

Where Their True Interests Lie

By A. J. CARTER

BRITISH TRADE UNIONS TODAY by Clive Jenkins
and J. E. Mortimer. (Pergamon Press, 12s. 6d.)

THIS very readable book covers the organisation of trade unions, their legal status, their aims, their finances, and the way they appoint their officers. It is informative, simple and clear, and the authors' fervent and declared belief in the need for wage earners to organise themselves never deteriorates into an indiscriminate attack on private enterprise as such. Whatever the arguments about the virtues and vices of socialism, private employers are there, and the working trade unionist accepts capitalism as the environment in which he must act.

Nevertheless, although the book is objective and not political in any party sense, it does make factual comments on the relationship between the unions and the Labour Party. Nowadays we tend to think that the trade unions ought to be independent, or at least more independent, of Labour, and it is as well, therefore, to be reminded that when the unions were still struggling for recognition it was a completely healthy method of seeking their ends to promote candidates for Parliament; this was the legal and democratic way of trying to change the law, and the alternative would almost certainly have been mass violence.

A very impressive feature of the authors' attitude is their emphasis on the need for democracy within the trade union movement. There is a growing body of opinion that looks for an answer to the extremism of some shop stewards and in greater powers for top union officials and for the Trades Union Congress. The logical outcome of such centralisation would be the settling of working conditions throughout the country by the general secretary of the T.U.C. and the chairman of the employers' organisation meeting over lunch. The trend towards this was clearly seen in the way in which a declaration of intent by a few leaders was hailed as a major step towards the achievement of an incomes policy, completely ignoring not only the possible hostility of rank and file trade unionists but also the salient fact that sixty per cent of the working population do not belong to trade unions at all.

Messrs. Jenkins and Mortimer support the existence of the T.U.C., but repeatedly stress the importance of local participation in union affairs and the accountability of national and other officials to the men on the shop floor. It is, after all, the situation of the men on the shop floor that trade unionism is about; it is not about the general

secretary or the divisional organiser in their armchairs. A trade union is not like a business but like a nation. Sovereignty rests in the men on the shop floor, as it rests in the people of a nation, and union officials, like governments, receive their authority by upward delegation.

The development of trade unions on a nation-wide scale took place as a reaction against the appalling wages and working conditions that accompanied the industrial revolution. Like so many modern policies, it was an understandable but blind reaction to ghastly circumstances which took no account of how those circumstances had come about. Few today who condemn the individual capitalists and the perverted *laissez faire* of the time pause to ask why men who had been yeoman farmers earning a hard but independent living should endure intolerable hours of labour for pitifully low wages, working and living in squalor and misery, forced to send their wives and children to work to support their families, and, not least, lacking any shred of dignity or self-respect. They did it because they had no alternative, and they had no alternative because the power of the land owners and the law had denied them access to land which they and their ancestors had worked for centuries. In a country where barriers to free enterprise in production and trade were being removed, the biggest barrier of all had become more deeply entrenched. If *laissez faire* means "remove the obstacles and let things be done," it is not accurate to describe the nineteenth century as an age of *laissez faire* at all.

If we suppose that the land enclosures had not taken place and that industrialisation had proceeded while there was still genuine freedom of choice, then it is certain that wages and conditions would not have been so abysmal — on the contrary, competition among capitalists would have raised wages to a higher level than could be earned on the land. There would not then have been the same urgency to try to organise large numbers of workers to do battle with employers. The same would apply in the changed conditions of today if (to indulge in wishful thinking) there were a one hundred per cent tax on land values and no burden of taxes on industry and trade. There would be a demand for labour so great that full employment would be a permanent reality, increase in the population would be welcomed, not feared, and the bargaining power of the individual worker would be strongly enhanced.

It is possible that if this happened there would still be a place for collective bargaining by the workers on the factory floor, though I think that the so-called bargaining would be much more in the nature of what we now call joint consultation, with employer and employees benefiting from suggestions, discussions, and an exchange of information.



There would certainly be no need for a national trade union negotiating uniform wage levels for the whole country, a process which is not only harmful to competition but which also completely destroys the mechanism by which employers are attracted to areas of unemployment because of the possibility of paying lower wages.

All this is beyond the authors' scope, and they are too restrained to use the word "exploitation" at all, but they do mention some of the failures of private enterprise as the reasons why most trade unionists favour a planned economy. The relevant paragraph is worth quoting in full, and is in fact an excellent summary of the contemporary outlook on this issue:—

"Experience has taught the unions not to place any great faith in the free operation of market forces in a society where the greater part of industry and commerce is privately owned. The pursuit of maximum profit by each private employer does not necessarily yield the maximum social benefit. All too often it results in periodic unemployment, a failure to utilise fully the available productive resources, restrictive monopolistic practices and gross inequalities in the distribution of income and wealth. In the view of the unions the State must intervene in economic affairs if these failings are, in future, to be avoided."

All the factors listed have accompanied private enterprise, and the analysis is to that extent correct, but *that they are due to the pursuit of profit does not follow*. Before crying for a planned economy we should try free enterprise in harmony with equal rights in land. Its effect on employment has already been briefly mentioned. By stimulating competition it would help to sweep away many monopolies and price rings. As for the gross inequalities in the distribution of wealth, Henry George's book *Progress and Poverty* was prompted by that very problem, and should be read by every trade unionist. The under-use of resources is probably less common with capital than with land (where land-value taxation would be a powerful force), and with labour, for which the trade unions themselves are partly responsible.

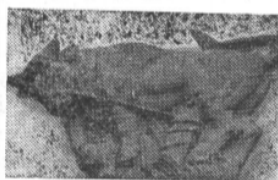
A strange omission in *British Trade Unions Today* is any mention of the unions' restrictive practices. The authors could no doubt have explained how demarcation rules and insistence on overmanning were due to the dread of unemployment with which, naturally enough, so many trade unionists are imbued. If the basic cause of unemployment were eliminated great gains could be made by the abolition of restrictive practices. In present condi-

tions the initiative can come only from managements who are not only determined to improve efficiency but also sympathetic to the fears of the workers. A lazy or overbearing management will get no change out of the unions, nor do they deserve to. Where, however, management and unions do co-operate, the results can be spectacular, as at Fawley refinery, where a package deal by which the unions renounced their restrictive practices in exchange for a drastic reduction in overtime, a reduction in the basic working week and an increase in wages of 40 per cent, enabled the management to extend their plant without increasing the labour force and to secure increases in productivity ranging from forty-five to over fifty per cent.

Fawley is the proof that it is to the advantage of both employers and employees to co-operate with one another. There is no more sterile phrase than "both sides of industry," as if the interests of the employers and the workers are implacably opposed. They are not. They are opposed only when industry is stagnant, for then a gain by one side is a loss to the other. Both have an interest in economic expansion, and so have the general public. If managements were less timid and more enterprising, and trade unions more ready to change their attitudes, much of the wasted resources of Britain could be harnessed.

The authors declare that "Economic expansion and full employment are essential for the protection and improvement of the living standards of trade union members," and they are right, but why has it to be assumed that state intervention in the economy can alone secure these? The most effective way of maintaining continuing economic expansion and full employment (which accompanies it) is to stimulate the fullest use of land and other natural resources; to make land and natural resources not being used available for use; and remove all taxation on, and other interferences with, production and trade. In such a climate the fear of unemployment would be dispelled and the fuller use of manpower as demonstrated at Fawley would become the rule in British industry.

All this would have a profound effect on our standard of living, yet trade unionists generally would rather seek a planned economy that will give them a meagre 3½ per cent per annum rise at most. Alas, they do not realise where their true interests lie.



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