# TRADE UNIONS THEN AND NOW – A BRIEF HISTORY

# by Mark Metcalf and Mick McGrath



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## THE INDUSTRIAL REVOLUTION AND TRADE UNIONISM

Trade unions originated in Britain as a reaction to the impact of the Industrial Revolution of the 19<sup>th</sup> century. In the space of barely half a century the structure of energy generation and manufacturing would transform employment and consequently class relations. From the small-scale employment arrangements of the late 18<sup>th</sup> century the vast mass of the population had been separated from the land being driven into the factories, mines and mills of the burgeoning Industrial Revolution. The transition from feudalism to market society had been propelled by the rise of commercial capitalism over the previous centuries. Now, industrial capitalism had created the modern working class or proletariat. And of bitter necessity workers found their only defence against exploitation and poor conditions was to organise collectively. (See E P Thompson, the Making of the English Working Class, for an extensive account of this process)

Workers, increasingly forced from the land, were drawn to urban centres by new industrial processes that promised the prospect of employment. These emerged unevenly across different economic areas of activity, but the feature common to all was that those who worked in them had nothing to sell but their labour power. As individuals, workers found themselves at the mercy of the vagaries of capitalist markets, unemployment, long hours and often harsh working conditions.

In the early years of industrialisation throughout the 1820s and 30s there had been early attempts to form trade unions. The most famous of these was the Grand National Consolidated Trade Union. (GNCTU) Founded by Robert Owen, an industrialist and socialist, in 1834, it was unsuccessful as were other trade unions formed at this time. The GNCTU claimed a membership of half a million although this may have been an exaggeration as many members did not have sufficient money to pay their subscriptions.

#### MEDIEVAL GUILDS

The trade unions which emerged as a result of the industrialisation of the nineteenth century differed significantly from ancient merchant guilds which predominated in the medieval period. In Karl Marx's famous formulation, "The hand-mill gives you society with the feudal lord; the steam-mill, society with the industrial capitalists." (Capital, Vol 1 (London 1970), V, 372n)

Thus, the means of production determines the relations of production. Prior to industrial capitalism the feudal order of society predominated. Medieval guilds can be seen, at least in part, as the forerunners of the trade unionism that emerged in the 19<sup>th</sup> century for the extent that both would seek to regulate the market. There were important differences, however. The guilds of earlier centuries were first extensively documented in southern England by a Royal Inquiry of 1388/89. This was at the height of feudalism, the structure of society immediately preceding the growth of commercial capitalism which would give way to industrial, then financial, global and currently the Neo-Liberal form of capitalist exploitation.

The medieval guilds are important because they demonstrate that in a society where the relationship to the land is the predominante factor as to how people earn their living, it is important to regulate the economy. Where there were enough people in urban areas in a given trade employers and employees formed artisan/craft guilds that incorporated masters, journeymen (someone who is fully educated in their craft) and apprentices into the one organisation in their field of handicraft. According to Chase (1) these "existed to advance the masters and to protect the consumer by regulating the quality of work, as well as to regulate waged labour."

The monarch bestowed (for a price) certain privileges on the guilds which were overseen by town and city corporations. This allowed them to exclude outsiders and establish a monopoly on product standards, prices and working conditions, including apprenticeship training and wages. As such although guilds were not incipient trade unions there were some occasions when the journeymen, often successfully, sought to exert pressure on their masters by independently pushing for increased pay. As early as 1299 there is a record of journeymen carpenters and smiths being accused of forming illegal associations reported as 'parliaments' to do this. There are also some reports of a small number of unskilled waged workers — mainly working on a quayside - who combined to successfully seek privileged access to work and thus demonstrated a recognition of the positive impact of acting collectively.

However, as long as the guild could be relied upon to defend the interests of their journeymen and protect the interests of the craft as a whole then they did well. English guilds reached a renewed membership peak in the first twenty years of the eighteenth century. Thereafter they began a steady decline as free trade and technological innovation swept them aside. Armed with the revolutionary ideas of Adam Smith and Jean-Jacques Rousseau, governments

abandoned control over trades in favour of laissez-faire, free market systems. Many former handicraft workers had to seek work in the newly emerging manufacturing industries where there was a clear workers-bosses divide and a wage system in place. Thus was the modern working class or proletariat born.

## GUILD SOCIALISM AND THE SOCIALIST REVIVAL

From the mid-19<sup>th</sup> century until the start of World War I there was an upsurge in socialist thought accompanying the rise of trade unionism. Principal amongst this is the phenomenon known as the "Socialist Revival" of the late 19<sup>th</sup> century. Encompassing people as widespread as Oscar Wilde, H G Wells, George Bernard Shaw, W M Hyndman and William Morris this movement proposed the replacement of capitalism by a socialistic organisation of society. The linkage between this movement, which had many different strands of socialist thought, was the relationship between the medieval craft guilds and the ideas of the guild socialists.

Just as the guilds of the feudal period had seen the importance of organising around the labour process, so the guild socialists of the late 19<sup>th</sup> and early 20<sup>th</sup> centuries saw the opportunity to challenge the dominance of capitalist economic relationships which separated the creators of wealth from the fruits of their labours.

Guild socialism was partly inspired by the guilds of craftsmen and other skilled workers which had existed in England in the Middle Ages. Guild socialists, unlike some trade unions, would not confine their demands to matters of wages and conditions but would seek to obtain control of industry for the workers whom they represented. Ultimately, industrial guilds would serve as the organs through which industry would be organised in a future socialist society. Closely associated with later movements particularly syndicalism and the call for industrial democracy, Guild Socialism became eclipsed by the depression of the 1930s and World War II. It was finally replaced in socialist thought in the UK by the interventionist Labour Governments of Atlee and Wilson.

## FROM THE LAND TO INDUSTRY

The revolution in agriculture of the 18<sup>th</sup> century meant production of food could be achieved with much fewer land workers. While some left the land for the cities through choice or necessity others were driven from the land by rapacious land owners. Urbanisation was to carry Britain into new forms of economic activity as the eighteenth century saw the percentage of England's population living in towns of 10,000 inhabitants or more rise from around ten to 25 per cent.

Industrial capitalism developed rapidly from the late 18<sup>th</sup> and throughout the 19<sup>th</sup> century. The process of industrialisation swept away an economic order dominated by small workshops by replacing it with the factory system. This concentration of human labour in ever larger cities created the conditions for the growth of capitalism and therefore trade unionism.

It also meant that the majority of workers were now almost completely divorced from the land and so needed to devise mechanisms for ensuring mutual aid in times of hardship and want.

The ending of the Speenhamland system of outdoor relief and the creation of workhouses as a result of the 1834 Poor Law Amendment Act pushed workers and communities to establish friendly societies. These provided mutual support in the event of sickness, old age or death.

Some workmen had begun to combine as early as the late seventeenth century by putting aside a small portion of wages against the likelihood of later want. These friendly societies gradually spread throughout the country over the following century and were officially recognised by Parliament with the passing of the 1793 Friendly Societies Act, which provided them with legal status. By the late 18<sup>th</sup> century there is evidence some workers were beginning to use the friendly societies as a means of combining for wage-bargaining purposes. In the 1780s a Friendly Society of Mechanics was established in Bolton, Blackburn and Chorley.

## TRADE UNIONS BEGIN TO GROW

It did not take long for the ruling class and their representatives in the legislature to see the growth of trade unions and the principle and practice of collectivity as a threat to their economic interests. Revolutionary events in France in 1789 conspired to increase the paranoia of the ruling class. Numerous corresponding societies sprang up in the UK that exchanged ideas with their French counterparts on all things political and economic. Terrified by the revolutionary ideas emanating from the French Revolution, employers in London ensured Parliament in 1799 made it illegal for engineers and millwrights to combine. The Combination Acts of 1799 and 1800 that were drawn up by Prime Minister William Pitt the Younger and William Wilberforce made it illegal for workers to join together to push their employers for better pay and conditions. Not only was the act of combining into a trade union made illegal but "conspiring to do so" was a criminal offence. Breach of contract by workers became a criminal offence, often punishable by hard labour.

It was not until 1871 and the passing of the Trade Union Act that unions were given legal status. Finally, only with the passing of the 1906 Trades Disputes Act were unions granted immunities protecting the organisation, their officials and members from being sued for damages consequent on employer loss through the use of industrial action. This immunity derived from what became known as the Golden Formula. A trade union could simply define their actions as acting "in contemplation or furtherance of a trade dispute." This remained in force until the legal onslaught on union organisation by the 1979 – 1997 Conservative Governments.

# CAPITAL AND LABOUR - THE ENDURING STRUGGLE

Few would deny the conflicting interests between employers' desire for profits and workers' demands for decent pay and good conditions of employment. In fact, the first recorded case of industrial action took place in ancient Egypt around 1170 BC when the artisans of the Royal Necropolis at Deir el-Medina went on strike. The event, which took place under the rule of Pharaoh Ramses III, was recorded in detail by the scribe Amennakhte at Deir el-Medina on a papyrus. It describes the workers' struggle and the corruption which had spread throughout the administration in a period when Ramses was fighting a series of wars and engaging in an extensive building campaign.

The rise of industrial capitalism was accompanied by growing levels of industrial action. When employers began cutting wages at the start of the 19<sup>th</sup> century and a few brave workers walked out, they found themselves hauled before the magistrates and imprisoned. During the Wolverhampton "Great Strike" of 1819 - the same year as the Peterloo massacre at which the

ruling class violently suppressed rising demands for more democracy - tin plate workers were arrested, tried, found guilty and transported to Tasmania. However, even such fierce actions failed to prevent other workers taking strike action, often successfully.

In this period and in response to employer attacks on their rights to collectively organise, workers continuously presented petitions to Parliament. Dominated by representatives of the landed aristocracy and increasingly industrialists, support was non-existent or, at best, severely limited. It would be many years in the future before representatives of the working class entered Parliament. And it would not be until the end of World War II that the first majority Labour government would take office.

In the early years of the 19<sup>th</sup> century far from parliament assisting workers seeking to organize, it was for the most part openly hostile to workers and their organisations. In the early 1820s, two MPs, Francis Bacon and Joseph Hume were successful in getting a Select Committee of Inquiry to examine the workings of the Combination Acts. When this recommended repeal, Parliament carried this out in 1824.

However, it did not take the employers long to hit back after workers organised "Closed Shops" where only trade union members could be employed. Demands for wage increases were backed up by strikes. A frightened ruling class successfully ensured restoration in 1825 of the Combination Acts. These again limited workers from combining and left trade union funds unprotected with their members liable to be sued for breach of contract. Picketing was made illegal and the employers again moved to prevent collective bargaining. Amongst those arguing for the re-imposition of the Combination Acts was William Wilberforce who wanted to make them even more draconian. Apparently, this opponent of the slave trade felt that wage slavery was justified.

This growing strength of a working class beginning to organise was not welcomed by leading politicians, the aristocracy and the expanding capitalist class of manufacturers. An economic slump and subsequent growth in unemployment that began in 1833/34 gave the ruling elite the chance to intensify their attacks on workers who were organising.

## AGRARIAN RADICALISM AND THE TOLPUDDLE MARTYRS

It is necessary to remember that up until the 1850s, farmworkers were still numerically the biggest group of workers in England.

As the major factor of production up to the advent of industrial capitalism the struggle of agrarian workers against predatory landlords had raged for centuries. In the countryside, workers were increasingly impoverished. The Clearances forced the evictions of many tenants in the Scottish Highlands and Islands whilst rack-renting in Ireland increased rents beyond what tenants could afford. The Enclosure Acts, first introduced in 1604, in England and Wales had given landlords the powers to take away common lands on which local people could graze their cattle and grow crops. This had left agricultural labourers increasingly dependent on employment by these same landowners. In Ireland and Scotland in particular the issue of land ownership were major political issues.

In the depression of the early 19<sup>th</sup> century land owners sought to make their employees pay the price for the economic crisis. The average wage for agricultural labourers was just ten shillings (50 pence) a week, but even this began to be lowered. In Tolpuddle, Dorset, wages were pushed down to eight pence (40p) and then to six shillings. (30p) When local farm labourers called a meeting with the local magistrate and landowner James Frampton and appealed for him to fix their wages this was refused. Tolpuddle farm workers were forced to look elsewhere for support.

George Loveless, a lay preacher, set up a meeting in October 1833. Forty farm labourers, virtually the entire male population of the village, attended to hear what Chase believes were two representatives from the Friendly and Protective Agricultural Association or a movement close in spirit. (The GNCTU had not yet been formed) It was agreed to establish a Friendly Society of Agricultural Labourers. The first six labourers, including Loveless, enrolled in the society, which involved swearing an oath of secrecy, in December 1833. The employers quickly responded by forming Trade Societies across Dorset in January 1834.

Frampton wrote to his friend the Whig Home Secretary, Lord Melbourne, who had Dorset family connections and was particularly anti-working class. Melbourne recommended invoking the obscure Unlawful Oaths Act of 1797, which prohibited the swearing of secret oaths. In February 1834, six men - George Loveless, James Loveless, Thomas and John Standfield, James Brine and James Hammett - were arrested, then later tried. They were found guilty and transported for seven years to Australia.

The sentence was met with widespread protests amongst the working class and a London demonstration attracted 200,000 people and a petition containing 800,000 signatures calling for a pardon of the men was collected. This was initially rejected. All of the families of the six men were refused parish relief but, in the event, sufficient contributions were received from ordinary people from across the country. Instead of weakening the trade union movement the injustice heaped on the Tolpuddle Martyrs strengthened it and encouraged more people to become members. The massive campaign for the release of the men continued and in 1836 free pardons were granted to all six who over the following two years returned – in some cases only temporarily as they later emigrated to Canada - to England. Later, George Loveless, wrote, "the rich and powerful will never act to alleviate distress and remove the poverty felt by the working people of England. What then is to be done? Why, the labouring classes must do it for themselves, or it will forever be left undone." (The Victims of Whiggery) Truer words you would struggle to find anywhere.

## 1842: THE FIRST NATIONAL STRIKE



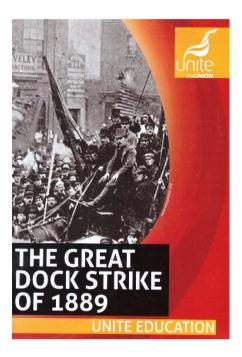
There had been ongoing attempts by coal miners regionally to form unions but with colliery owners refusing to negotiate these had failed. In 1842 colliers established The Miners' Association of Great Britain and Ireland, which was the first national trade union. In the first few days of August 1842 there then began a strike by miners in the Black Country, which in turn led to lay-offs in the neighboring Potteries. Within days, workers from many trades in parts of Lancashire were taking their own action after their wages were cut. They rallied behind the Chartist demands for extended voting rights for working men and a reduction in the maximum working day.

There were fatal consequences for workers when they clashed with the military at Preston and Blackburn on the 13<sup>th</sup> and 15<sup>th</sup> of August 1842. The West Riding of Yorkshire saw disturbances at Bradford and Huddersfield. At least five people were killed by the military at Halifax (2), where all of the mills had been stopped by protesting workers. This first Great National Strike (3) involved perhaps as many as a million workers but ultimately it was to be defeated.

In 1868 the Trades Union Congress (TUC) held its first meeting in Manchester. Almost all the affiliates represented craft workers. It was not until the 1880s that unskilled workers began to organise. As previously indicated in 1871 trade union funds were given protection when unions were legalised for the first time. Finally in 1875 the Employers and Workmen Act and the Conspiracy and Protection of Property Act fully decriminalised trade unions. This meant that they could not be prosecuted for an act which would be legal if conducted by an individual. As a result, labour disputes became civil rather than criminal matters and picketing was decriminalised.

## THE UNSKILLED GET ORGANISED

Trade unionism thus began to grow among new groups of workers including farm labourers, railwaymen and growing numbers of women. In the summer of 1888, 1,400 women, including many young girls, took strike action at the Bryant and May matchmakers factory on Fairfield Road in East London. Previously trade union membership had largely been the preserve of skilled craftsmen. The success of the Bryant and May Match Women's strike (4) marked a major turning point in trade unionism in Britain as it helped pave the way for female and male unskilled workers to join unions in large numbers.



A successful gas workers strike in London soon followed. Then in August 1889 there began The Great London Dock Strike (5) This can be seen as the foundation stone on which the modern trade union movement, is based. The Transport and General Workers Union strand that is one of the main legacy unions of today's Unite can be seen as central. The dock labourers success in raising their pay and improving working conditions was aided by a rent strike that denied landlords money till the dispute was settled.

The Cradley Heath women chain makers who struck in 1910 evidenced a growing militancy on the part of the female working class.

Chainmakers were highly skilled and badly paid. Writer Robert H Sheard described their lives in his 'The White Slaves of England' book. 'At Anvil Yard...I could see nothing but sorrow and hunger and grime, rags, foul food, open sores and movements incessant and laborious.'

Non-union women workers, who earned less than the unionised men doing the same jobs, were especially poorly paid, earning well under 10 shillings (50 pence) a week.

Trade union organiser Mary Macarthur started the fightback by establishing in 1906 the Hammered Chain Branch of the National Federation of Women Workers. The NFWW was set up because existing trade unions were not open to female members and the TUC did not allow mixed-sex unions affiliation

There was further progress when the Chain Trade Board - established by the Trade Boards Act 1909, which created the first boards legally able to set a minimum wage - agreed a 100 percent pay rise. Many smaller companies though sought to avoid paying up and exploited their female workers illiteracy by tricking them into signing contracts that started the new rates six months later.

Realising they had been duped around a thousand women, inspired by Mary Macarthur, began strike action to force their employers to pay the newly agreed minimum hourly wage of 2.5d (1 p).

Strike funds were collected and when MacArthur, aware of the power of the media, encouraged Pathe News to cover the strike this produced worldwide public sympathy and donations. The £4,000 collected maintained the struggle for 10 weeks at the end of which a famous victory was achieved when all the employers agreed to pay the minimum rate.

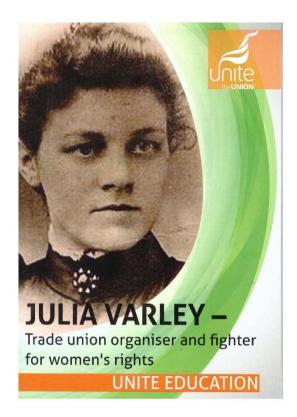
## GROWTH IN NUMBERS AND INCREASING MILITANCY

In 1892 there were 1,576,000 trade union members and this figure was to increase substantially from 1896 to reach 8.4 million by 1920. In mining there was a six-fold leap from around 150,000 in 1888 to around 900,000 in 1913, which was 80 per cent of the workforce. There were significant miners' strikes in 1893, 1910 (South Wales) and 1912.

Bitter strikes in Glasgow and Liverpool in 1889 and 1890 respectively helped establish the National Union of Dock Labourers, (6) which James Larkin later left to set up the Irish Transport General Workers' Union (ITGWU) in which James Connolly (7), who later helped lead the 1916 Easter Uprising against British rule in Ireland, also played an important role. The 20,000 strong Dublin Lock-Out throughout 1913-14 over the workers' right to organise within the ITGWU was to be the most severe and significant industrial dispute in Irish history. Larkin and particularly Connolly always combined trade union organising with political understanding of the necessity to oppose capitalism and replace it with a socialist order of society.

Unions organising general workers also grew significantly. The Workers' Union (WU) was formed on May Day 1898 and was to reach a membership total of close to half a million by 1920. Amongst the WU founders was Tom Mann, one of the leaders of the 1889 Great London Dock Strike and arguably Britain's most significant trade unionist of his time. In 1913 a great strike wave exploded across parts of Birmingham and the Black Country and in June between 30 and 40 thousand were on strike in a series of WU led pay disputes.

In Cornwall, the WU was key to the 5,000 strong 1913 clayworkers strike (8) that ultimately established the trade union movement in the region. One of the key full-time WU organisers was Julia Varley (9), whose appointment in 1912 made her one of the first women officers of a mixed sex union in Britain.



## THE NEED FOR PARLIAMENTARY REPRESENTATION

Throughout the 19<sup>th</sup> century and in the centuries preceding, those who made the laws had shown scant if any regard for the claims of working people to equitable treatment from the elites. Varley, a mill worker, was born in Bradford and when she was just 19 a major strike broke out there amongst mainly female workers in December 1890 at Manningham Mills. Varley had joined the Union of Textile Workers, formed in 1881, in her teenage years. She witnessed during the strike how male and female workers could unite on common issues and how important organisation at work was in the fight for pay and improved conditions.

The strike was to be defeated but an important consequence of the strike was, in an attempt to seek political independence from the Liberal Party, which had traditionally enjoyed the backing of trade unionists, the formation of the Bradford Labour Union. Up until then the first working class representatives within Parliament were known as "Lib-Lab" MPs, the first two of whom were elected in 1874. When similar political labour unions were established in Colne Valley, Slaithwaite and Salford the way was open for the development of an independent labour organisation, especially when during the 1892 General Election, three working men – Keir Hardie, John Burns (who had been one of the leaders of the Great London Dock Strike) and Havelock Wilson – had been elected without Liberal support.

On 14-16 January 1893 a conference in Bradford founded the Independent Labour Party. This played a central role in the founding of the Labour Representation Committee in 1906. In 1918 the Labour Party adopted its first constitution with the commitment to secure the "common ownership of the means of production, distribution and exchange."

## WOMEN WORKERS - GETTING ORGANISED

We've already seen the evidence of women's contribution to the trade union movement and instances of their militancy. Women's trade union membership grew during World War I

especially in the war industries like munitions but also in many other occupations. The unwillingness of many men to allow women trade union membership persisted in many areas forcing women to establish separate organisations. Mary Macarthur and many suffragette leaders championed the cause of women during and following the end of the war. It would take until 1928 for women to gain the right to vote on an equal par with men.

The 1920s were a period of high unemployment and trade union membership fell back to under 5 million by the end of the decade.

The 1926 Miners' Lockout/ General Strike became a milestone in UK labour movement history. The strikers held out for nine days before returning to work. The strike was in reaction to the mine owners cut in pay and the imposition of longer working hours that they sought to impose by locking out 1.2 million miners. Solidarity strike action, especially in transport and heavy industries, was taken by a further 1.7 million workers.

After being told by Prime Minister Stanley Baldwin they would now be responsible for running the country, the TUC General Council lost its nerve, caved in and negotiated a return-to-work agreement. This went against the miners' wishes and left them to battle on alone for another six months before they returned to work exhausted and defeated.

Trade unionists were also taking up issues away from work. In 1932, Benny Rothman (10), a fitter and member of the Amalgamated Engineering Union for all his working life, helped organise a Mass Trespass at Kinder Scout that helped pave the way for the 1949 National Parks and Access to the Countryside Act and, ultimately, the 'Right to Roam' Countryside and Rights of Way Act of 2000.

## **World War II**

During the Second World War, trade unions and their leaders played an important role in running the country with Ernest Bevin, Labour MP for Central Wandsworth and the TGWU general secretary, serving as the government minister for Labour between 1940 and 1945.

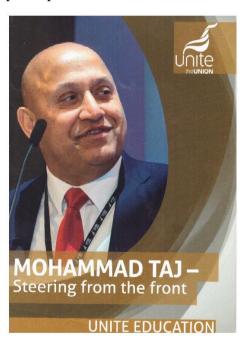
At the 1945 General Election, 35 TGWU members became MPs as part of a radical Labour Government that was elected with a 145-seat majority. A programme of nationalisation of the coal, gas and electricity industries was introduced alongside the establishment of a comprehensive system of welfare that made the State a major employer with a high level of trade union membership. Perhaps the crowning glory of the 1945 Labour government was the creation of the NHS and its principle of collective provision for individual need, free at the point of delivery. Over the years there have been and continue to be many attacks on the NHS by the Tories and other reactionary forces.

Women's employment continued to rise and in order to fill labour shortages after World War II the UK turned to workers from the former colonies in the Caribbean and South Asia. Union membership grew steadily during the 1950s and 60s and there were also important victories such as the first equal pay legislation for women workers. In June 1968, women machinists who were members of the National Union of Vehicle Builders (which later merged with the TGWU) took strike action for equal pay at the Ford Motor Company at Dagenham. The women won a substantial pay increase that took their wages up to 92 per cent of mens.

Black workers also fought back with strikes for union recognition by Punjabi workers at the Woolf Rubber Company in 1965 and at Mansfield Hosiery in Loughborough in 1972. In 1974 at Imperial Typewriters in Leicester the TGWU, with the support of the majority of the white membership, who were better paid than their Asian colleagues, was exposed for allowing management to badly exploit the predominantly Asian workforce. This action was condemned by progressive trade unionists in the T&G and beyond who understood the necessity for solidarity in the face of employer divide and rule tactics.

The adverse publicity at the participation of trade unions in racially discriminatory practices was to shake up the trade union movement. In response — and in order to provide alternative ideas to racism and fascism amongst the white working class — black activists and local community groups and political organisations began working much more closely with grassroots anti-racist activists in the trade unions, local trades councils, the Labour Party and left-wing socialist parties.

Getting more women and black people involved at all levels of the trade union movement was recognised as essential. Progressive structures were fought for and won that upped participation levels of black and ethnic minority workers, who in turn challenged racism. (11)



## THE 1970S – A PIVOTAL DECADE

This decade has become notorious as ending in the "Winter of Discontent". A title dreamed up by the tabloid press, hostile to the Labour Government of 1974 - 1979 and certainly no friends to the trade union movment. The economic dislocation of the period was the direct result of one of the predictable crises capitalism is prone to visit on the populace. And to which the industrial action undertaken by workers in response to protect their pay and conditions was an entirely justifiable set of actions.

A number of factors combined to throw capitalism into multiple dysfunction in this decade. The first of these was the impacts on the markets of the "Nixon Shock." This was a direct resonse to rising inflation and the decisions of some countries to redeem their currencies by demanding US gold. The response by the then US President, Richard Nixon was the unilateral

cancellation of the direct convertability of currencies to US gold. The instability of free floating fiat currencies sent the corrupt intricacies of capitalist financial mechanisms into chaos.

Another factor was the impact of foreign competition. The West German and Japanese economies had been assisted under the Marshall plan to rebuild after their defeat in World War II. This was no act of altruism by the USA that was seeking to ensure there were successful capitalist economies to the west and east of the Soviet Union, which had become the West's immediate Cold War enemy, post 1945. The result was that other western economies including the USA came to be flooded with high quality, low cost commodities – everything from white goods to automobiles – that in turn damaged indigenous manufacturing and jobs.

Trade union membership across Britain rose steadily throughout the 50s, 60s and 70s, peaking at over 50% of the working polulation in 1979 and at which point 80% of workers were covered by collective bargaining arrangements.

In the 1970s there were an average of 21.9 million working days lost on strikes each year. The building workers national strike in 1972 resulted in the largest pay increase ever won by workers in that sector. Miners successfully held strikes for better pay in 1972 and 1974 and in the aftermath of the latter Edward Heath's Conservative Government fell.

The result was that a higher proportion of the wealth created by the working class ended up in the pockets of workers. Which thus diminished the rate of profit and cut shareholder dividends.

Under pressure from the International Monetary Fund, (the unelected representatives of the financier class) the Jim Callaghan Labour government introduced severe public spending cuts that increased unemployment and slashed wages. By the time the May 1979 General Election came around, a demoralised working class abandoned Labour and voted Margaret Thatcher into power.

## THATCHER, REGAN AND THE TRIUMPH OF NEO LIBERALISM

Thatcher and US President Ronald Reagan were adherents of Friedrich Hayek and Milton Friedman's monetarist policies. These prioritise the government role in controlling the money supply as a means of curbing inflation, which suits borrowers as over time they pay back loans with increasingly devalued money. Friedman had criticised John Maynard Keynes whose theory of fighting economic downturns using government spending had served as the standard economic model after WWII. That is until the Nixon Shock described above wrecked the accord hammered out by the Allies at Bretton Woods in 1944.

Economic neoliberalism, the latest iteration of capitalist exploitation, was born in the Chicago School of Economics. It has a longer historical gestation however. It is the 20th-century resurgence of 19th-century ideas associated with free-market capitalism. Its main features are the necessity for privatisation, deregulation, free trade, small government, low levels of taxation and of government spending, restrictions on the ability of trade unions to organise and austerity as a means of ensuring compliance. Under neoliberalism the role of any forms of collectivism on the part of the working class is to be abolished with the role of the private sector in economy and society promoted.

Neoliberalism was tested to destructive, murderous capacity on the working class in Chile. This came after the newly elected President Salvador Allende, the democratically elected Marxist

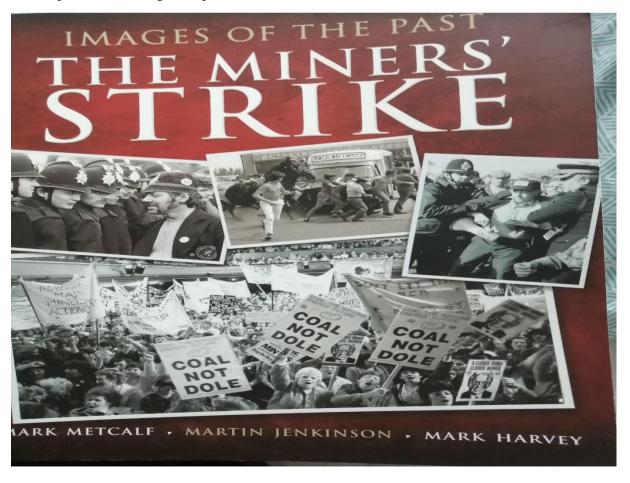
President was overthrown by a violent, illegal military coup in 1973 that was largely stoked and planned in the US.

Thatcher and Reagan became best buddies in their assault on every progressive aspect of the social democratic consensus which held in the UK from 1945 until the Conservative election win of 1979 (12) Reagan did much the same in the US wiping out the collectivist and interventionist elements of Franklin Roosevelt's New Deal response to the depression of the 1930s.

## THATCHER'S LEGACY

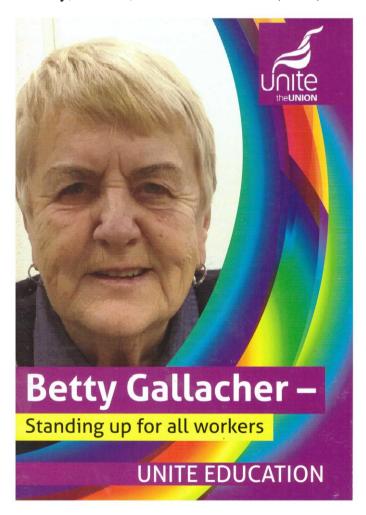
Thatcher felt that, 'unemployment was a price worth paying'. It was to rise to over three million in 1983 and stay there until 1986.

Thatcher quickly allowed much of British manufacturing to go to the wall including the steel industry, ship building and much of UK manufacturing capacity. Jobs were lost and many trade unionists, whose total numbers had peaked at 13 million in 1979, became unemployed or retired. The defeat of the **1984-85 Miners' Strike** - who were called 'the enemy within' by Thatcher - and the subsequent defeat of the printworkers at Wapping in 1986/87 and dockers nationally in 1989, was to lead to a massive decline in the number of trade union members, which fell to under ten million by 1990. Perhaps one of the most disastrous aspects of the Thatcher government was the decline in collective bargaining which today stands at under 20% from a pre-Thatcher high of up to 80%.



One of the most enduring legacies of the Thatcher years is the existence of multiple Acts of Parliament that restrict the rights of trade unions to effectively represent their members. The election of New Labour, which Thatcher was quoted as saying was her greatest achievement, offered little relief to trade unions during their period in office between 1997-2010.

Trade union numbers fell further to under eight million by 2000 and is now at around 6.6 million, and of which the majority are women at 3.8 million. In more recent times trade unions have sought to achieve equality in workplaces and across society. Within their own structures trade unions have set up committees for members who are disabled, Black Ethnic and Asian Minority, disabled, female and LGBT+ (13/14)



Throughout 2022 and into 2023 there was a strike wave that had not been since the 1980s as trade unionists - desperate to avoid being plunged into poverty as a result of a rapid rise in the cost of living in everyday basic necessities and facing stark rises in energy bills - across significant sections of the economy were pushed to reveal their economic strength by withdrawing their labour.

Ably led by a fine trade union advocate in Mick Lynch there was action by RMT - and other rail unions - and by CWU members at the Royal Mail, which made a £726mllion profit during the pandemic. Dockworkers at Felixstowe, where profits of £61 million were recorded in 2020 and which has been strike free since 1989, walked out in a pay battle in August 2022 for eight days. NUJ members at Reach PLC, which publishes the Daily Mirror and Express, took action in a dispute over pay.

There were numerous actions on the buses and members of UNITE, Britain's biggest union in the private sector, where many companies made record profits, won pay rises close and, in some cases, exceeding inflation. The Community union was also successful in defending the terms and conditions of workers at Clarks Shoes in a battle over fire and rehire.

The actions by the already organised has inspired non-union members such as at Amazon in the private sector to revolt by joining the GMB and take action. The National Education Union was at the forefront of strike action by teachers throughout 2023. Ambulance workers also walked out. At the start of 2024 ASLEF members are continuing in a long running pay battle to take strike action that is bringing the railway network to a standstill.

Unionised workforces bring material benefits for their members as they are more likely to be better paid and enjoy better conditions than others in similar non-unionised workplaces. Moreover, according to a Health and Safety Executive Report of 2004, workers in unionised workplaces are less than half as likely to suffer a worked related injury, ill-health or death.

The backing of a union can also deliver results where legal rights are insufficient. This, despite being hampered by the Thatcher era of anti trade union legislation.

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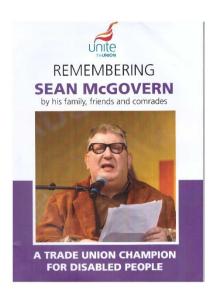
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