

## Britain: hot Autumn or Winter freeze?

Jeremy Dewar Fri, 07/11/2014 - 14:48

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Britain's public sector unions launched a coordinated strike on 10 July to break the pay freeze. With a further strike due on 14 October and the TUC organising a national demo under the slogan, 'Britain needs a pay rise' on the 18th, Jeremy Dewar reports on the tasks facing trade unionists

Britain remains in a fragile economic recovery. Latest figures released in August show unemployment still riding high, though down to 2.08 million; the rate fell to 6.4 per cent over the quarter. Paradoxically, however, average wages, excluding bonuses, rose by just 0.6 per cent in the year to June, the slowest rise since records began in 2001. Including bonuses wages fell by 0.2 per cent, the first fall since 2009.

Meanwhile UK GDP rose by 0.8 per cent in Q1 of 2014 though this is still 0.6 per cent below pre-recession levels in 2008. It is expected to grow by 2-3 per cent this year. However while the dominant service sector (about three quarters of the economy) is already 2 per cent higher than in 2008, manufacturing and construction remain 12 per cent off their 2008 levels (though both are in recovery), so Chancellor George Osborne and Business Secretary Vince Cable's promise to 'rebalance' the UK economy has proved empty.

Although UK budget deficit is falling, it remains stubbornly above £100 billion. This is because unemployment is high, boosting benefits spending, and wages are still pegged to the floor, reducing revenue. Real wages - adjusted to take account of inflation, which stands at 1.9 per cent (CPI) or at 2.5 per cent according to the RPI index, which more accurately reflects living costs - continue to fall.

Teachers have lost 15 per cent of their spending power since 2010; council employees 20 per cent. The TUC reckons the average public service worker is £2,245 down on their real income of five years ago. Contrary to bourgeois propaganda, the private sector picture is much the same.

As a consequence, UK debt is at a record high at £1.27 trillion or 75.6 per cent of GDP. The interest on this debt, another major reason for the budget deficit, costs over £1 billion a week - money paid directly to the same banks and finance houses, whose bailout triggered both the debt crisis and the subsequent recession.

Despite Prime Minister David Cameron and Osborne's gloating over this 'recovery', it is clear that the Bank of England is in the dark about the true state of the UK economy. Governor Mark Carney admits there is a range of risks affecting the economy, such as heightened geopolitical tensions, a weak recovery in the Eurozone and UK household indebtedness. The Monetary Policy Committee is split over when to raise the Bank's interest rate from the historic low of 0.5 per cent and most commentators now expect the inevitable rise to come early next year.

The recovery has not led to more industrial investment; in fact it has fallen in proportion to GDP. Productivity rates are stagnant or even falling, the bosses rely on cheap labour rather than new technology.

Furthermore despite the upturn, there has been no slackening in austerity, as the government's attacks on the public sector and its workers continue. Nor has the increase in precarious jobs relative to full-time jobs slackened either. Zero hours contracts, temporary contracts, part-time jobs and unpaid posts have tended to replace full-time posts.

Alongside this, the workforce has aged, with 767,000 under 25s out of work (16.9 per cent, a full 10 points higher than the average rate), while 1.09 million over-64s are in work, up 36 per cent since 2010 as a result of the abolition of the compulsory retirement age and cuts to state pensions.

But the key to the enigma of falling real wages accompanying falling unemployment lies in the dramatic increase in, and type of self-employment being created. The self-employed total stands at 4.6 million, the highest figure ever and 15 per cent of the workforce. More than half the 800,000 jobs created in the past 12 months and two-fifths of all new jobs since the last election have been self-employed.

Some of these, like in construction, are entirely bogus, saving employers in National Insurance contributions, holiday and sick pay entitlements as well as bypassing established rates and conditions for the trade. A great many, however, have been the result of an increasingly draconian benefits system, pushing claimants into paying themselves far less than the minimum wage and working incredibly long hours.

Government statistics show that the self-employed have suffered a 22 per cent drop in income since 2009; according to TUC chief Frances O'Grady, they earn on average just £207 a week, less than half the median wage, while working two hours a week longer.

On the other hand, the recovery is of course very real for the fat cats. The Sunday Times Rich List tells us that the wealth of the top 1,000 people has risen 15.4 per cent to an incredible £518,975 billion in the last 12 months. Britain's 100 billionaires own over £300 billion between them. Top CEO's have seen their pay rise by £200,000 last year and are expected to receive a 33 per cent pay rise this year. They now earn 160 times more than their staff, pocketing the average worker's annual salary in just two days.

### Trade union response

So how have our union leaders responded to this unprecedented attack on working class living standards? Round after round of austerity policies have emanated from the Con-Dem government since they came to power in 2010 ? and an estimated 60 per cent of the cuts have yet to be implemented.

Our union leaders have had plenty of time and no shortage of arguments to rally a counterattack. Remember, it wasn't the unions that caused the economic crash; they hadn't lifted a finger for years. So they had the moral high ground, but did they have the will or the courage to fight back?

Looking at the incredibly low strike figures since the crash (see table) suggests a negative answer. The exception was the mass 2011 one-day strike in defence of our pensions. Unfortunately this action petered out shambolically into a defeat, as right wing union leaders pulled out of the fight and signed up to a sell out. In truth the TUC narrowed its horizons just to pensions ? and to only public sector workers' pensions, at that ? when it could have mobilised around the wide-ranging austerity attacks against all workers.

The TUC did precious little else after this fiasco. During this period it scandalously failed to mount a national campaign of action to defend the NHS from cuts and privatisation, leaving campaigns, like the successful Lewisham Hospital one, to fend for themselves.

Even the 'left' union leaders have come up way short. McCluskey's bluff was called by Jim Ratcliffe at

Grangemouth. The PCS, NUT and UCU have all wavered, hesitated, and fallen back into single trade disputes after experimenting with coordinated one-day actions at great lengths apart. The 'left' blue-collar unions, like the RMT, FBU and CWU, have restricted their members' activities to trade disputes rather than a generalised, i.e. political struggle against the Tory government. In the case of Royal Mail, Billy Hayes and Dave Ward have engineered a strategic defeat with barely a strike, except for those called from below.

But there has been some very determined and militant local strikes, as at Lambeth College where the strikers have mounted indefinite strike action and at Doncaster Care UK which has just announced another three weeks strike to add to the 48 days on strike so far. London tube workers, Hovis, Argos and Ritzy Cinema workers have all taken stands in defence of their conditions or for a living wage. In all these cases, to one degree or another, the strikers themselves have determined their own strategy from negotiations to community outreach to nominating strike days.

The significance of sustained action is that it puts indefinite strikes on the agenda again. It cuts against the union leaders' tried and trusted (and failed) tactic of a one (or occasionally two) day strike, which is designed not as a means of winning the battle, but as a means of 'reopening negotiations'. One day will never win a dispute, although it can provide the platform for a very good protest, so long as it's the prelude to more sustained action.

Over a million workers came out on strike on 10 July this year against the government's pay freeze. Workers from several unions, the NUT, Unison, Unite, PCS, GMB and FBU, took to the streets and picket lines in a fantastic display of militancy. This was the largest day of action since November 2011. The response from workers to the union's call gives the lie to the pessimists who claim workers are not ready for action or 'lack confidence'.

Every time the union executives have called their members out there has been an overwhelming positive response from activists that have rallied the rank and file to action. Unsurprisingly there is, however, a growing mood amongst workers that one-day action is not enough. The initial proposal from Unison for a two-day strike in September was popular, while their climbdown to one day on 14 October was greeted with disappointment.

Given the wide-ranging nature of the austerity attacks there is also bemusement amongst workers that union leaders are restricting their calls to action around the question of wages. If we're making a sacrifice to reverse the decline in wages, workers' arguments go, why not demand an end to academies and free schools, privatisation and contracting out, service cuts and job cuts?

There is a real danger that union leaders will fritter away the momentum that 10 July started - indeed that is their clear intention. Nevertheless, each and every action they are forced to call, like the TUC national demo on 18 October, provides a platform for activists to rally workers in struggle and place further demands on the leadership. But that takes organisation.

Local government workers from Unison, Unite and GMB are already committed to strike action on 14 October. Unison members at the Food Standards Agency have also voted for a strike over pay. Unison members in Academies are being balloted, as are Unison and Unite members in the NHS. Activists in the NUT and other unions will have to step up the pressure on their leaders to join the 14 October strike.

But just asking the trade union leaders is as fruitless as asking the bosses or the Tories to concede. Irresistible pressure is needed in both cases. If they call action, good, in fact we should demand that they do so and that they step it up all the way to all-out indefinite action. We should demand that they

coordinate the action among all the different sectors and that none of them settle until all have received acceptable offers.

If the leaders won't do it, then the rank and file need to organise with a view to building a movement from below which can take the action itself. In every union that walked out on 10 July, strike or action committees at local level should be built, in the first instance to pile pressure onto our leaders so that they don't settle for peanuts or sell out, but also to organise independently of the leaders in the event of such a sell-out.

## Rank and file organisation

The question of rank and file organisation like this has been a topic of discussion on the left in Britain for a few years now. The debate is centred on the questions, 'Is a rank and file movement possible right now?' 'What does a rank and file movement look like?' and 'How does a rank and file movement relate to today's working class?' It really started to develop in 2012.

Several things happened in that year. First, the 'left' led public sector unions, NUT, PCS and UCU, utterly failed to develop a strategy independent of the centre and right wing unions, Unite, Unison and GMB, in the pensions dispute, leading to acrimonious infighting, disuniting and suspending strike action, and defeat.

That this debacle was bookended by equally disastrous, if less far-reaching defeats in the private sector – the British Airways dispute in 2010-11 and Grangemouth in 2013 – under the leadership of the Unite's 'left' General Secretary Len McCluskey signalled that something was wrong, not only with British trade union leaders, but also with the socialist left's strategy.

The second development towards the end of 2012 was the growing discontent within the Socialist Workers Party, the largest far left group in Britain, over their trade union tactics. The SWP built itself in the 1970s around its rank and file orientation, but by the 2000s had effectively abandoned this, preferring instead to build links with supposed lefts, like Billy Hayes of the CWU and Mark Serwotka of the PCS.

This culminated in 2011 in the formation of Unite the Resistance (UtR) as a 'hybrid body' that is neither a traditional Broad Left nor a fully-fledged rank and file movement. The excuse given then as today:

'Even though we would ideally like to see a militant national rank and file movement able to act independently of the trade union bureaucracy, the current reality is that in most situations rank and file workers lack the confidence to take action without an official lead.' (Ralph Darlington, *International Socialism* 142)

The problem with this argument is that it simply goes round in circles: the rank and file lack confidence, so they do not launch strikes independently of the bureaucracy; the bureaucracy lead disputes to defeat or, at best, minimal concessions, so the rank and file lose confidence in taking action. Rather than break this downward spiral, UtR reinforces it.

On the eve of Royal Mail's privatisation and the CWU leadership's monstrous betrayal of their members by failing to call any action whatsoever, the SWP invited General Secretary and left-talker Billy Hayes to address a UtR conference. He was never called on to break the anti-union laws and lead strike action. When a Workers Power member heckled to this effect, he was told to shut up – by the SWP full-timers!

Both subsequent splits from the SWP, International Socialist Network and Revolutionary Socialism in the 21st Century (RS21), started to rethink this doomed, pessimistic strategy, though neither has at yet successfully resolved the problem.

In attempting to answer the question, 'Why is a rank and file movement needed?' it is worth returning to the classical Marxists. Marx and Engels' message was that the trade unions should be the tribune not just for this or that trade, but for the working class as a whole. They noted with dismay the narrow and conservative outlook of union leaders in the 1st International that detracted from the fight for socialism. Luxemburg, Lenin and Trotsky also provided insights into the role of a growing bureaucracy at the head of the unions and a labour aristocracy that provided the material base for these officials.

Trotsky noted how the bureaucracy operated as a caste. This caste mentality was the reason why the 'left' union leaders could not be relied upon to provide an alternative strategy to the 'right wing' union bureaucrats. Trotsky's writings on the British General Strike exposed how the 'lefts' in the end could not produce a different perspective to the 'rights'. Some lean more on the workers than the labour aristocrats, and certainly all lean on the workers at some time, otherwise they would not get re-elected. But despite these differences and vacillations, they are all part of the bureaucracy.

If trade unions are to be transformed into organs of struggle for socialism then an independent rank and file movement needs to be built to fight the bureaucracy as an agent of compromise with capitalism within the workers' movement. In this sense rank and file movements will always have a role to play, even in periods of retreat where it would still be possible to regroup militants on the back of disillusionment with bureaucratic sell-outs. Such regroupment would hasten the rebuilding of shop floor strength.

Currently the workers' movement is very much on the defensive. The present union leadership will be presiding over a rout if we do not change our tactics. A new fighting leadership is required which can only be forged in the heat of battle against the Tories and the bosses. A rank and file movement can provide that new lead and must win the trade unions over to a political programme that is for the overthrow of capitalism and for socialism.

### Turning the tide

A victory for the Tories and the bosses will increase their confidence to strike further blows for austerity and against union organisation. The Tories have more draconian anti-union laws in their sights, as they target strikes in the public sector whilst they continue to dismantle our services. The next recession will see the knives sharpened even more.

Unfortunately if our leaders won't step up to the fight, they certainly won't step out of the way for those who would. For the left in Britain - and this includes the People's Assembly, the SWP, and the Socialist Party - it will be not enough to cuddle up to the left union leaders as the short cut to successfully building a movement. We cannot afford to wait for the left bureaucrats to give an 'official lead'. The latter have no strategy for stopping the austerity offensive.

This has been made abundantly clear time and again. Look at the union leaders' evasive stance on the anti-union laws, based as it is on deep-seated fear. Any serious workers' struggle which is prepared to win solidarity action and enforce picket lines will be subject to legal attacks. Union leaders know this and are not prepared to fight the law. We have to spell out clearly what is necessary to win.

Rank and file militants need to state that coordinated and indefinite strike action is urgently required to fight now on a number of fronts. This means defying the anti-union laws and deploying the full weight of our industrial muscle if they are invoked. Increasingly, as the stakes get higher and higher in defending working class interests, the need for a General Strike will loom larger amongst those workers intent on winning.

An independent rank and file movement in each union and across the unions is needed to organise this resistance. The tasks of democratising our unions and turning them into class struggle organisations are interlinked.

Workers' democracy has to be at the heart of any new movement. Workers should control the running of their disputes: strike committees elected by mass meetings and no secret negotiations behind the backs of the workers. Dissolving the bureaucracy means all officials should be elected and subject to immediate recall by those they serve and be paid the average wage of workers in their industry. Such a programme for renovation means putting the unions on a war-footing, escalating strike action as the best way of defending and winning concessions.

One of the most successful attempts at building a rank and file movement recently was the Sparks' campaign to defend their conditions under attack from new contracts. The Unite electricians were prepared to organise outside of the official structures and pulled off a brilliant victory in their struggle. Unite has also seen the campaign to elect a militant rank and file candidate in Jerry Hicks which attracted nearly 80,000 votes. These two campaigns both show that it is possible to begin the process of establishing a rank and file movement today.

In every union and in every industry militant workers will have had experience of being thwarted in their battles against management by the bureaucratic indifference or incompetence of union officials. Even in the unions that have seen action, like the NUT, there is confusion at the long drawn out tactics and stalling of action that has characterised that union's hesitancy in battling the Tories. There is a layer of militants then that could be organised and that will grow if recent defeats by 'left wing' official strategies turn into a rout. The point though is to build an effective rank and file alternative to ensure that we snatch victories from the jaws of defeat.

Workers Power believes the beginnings of a movement can be started right now. With this in mind we are supporting a cross union rank and file initiative that will be meeting on the 8 November. At the recent Sparks' AGM, with its banner 'National Rank and File Committee Construction' to the fore, the initiative was publicised and support was expressed by a number of electricians. We would urge all our readers to attend and start the exciting task of building a rank and file alternative, the better to ensure that we do have a hot autumn rather than a winter freeze in the class struggle.

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