists (organised in the AUEW-Engineering Section) gained a victory over the programmers (AUEW-TASS); a "victory" based upon the old craft traditions, which is divisive in the short run and may turn out to be temporary and relative.

At BL a lot of the energy of the manual trade unions is spent on making sure that other manual unions do not gain anything out of the changes in work organisation which management is imposing. A major dividing line runs between the TGWU, representing the semi-skilled workers, and the AUEW-Engineering Section, as the major union for the skilled workers. There are many further divisions between groups of workers, sometimes organised in the same union. The answer to the threat of new technology given by many of those groups of workers is to defend "their" jobs against other sections

of the workforce who may want to snatch them away. As researchers we were frequently left with the impression that whilst management changed the rules and relocated the pitch, the unions are happy to continue fighting amongst themselves back in their own backyard.

These real or perceived differences in interest between groups of workers are not something specific to the UK; what is specific however, for British industrial relations, is that in many companies those different groups of workers are organised in different trade unions. Consequently, the introduction of new technology may well exacerbate poor relations between unions, particularly in companies where they are already strained. Of our four case studies Midland Bank is a positive exception with practically a single union. In the other three, shop stewards recognise the danger described above, but only in the case of GEC do the trade unions seem ready to try to work more closely together.

Weaknesses in trade union organisation

New technology exposes a number of existing weaknesses in any trade union organisation. The value of the present interest in technical change may well be that it brings some of these problems home. In our case studies we found that trade union representatives are becoming aware of these problems as constraints upon their ability to influence technical change. A simple reason for this exposure could be that, for many trade union representatives, it may be the first time that they are trying to influence something as central to the organisation of work as technical change. The following questions are generated by our research:

— Are the levels at which the trade unions negotiate with the company matched to the levels at which the company takes its decisions? Or are the unions always talking with the wrong management team?

— Do individual shop stewards feel themselves supported in their daily work as union representatives by the senior stewards and the union at large?

— Is there sufficient contact between union representatives and members?

— Is there a shop stewards committee that combines information from the different offices or departments where the members work?

— Is there adequate exchange of information with other unions at the plant, or (as in the case of Midland Bank) with other areas of the union?

— Are the various sections of the membership (men and women, clerical and technical) involved in union activities, or is the union, locally and nationally, dominated by a specific group?

Role of the union representative

New technology and the related changes in work organisation may well force a trade union to rethink the role of the individual shop steward. At the British Leyland plant the introduction of new technology is in some cases linked to a total reorganisation of major production areas. This is coupled with major redundancies and redeployment and the consequence is the emergence of a smaller number of shop stewards who are relatively inexperienced. These new stewards and the older, more experienced stewards in areas where new technology was introduced more gradually, have to cope with changing production methods and an increasing integration of different areas of the production process. This last aspect especially changes the role of stewards: they become much more dependent upon one

another than in the past. The unions within Alfred Herbert and the Banking Insurance and Finance Union (BIFU) at Midland Bank have to redefine the role of union representatives, but for different reasons. In the first case because the changes in collective bargaining at the plant have affected the relations between senior stewards and other stewards and because most of the experienced trade union representatives have been sacked anyway. In the case of Midland Bank because the whole concept of office representatives is relatively new within the Bank. It is to be expected that in these two cases technical and other changes in the work organisation will influence the future role of union representatives.

At GEC there appear to be several influences upon the changing role of staff union representatives:

— as senior representatives of the staff unions seek to increase their unions' contact with their membership, the role of the sectional representative necessarily becomes more pronounced;

— the increasing number and presence of female staff representatives can positively influence the way that representatives perform their duties and perceive their role;

— the use of health and safety procedures as a vehicle for expressing doubts about, and seeking more control over, new technology can change the staff representative's role; and

— increasing co-operation between the various white collar unions inevitably affects the work of individual trade union activists.

Thus, in each of the four case studies, it is possible to identify pressures upon the role of the individual union representative which are associated with technological change and related changes in work organisation and industrial relations. In no case are the pressures necessarily negative: rather they may well enable the trade unions concerned to strengthen their presence at the workplace in the longer term through an enhanced role for their workplace representatives. This, however, is conditional upon unions giving priority to servicing their representatives and strengthening their internal democracy. Otherwise there remains a real danger that individual workplace representatives having to cope with technical change would feel "out on a limb".

Effects on trade union organisation

Having indicated how the introduction of new

technology can expose existing weaknesses in trade union organisation, and how it can affect the role of an individual union representative, this report now considers the direct impact of new technology upon union organisational patterns at workplace and company levels, and its consequences for inter-union organisation. Our case studies included the following examples:

— A consequence of the introduction of new technology and branch network reorganisation within Midland Bank will be that the relative significance of groups of workers will change. This brings with it implications for trade union effectiveness as well as for career and promotion patterns, as has been witnessed for example, by the growing significance amongst union membership of computer staff in the banking world in the UK and other European countries;

— Also in the case of Midland Bank, it is clear that the reorganisation of the Bank branches combined with the introduction of new technology will not only force the union, BIFU, to rethink the role of office representatives, but also the place of those representatives in the local and national union organisation. Also, BIFU has to reconsider how it can facilitate more involvement in union affairs of its female members, who are especially threatened by technical change.

— Three factors have combined to change departmental relationship at the BL Cowley body plant: the redevelopment of the site; the introduction of new production machinery and new information technology into such areas as design, stock control and maintenance; and the introduction of new production methods. The resulting trend is for departments to become more interdependent, which inevitably calls for increased communication between different sections of a union as well as more collaboration between unions. Shop stewards become much less independent in their decision-taking than in the past. They have to rely upon information from other sections to help them understand the reasons behind changes in their own departments, or to assess whether it would constitute a precedent for them to accept new management proposals on an issue such as work study.

— The Edgwick case study demonstrates how the union representatives have to reshape their own shop stewards' organisation. The position of sectional stewards will have to be strengthened, for example by ensuring that a member with a problem or grievance approaches the steward for his or her department, instead of the senior steward. Such qualitative improvements in a new shop stewards' organisation are a precondition of the development of the more sophisticated trade union strategy which appears to be required.

— Examples of changes in union organisation as a response — partially at least — to new technology are perhaps the clearest and most constructive in the GEC case study. The threats posed by the production of System X have forced the staff unions to work towards a joint union organisation at plant — and possibly even at company — level.

These examples from our case studies demonstrate how technical change may be-pass or even outdate existing ways in which a trade union monitors change in a company and develops strategy accordingly. It seems important to note that this point is not specific to the UK; it would be very interesting to know how unions in other countries, which are organised differently, deal with this.

New technology and public opinion

An assumption underlying our research approach is that controlling new technology cannot be reduced to an issue for a specific group of workers, and their trade union, facing the introduction of a new piece of equipment. Controlling technical change is also a wider social issue. As things stand, however, collective negotiations about the introduction of new technology appear to be one of the few possible — albeit piecemeal — means available to society to exert any control over that major social issue. The effectiveness of trade union representatives in attempting to negotiate technical change depends to a great extent on the views of their members who will be affected by this change. Such views are often already formed in general terms, and may be only marginally influenced by the specific, particular technical change under negotiation.

The media are giving a lot of attention to new technology. Its advantages and disadvantages are covered extensively. However, this leaves trade union members with very general and vague opinions, like:

"New technology is inevitable."
"The chip threatens employment."

or

"The introduction of new technology will make British industry more competitive."

Our case studies have shown, by contrast, that at the more specific local, or company level, the formation of the opinion of trade union members is, certainly in its early stages, often left to the employer. Midland Bank shows its employees a film about the benefits of branch network reorganisation and technical change, well before the change will affect them. Leyland Cars issues a booklet to its workers about the wonders of the new Japanese model, and the related new working practices. It seems undesirable to leave trade union members with just their vague, general views about new technology to cope with this much more specific employer-orientated information. It is a very positive development that BIFU is considering preparing its own specific information about the changes management is implementing. The same would be true if the GEC unions in Coventry went ahead with the idea to start a public debate about the consequences, for a city that is heavily dependent on the Telecommunications industry, of the introduction of micro-electronics, both for producers and users of telecommunications equipment.

TRADE UNION SERVICING

Education

Technical change does not come alone. Trade union representatives have to cope at the same time with a lot of changes, ranging from redundancies and the effects of high unemployment to changes in payment systems and job descriptions. It is not accidental that the TUC book on *New Technology and Collective Bargaining* mentions the following bargaining issues:

— skills and work organisation;
— training;
— work and pay;
— information and control;
— health at work;
— shorter working time;
— products and services.

Our detailed case studies of the impact of new technology on trade union organisation, and any associated influence of union organisation upon technical change, carry direct implications for trade union education. In the case of the Transport and General Workers' Union at BL, the need to improve educational facilities for shop stewards was the real driving force behind the senior stewards' involvement in our research work. A cornerstone of the latter was a questionnaire survey of more than 200 stewards and members, which fully substantiated this perceived need, of both union representatives and members generally, for more education. The establishment of good basic shop steward training on the role of the shop steward, work study, and health and safety at work, together with more advanced, specific courses on new technology, thus appears as a virtual precondition for the union's capability to get more grip on technical changes at the plant.

At GEC, staff representatives are taking advantage of their unions' educational courses to increase their insight into the financial and managerial structure of their employer. They hope as a result to understand better the information which might enable them to deal more effectively with GEC's investment strategy for telecommunications and its plans for new technology. Another priority adopted by the staff representatives during our case study has been that of union membership education.

The need for a reappraisal of trade union education facilities both constitutes a major general conclusion of our research, and represents a specific priority adopted by trade unionists involved in each of our case studies. BIFU in particular has acknowledged the educational implications of our work with their representatives at Midland Bank. It is hoped that the respective case study report will itself serve as educational material on various courses for newly elected trade union representatives, female representatives and members and for representatives and members elsewhere in Midland Bank who have not yet experienced branch network reorganisation; and on special courses on new technology. As well as providing such specific additions to existing courses, it is possible that our research findings may also help the union to rethink its overall education programme.

Precisely because new technology cannot be isolated from other bargaining issues, or from existing weaknesses in trade union organisation, our case studies have shown a great need for more trade union education. Existing and possibly new courses should enable trade union representatives to assess present and future changes, both at their workplace and in their industry. It should also enable them to rethink their strategies on all the issues mentioned above, and on their co-operation with other stewards in their own union and in other unions.

Research

Our research has indicated the potential of detailed case studies on technical change that are developed together with the trade union representatives in a specific company or plant. It seems particularly important that these case studies are developed from a broader working relationship between researchers and trade unionists. It has been the latter characteristic of our work that has made it possible for our studies to become an educational exercise for all involved parties, and not just for the researchers.

It is clear to most people, both within and outside the trade union movement, that a struggle for some control over technical change and any related work reorganisation will, in the coming period, be one of the most important tasks for trade unions. If trade unions fail to improve their ability to influence such changes, the penalties will be high in terms of unemployment and social dislocation as well as industrial relations disruption.

The foundations for the development of such trade union capabilities lie less in detailed, separate treatment of new technology as a separate issue on the union agenda than in an overall appraisal of the effectiveness of trade union organisation, structure and means of activity. A higher priority and increased resources for trade union education and research are integral components of such a reappraisal.

It would be encouraging to believe that many more groups of shop stewards could have the opportunity of being involved in research activity, such as this project, which could enable them to develop their understanding of the changes occurring in "their" company and "their" industry. Such a stimulus could help them — perhaps even force them — to work together more closely with other representatives of their own and other unions within their workplace and the wider company, or industry, beyond. It could also improve their ability to negotiate socially acceptable technical change, in both a local and a wider sense.

Our four case studies have helped to raise the understanding of all concerned. But they have inevitably fallen short of actually helping the four groups of trade union representatives to influence technical change. For this, longer-term research on a wider basis and even more integrated into the trade union movement would be rquired. Such research would need to be both locally and nationally based, and to encourage and rely upon the direct involvement of active trade union representatives and members. It will also cost money — a lot of money. But, in its absence, many trade union representatives will continue to deal with new technology from a disadvantaged position, "out on a limb", the costs of which could be far greater and involve more than money.

This project suggests that conventional research techniques based upon externally organised investigations may fall short of an accurate representation of practitioner's perceptions of issues. Equally, it questions the viability of continued reliance by trade unions upon education as a separate function from trade union activity, and research as a centralised desk-based undertaking.

This is not however to say that there is little contribution to be made by trade union research departments in assisting their union representatives to deal with the introduction of new technology, nor to imply that resources available for the development of a research capability on behalf of trade union representatives need be statically limited. On the first count the development of case study research into education and training materials is an obvious dual function for trade union servicing, as in the lubrication and extension of channels of information, "early warning" and "best practice", both within unions and between them. Research departments can also be instrumental in demystifying new technology, its apparatus and applications, and the managerial systems and strategies which accompany its introduction. And, not least, research departments are well placed to monitor and even anticipate what is happening at the frontiers of new technology, so that at least the next generation of technical change can be handled with more confidence by trade union representatives.

On the second count several possibilities for amplifying resources available for research on behalf of trade unions can be identified. TURU has already drawn attention to the legislative developments in Sweden which have provided for consultants operating on behalf of unions but financed by employers*. A companion paper** considered problems and possibilities for research sympathetic to trade union needs, and TURU continues to explore the possibility of "plugging in" to the resources of research-funded agencies on behalf of trade unions, who are surprisingly reticent applicants for funds to which they have a legitimate and competitive claim. There is no reason why research-funding agencies should continue unchallenged in regarding academic institutions as the natural and exclusive depositories of their resources. Further, unions might consider negotiating for research along with the other items which comprise the agenda of their collective bargaining: provision for analysis and appraisal of the outcome of new agreements — or even the introduction of new technology itself — could become a valid and viable subject of research by the unions' own research department or by consultants or independent researchers acting on the union's behalf. (A TURU Discussion Paper will be exploring these possibilities in the near future.)

None of this can be unleashed, however, without an open, honest and perhaps at times self-critical appraisal by trade unions of their fundamental aim of defending and advancing the interests of their members. Neither a European Commission research grant nor the external stimulus of outside researchers 'creating space' for trade union representatives need be necessary preconditions of such a process (though it is hoped that they helped considerably in the case studies which formed the backbone of this research project) what is needed is initiatives by those trade union representatives, both full time and lay, who are ultimately responsible for initiating viable change. Ironically, the adversity of dealing with new technology may yet provide the climate for such initiatives.

* *Employee Consultants and Information Disclosure: some Notes on the Swedish Experience*, Discussion Paper No.21, TURU, July 1980.
** *Research on Employees Conditions: A Swedish Trade Union View*, Discussion Paper No.22, TURU, May 1980.

Nuclear Power Programme

A speech by Tony Benn (1 February 1982) in the House of Commons.

Mr Tony Benn (Bristol, South-East): This is an important report, an important debate, and an important inquiry. All I would say to the hon. Gentleman the Member for Havant and Waterloo (Mr Lloyd) who has just spoken is that he is a supporter of profitability as a criterion for development and that had that philosophy applied to nuclear power no nuclear power station would have been built in the world since the war. The reason why this is a subject of public concern is not only because of the factors I will deal with, but because it has never been, in an ordinary sense, a commercial proposition and the hon. Gentleman would have to admit that.

I have held responsibility as the Minister responsible for energy, and for the nuclear industry for nine years, which must be longer than any other Minister of Energy. I pay tribute to those in the industry, the scientists, the workers, the people engaged in nuclear power up and down the country, and to their great sense of dedication, and I want now to emphasise the points which I made in evidence to the Select Committee, which are also based upon my experience.

First, I am and always have been entirely opposed to the pressurised water reactor and I can briefly summarise the reasons. There is an inherent safety defect in the design pointed out by Sir Alan Cotterell. It is no good saying, when Ministers are confronted with conflicting evidence, that in matters such as nuclear power there is any option but to go for the more cautious route. That is the view I took as Minister and I take it still.

Secondly, the alleged cost of the PWR leaves out of the account the modifications that have to be made to conform to the Nuclear Installations Inspectorate's specifications. These costs would make it so expensive as to reduce their advantage for us. Thirdly, we are a smallish country. With Magnox stations and AGR stations in operation and the fast breeder and fusion under consideration it would be wrong to introduce a new system. I venture to predict that the PWR — *(Interruption)*. Perhaps the Secretary of State wishes to intervene.

Mr Lawson: Will the right hon. Gentleman explain why he has changed his mind since he was Secretary of State for Energy in 1978?

Mr Benn: I have not changed my mind. The Cabinet decided that it was right to have available the option of the PWR. My view that it is wrong to build a PWR has never altered. I do not think that the PWR will ever be built in this country.

In our rare debates on nuclear power, it is wise to reconsider the old speeches and ask ourselves whether the great claims for nuclear power made in earlier debates — I took part in many of them since 1966 — do not now merit reconsideration in the light of experience. We must ask ourselves whether the time has not now come to consider scaling down the role of nuclear power

in our long-term energy plans.

The hon. Member for Havant and Waterloo said that America had ruined its nuclear industry. He forgot to say that the United States forecasts of installed capacity have been cut by two thirds. His speech could have been made in the early days of nuclear power.

I offer the House my opinions based on my experience. I do not purport to speak for the Labour Party or the TUC, whose policies are on record.

This is the first debate since that on Windscale, and certain factors should be discussed. On the question of safety, the hon. Member for Havant and Waterloo referred to a possible accident at a nuclear power station as though it were comparable with an aircraft accident. A moment's consideration would lead him to understand that there is a total difference between an aircraft crashing and a major nuclear accident. Therefore, the proposal for type specification approval, without individual approval, would be wholly unacceptable. The hazards are more serious than is appreciated. Since I last spoke as the Secretary of State in the House there has been the Harrisburg incident. Those who have read the Brown's Ferry report, where a major tragedy was averted only by chance, will know of the hazards. Those two accidents concerned PWRs.

I wish to make a more general point. One thing that has profoundly affected my view was the coming to light, in the spring of 1979, of a serious leak at Windscale, when 20 gallons of concentrated high toxic waste, which should have been buried or kept in glass, leaked from a sump. It now lies in several hundred cubic feet of contaminated soil, which is covered by only 10ft of topsoil. I am not a scientist, and the figures that I give mean no more to me than to other hon. Members. However, the nuclear inspectors with whom I discussed the matter drew a comparison. They said that those who disturbed that contaminated soil would be exposed to a radiation hazard of 500 to 1,000 rads per hour — yet only 5 rads per year is the permissible level. That is a serious leak.

The Secretary of State, in a cavalier manner, dismissed the statement that we would keep high toxic waste on the surface. He appeared to suggest that the long-proclaimed, so-called 'Harvist' solution, under which the waste would be put into glass blocks and buried underground, had been temporarily abandoned. I remind him that the leak at Windscale occurred from a surface sump.

Mr Rost: The right hon. Gentleman has listed a number of what he called serious accidents. How many people have been injured or killed by those accidents? Will he compare that figure with the number of people injured or killed in what he called the lesser accidents in aircraft?

Mr Benn: I gave those figures in an earlier speech in the House, to which I refer the hon. Gentleman. However, he has made a fair point — that, until now, the nuclear safety record has been better. But, having served as Minister of Technology and later as Secretary of State, I said and I say again now that there is no comparison between a major nuclear accident and deaths in individual accidents.

I turn to the problem of cost. I know that the Secretary of State is most concerned about public expenditure. The costs of nuclear power compared with other sources of power are often misleading — especially for the PWR. I commissioned an inquiry on the subject, which is still in the Department. The right hon. Gentleman should examine it. It showed that a brand new coal fired station and a brand new nuclear fired station, of the same size and serving the same base load capacity, would reveal no difference in terms of cost. The research and development costs which have all been funded by public money, are not fully charged against nuclear energy so as to refund all that expenditure. Nor can the operating performance be taken from one year at Hinckley. Hunterston B, when it was built, was delayed for a year because a little sea water penetrated the mechanism. It cost tens of millions of pounds to find alternative sources of energy. Heat and power is not possible with nuclear power except with the high temperature system, which has now been excluded.

One cannot say that the cost of shutdown and storage has been included because a nuclear power station has never been shutdown. There is no provision for the storage of nuclear waste, so that cannot be calculated — and certainly not for a PWR that has never been used in Britain. As the years pass, the costings will alter profoundly between alternative sources of power. The Severn barrage is coming closer as work progresses. Energy saving is more economic.

The hon. Member for Havant and Waterloo spoke about the expenditure of £1 billion, but all we gain at the end of 10 years is a power station. However, £1 billion spent on conservation gives an energy saving tomorrow. The economics of energy saving appear different if looked at in that light.

The Secretary of State referred to my speech in 1978, yet he and the Government closed down the Energy Commission, which held examinations of forecasts in public. Transcripts were published so that people could follow the change in the figures. The right hon. Gentleman says today that he will publish the forecasts later. There has been a fundamental change since 1979 and all forecasts reflect the assumptions that are fed into them. No one knows that better than the right hon. Gentleman because the forecasts on energy demand came from the Treasury, which feeds in the forecasts for economic growth. There will not be much economic growth under this Government.

Another reason for doubt is that the nuclear lobby, without question, is the most powerful lobby that I have ever come across — especially that on the PWR. The International companies, such as Westinghouse, press very strongly for nuclear power stations. The Secretary of State said that he had reached a decision that should have been reached years ago. I question whether that decision should be reached now.

I gave evidence to the Committee about the occasion when Dr Walter Marshall returned from Teheran saying that the Shah had offered to buy half our nuclear power industry if we agreed to abandon the AGR and adopt the PWR. What was the link? The right hon. Gentleman should be a little more scpetical of what he is told. There is heavy pressure in the Cabinet Office and Whitehall to adopt the PWR. The scientific community is strongly in favour of nuclear power and the unions representing workers in that industry are, understandably, also in favour.

But the greatest pressure for nuclear power comes from the military because the plutonium required for our weapons programme comes from nuclear power.

The risk of proliferation has been much discussed. Most countries that want civil nuclear power want it for weapons purposes. Pakistan has developed the nuclear weapon. There was an irresponsible deal between Germany and Brazil. There are no enforceable nuclear safeguards. As a Minister I spoke often of the IAEA safeguards, but there are no enforceable safeguards in the control of fissionable material — there is only a rough and ready international monitoring system. In the case of Pakistan, we could only prevent it from making the bomb by major international pressure, which was applied only temporarily and was then withdrawn because of the Afghanistan position. Under Euratom, of which Britain is a member, we have lost control of our fissionable material. We have lost the power to buy uranium, which is now bought for us by Euratom.

Atomic power is a vulnerable system because it is centralised, subject to attack either in war or by terrorism and subject to accidents. Where there is a vulnerable system, we are bound to introduce safeguards that in turn threaten civil liberties. I cite one example that has become public. Councillor Trevor Brown was a Liberal councillor at Aldermaston and was prematurely retired for making public comments about what happened at Aldermaston. I have knowledge of this because he consulted me at that stage. I do not want to stir that old controversy. All I want to tell the House is that the Ministry of Defence was very angry with Councillor Brown for bringing to public attention matters of prime concern in safety at Aldermaston. I had an interest because I had once been the Minister concerned.

For all these reasons, a thick curtain of secrecy surrounds all matters concerning nuclear power. It is hard to get the truth. Ministers are mislead, and I have been myself. I asked the Secretary of State whether he would publish for the inquiry all the papers relating to the PWR that he has in his Department. He did not give me a wholly satisfactory answer. If there is to be confidence in nuclear power, the public must be told the facts and not merely fed with the propaganda and public relations activities of the nuclear industry.

Those are all powerful arguments for caution. I have summarised, as I had to do, six very serious considerations which the House, then the inquiry and then the House again, should consider. I believe they point inescapably to a scaling down of nuclear power in our long-term plans, to no pressurised water reactor, to no fast breeder reactor, and to an absolute minimum of ordering — if we have to order. That was the basis of the AGR decision that I announced. If we do have to order — there is no conceivable need for it on the basis of our present need, though we have to look ahead — it should be the gas-cooled stations, of which we have had experience from the early days. The world has gone PWR and we have a duty to preserve the gas-gooled option lest, as I fear, the PWR turns out to be an unacceptable system.

We want a very wide inquiry into these matters. I am grateful for the year that has been left to prepare it. The Government should fund the objectors. The Minister will find in the records of his Department that I made preparations in my remaining months to fund low energy studies which would provide the basis on which the objectors would be able to come forward and question the advice. That is not so different from funding them because the objectors would have access to those studies. I would go further and say that, as with legal aid, where we even fund people to fight the Crown on matters of prosecutions, there should be funding available for people engaged in inquiries of this magnitude.

Whatever happens, this is too big an issue to be determined by the experts, the scientists or the Minister. It must, as my right hon. Friend said, come back to the House for decision. I very much hope that the inquiry under Sir Frank Layfield will open up all the matters to which I have referred, so that the public will have a chance to assess whether this expanded and advanced programme on a new system has any merit in Britain.

Under Review

Tony Eccles: *Under New Management*, Pan Books, £2.95.

This is an important and highly readable study of Kirkby Manufacturing & Engineering (KME), one of the large new worker co-operatives set up with the encouragement of Tony Benn when he was Industry Secretary in the early days of the last Labour Government. The title is taken from the sign the workers hung on the factory fence at the time of their first sit-in in 1972; it is a reminder of just how long they managed to sustain their struggle and that, sadly, it did not finally succeed.

Why *did* the co-op fail? Whose fault was it? Could it have been different? Or would it have been better not to have set out on this road at all? We desperately need to know. Tony Eccles is uniquely qualified to help. A Professor of Business Administration, he acted as unpaid adviser, advocate and critic of KME and its leaders almost from its first conception in 1974 to its demise in 1979. In this book he manifests both the unswerving commitment and independent judgement he clearly gave to the enterprise throughout. The tale he has to tell is fascinating, humorous and harrowing, though it does not provide many easy answers to our questions.

One thing is absolutely clear — and it conditions everything else that happened — and that is the total and remorseless opposition of the top civil servants in Benn's own Department to the co-op from the start. Their own Industrial Development Unit produced a highly negative assessment (subsequently released to the shop stewards by Benn), despite a much more balanced report submitted by independent consultants. It was this IDU report that formed the basis for the Government's Industrial Development Board (appointed by Tory Government, staffed mainly by businessmen) to reject KME's grant application. After fierce debates in Cabinet the Government finally decided to overrule this advice. However the application had already been scaled down in response to this political infighting to £3.9 million which was insufficient to fund the enterprise adequately, to the extent of £1 million or more. Worse, Benn was forced to announce that this grant was "once and for all" which made it very difficult for KME to apply for help again and which Eric Varley used against the co-operators when they were forced to seek his help.

KME had to pay out £1.8 million to the Receiver straightaway to purchase the old IPD business, run down though it was. (This figure was included as part of the KME grant application and was alleged to have been leaked by civil servants to the Receiver; Eccles considers it was several hundred thousands too high by the time it came to be paid.) A further £1½ million was lost in the co-op's first year of operation while sales, production, stocks and the goodwill of customers and suppliers were rebuilt.

The co-operators were thus soon forced to apply for further government assistance. Unluckily for them by this time (1976) Benn had been ousted from the Industry Ministry to be replaced by Eric Varley who was preoccupied with reversing his predecessor's openness