After Clause Four: can Blair’s project succeed?

By Roland Trettch

LABOUR’S RIDICULOUSLY mis-named “modernising” tendency are determined to drive home the advantage they have gained from Blair’s Special Conference victory on Clause Four. The question is, will they succeed?

Even before Central Hall had emptied on Saturday 29 April it was already possible to identify the next steps in the “project” that the “modernisers” hope will end in the complete restructuring of the Labour Party and its reconstituent as a stable bourgeois party akin to the US Democrats. We can expect more attacks on the union link and internal party democracy — that was the message coming from the “spin doctors” as they briefed their friends in the media.

To ram the point home, Blair chose May Day, of all days, to announce to the ever obedient Guardian that the trade union role in decision making by the party had to “be looked at again” and that the Party’s National Executive would have to be restructured.

Blair’s fear is that a massive internal opposition could still develop to the anti-working-class policies of the next Labour government. “Under the last Labour government, the NEC [National Executive Committee] became the focus for opposition, and everyone knows that must be avoided at all costs.”

These proposals come on top of Blair’s announcement to the New Statesman — published just before the Special Conference — that he favours closer ties with the Liberal Democrats.

While Blair has talked of further attacks on the character of the Party as a labour movement entity, his allies, Shadow Chancellor Gordon Brown and Shadow Employment Secretary Harriet Harman, have unveiled new policy moves.

Brown has talked of new spending plans. What sort of plan? Hand-outs to the bosses, of course!

“We must give incentives to manufacturing industry and small and medium sized businesses” says the iron shadow chancellor. Apart from Blair’s support for tax-breaks for people employing nannies this is the first spending commitment so far made by “New Labour.”

Harman’s activity is perhaps even more odious. It has fallen to her to carry through Blair’s plan for gutting Labour’s minimum wage policy of any real content.

On 18 May, Harman and Shadow Employment Minister Ian McCartney issued the following Labour employment brief.

“A wide range of such policies have been identified. They include:

- Placing full employment at the centre of Labour’s economic strategy.
- Increasing public spending to re-build our services and create jobs.
- Increasing tax on high incomes (over £50,000), dividends and wealth.
- Taking utilities, including coal, back into public ownership.
- Maintaining and improving universal benefits.
- Repealing VAT on domestic fuel.
- Extending trade union rights.
- Restoring to workers the right to take solidarity action.
- Imposing a minimum wage equivalent to half male median earnings (64.15).
- Cutting military spending to no more than the European average of GDP.

Major battles could develop over any or all of these issues, but particular emphasis needs to be placed on the minimum wage, on the right to take solidarity action and on the rebuilding of the welfare state and public services.

It is on these issues that we can hope to win working-class people who are “Blairites” now because they want a Labour government at any cost. Concentrating on these issues we can help them resist and fight the Blairite project of “modernising” British capitalism by destroying what remains of the welfare state and continuing the Tory hammering of the working class and its organisations.

Though most working-class people are prepared to give Blair the benefit of the doubt now — before Labour takes office — they are going to want to see results after the general election. They want to see a statutory minimum wage, they want the railways brought back into public ownership, they want to see the jobless being given real...
brought back into public ownership, they want to see the jobless being given real jobs, and they want to see the Welfare State rebuilt.

It is these issues that are going to provide the main fault lines in British politics in the next period.

The left now needs to go on the offensive and seize the initiative. The greater the scale of opposition inside the party now, the stronger the independent socialist voice is for those policies during the election, then the bigger the battles are going to be once Blair is in office.

GMB General Secretary John Edmonds needs to deliver to his members on issues like the minimum wage, yet he must surely be tempted by the prospect of involvement in a new national trade union mass collaborationists like Harman’s proposed Low Pay Commission. After all, 18 years is a long time for the trade union bureaucracy to be out of the corridors of power. The irony of this is that in order to betray the minimum wage, Blair could well be forced to adopt classic Labourist methods of corporatist bargaining. This is proof that he will still face a struggle with the great bulk of the union bureaucracy and the active layers of the rank and file.

The Blairites’ weaknesses can also be seen if we look at some of their proposals for constitutional reform. Despite sound bites to the contrary, the only real proposal that has been brought forward in relation to the union link is to carry out stage two of the changes pushed through by John Smith and John Prescott at the 1995 Party conference.

Though the spin doctors have tried to make the most of it, all that is being proposed by Blair is the traditional left demand that unions and CLPs should each get 50% of the vote at Party conference. Such a change could only be seen as a major victory for Blair if we assume that the massive CLP vote against common ownership at the Clause Four conference represents a decisive shift in the political nature and social composition of the constituency. It does not.

The 29 April CLP vote required a massive effort on the part of Blair’s office, the party machine and millionaire media. Judging by NEC minutes — which tend to conceal such things — something in the region of £400,000 was spent on getting the result Blair required.

They will not be able to repeat this level of mobilisation on every controversial issue, especially when Labour is in office. While many voted for the leadership on Clause Four from desperation to get the Tories out, on any basis, they will have to judge a Labour government by what it does or fails to do. The depoliticisation that gave Party leaders Blair victory on Clause Four will be reversed with party members are dealing with Prime Minister Blair.

Nor would it be right to deduce from the outcome of the special conference votes that the days of delegate-based General Committee decision-making are over once and for all. What the leadership have gained out of the Clause Four battle is the knowledge of a special tactic which they can choose to apply in extremis: it is not a viable formula for the day-to-day functioning of the party because it is too costly and potentially unreliable.

This special tactic will not always produce the results it did on Clause Four. When assessing the outcome of these ballot issues it is vital not to take into account the desperate longing for a Labour government on the part of many ordinary members, or the biased ballot paper, or the refusal to allow intelligent discussion and informed participatory democracy, and its replacement by a “do you or do you not want a Labour government” plebiscite.

We also have to realise that the debate on common ownership appeared to many to be very abstract. It took place in a political vacuum. There was no context of self-confident working-class mobilisation even over narrow industrial issues like wages, never mind mobilisations for workers’ control and common ownership.

Under a Labour government dealing with more immediate issues, things will be very different.

The longer the party is out of office, the stronger the tendency for the great bulk of Labour supporters to narrow down their political horizons. The Tories overshadow everything. Once Labour is elected things will become clearer as the workers’ movement defines its interests against the Blairites in office.

So it is not unreasonable or overoptimistic to believe that a one-member-one-vote ballot on a Labour government lifting the ban on trade union solidarity action would not produce the result Blair would want. Especially — as is likely — such a ballot should take place against the background of renewed industrial agitation and discontent.

What is more likely and much safer from
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Labour Party

Who pays for the President?

A CENTRAL part of the "Blair project" is the way in which the leader has been built up so that he has more or less Presidential powers over the party, and — they hope — over the next Labour government.

In office, Prime Minister Blair will require the maximum possible independence from the labour movement if he is to carry through the neo-Thatcherite programme of counter-reforms he is committed to.

All Labour leaders have had Presidential tendencies, from James Callaghan refusing to put abolition of the House of Lords in the election manifesto, back to Ramsay MacDonald who decided to cut the dole, and ended up breaking with the Labour Party. Forming a National Government, MacDonald campaigned for the Tories against Labour in the 1931 general election.

The difference between Blair and previous Labour leaders — even Kinnock — is the extent to which he has already built a political and organisational machine entirely independent of the party and the labour movement. It is a machine that he is already using ruthlessly against his opponents inside the working class movement, Bill Morris and Rodney Bickerstaffe for instance. The question is: who pays for this machine?

The Independent on Sunday has provided evidence that a secret fund, the Industrial Research Trust, has been siphoning cash from big business to the offices of Tony Blair, Gordon Brown and Robin Cook. As this body is a Trust, and not part of the Labour Party, it does not have to declare where it receives money from or to whom it donates it.

Some idea of the scale of the operation can be deduced from the fact that, according to parliamentary insiders, Blair’s office employs at least 23 full-time workers. Some, like the Press Secretary Alastair Campbell, are on six-figure salaries.

Such an operation could not possibly be undertaken for less than half a million pounds per year.

Most of this cash supposedly comes from one of two sources, either from parliamentary "short money" or from donations from some of the bigger unions like the AEEU. Short money is a state grant of about half a million pounds which goes to the leader of the opposition, for the use of the party; since Kinnock’s time it has been used exclusively by the parliamentary leadership.

Since Blair took over, the leader’s office has for the first time ever also taken money directly from the party itself.

There isn’t just Blair’s office to pay for. Brown is rumoured to have an entourage not much smaller than Blair’s. Other shadow cabinet members have similar establishments.

It is impossible to account for the size of the parliamentary leadership’s staff without assuming that a large part of the running costs are met by private donations — almost entirely from big business.

There is another dimension to this phenomenon. Walworth Road employs perhaps 30 people in what could be described as directly political, as opposed to administrative, work. A big part of that work in the press office, acting as outriders for Blair or in Tom Sawyer’s team, who are also primarily a force for imposing the leadership’s line on the labour movement.

If we compare that 30 to the 300 plus staff who work for right-wing MPs, then we can see quite clearly that the parliamentary elite — and its patronage transmission belt, the Tribune group of MPs — has a bureacratry at least ten times, the size of the party’s political full-time staff.

This approach has already been tested. During the Clause Four battle, a veritable army of young Blairite parliamentary secretaries and research workers mobilised to do the leg-work for the “New Clause Four campaign”, a body which even the usually docile Blairite rag the Guardian admitted was really a front for Blair’s office. There is another, and far more important, dimension to this, something that goes way beyond big business funding for an army of ex-student right wingers to do Blair’s dirty work.

Two other bodies function as a policymaking interface between finance capital and the Labour leadership. These are the Industry Forum, set up by Robin Cook to put feelers out to the city, and the Commission for Wealth Creation, run by a former director of the Hanson Trust, a Mr Christopher Harding, who is also Chair of Legal and General and BAA. These big business interests help shape Blair’s line on such issues as the minimum wage and trade union rights. If you pay the piper you call the tune. All Blair’s rhetoric about “fairness not favours” for the unions is designed to appeal to this tiny layer of plutocrats whose interests Blair articulates with such anti-labour movement chauvinism.

This relationship, coupled to the anti-labour movement political background of many key Blair advisors — they are people from the Alliance, the BBC, the City and the upper echelons of the Civil Service — shows that we really do have an organisation at the top of the Labour Party that is radically different from what there was in the days of Wilson and Callaghan.

What we have before us is the parasitic growth, almost to US presidential candidate level, of an administration in embryo, funded by big business, the right wing of the union bureaucracy and the tabloid press. Is it coincidence that just before this embryo finally asserts its independent from its labour movement host and starts its independent life?