

The roots of Blairism

By John McIlroy

THE SUMMER'S wave of criticism of Tony Blair is impressive in its breadth, from the left represented by Alan Simpson and Ronnie Campbell, through Tribune and centre MPs such as Richard Burden, to the traditional right wing of the party represented by Roy Hattersley. The disquiet voiced by union leaders John Edmonds and Bill Morris is important in demonstrating the depth of concern in the trade unions at what a Blair government has in store.

But Blair's leadership style, his modernising of the Party and his policies are organic to an ideological restructuring of Labourism which has deep roots stretching back to the 1970s.

Blairism did not begin with Blair or his election to the leadership of the Labour Party in 1994, although he has taken matters forward qualitatively. Its roots lie in the 1970s. The Callaghan administration (1976-9) was not converted to monetarism, but it adopted monetarist approaches, cutting public expenditure and introducing monetary targets. It seriously eroded the post-war commitment to Keynesianism and full employment.

Callaghan told the 1976 Party conference: "We used to think that you could spend your way out of a recession. I tell you in all candour that this option no longer exists."

Labour's lurch to the right was temporarily derailed by Bennism in the aftermath of the 1979 election defeat. But the failure of the left to break through and gain control of the party, and the 1983 general election defeat, renewed its impetus.

In response to Thatcherism, the new 'dream ticket' Labour leadership of Neil Kinnock and Roy Hattersley began to develop the view that the state was impotent in the face of capital. The government could no longer control trade or foreign exchange or influence the economy to regulate employment and plan investment. Any alternative economic strategy would collapse in ruins like Mitterrand's early-1980s policies in France.

Especially after the defeat of the great miners' strike of 1984-5, Kinnock adapted to Thatcherism and took steps to transform Labour into an SDP Mark 2. On the "enterprise culture", privatisation, anti-union legislation, public spending and taxation, Kinnock decided that Thatcherism had created a new consensus. It could not be overturned.

Kinnock believed that key sections of the electorate had embraced Thatcherism, and could not be convinced by left alternatives. Labour's natural supporters were not going to vote Conservative, so all efforts should be bent to giving the New Thatcherite voters what they wanted.

It was Kinnock who thus began the com-



Blairism did not begin with Blair

petition with Thatcherism as to who could be the best Thatcherites, Kinnock who began to shape Labour as little more than an electoral machine which registered, statically and pessimistically, what the voters wanted and then pumped out policies tailored to them, Kinnock who trashed the idea of a left wing party acting to transform the consciousness of voters.

And, of course, it was Kinnock who began to centralise power in the Party leadership, clamp down on dissidents through the expulsion of Militant and Socialist Organiser, and increase control over the selection of Parliamentary candidates.

As the contradictions of Thatcherism erupted in 1989-91, there were record levels of dissatisfaction with the Tories, centred on the second Thatcher recession, the poll tax, and the Party's divisions over Europe. Labour failed to pose any compelling alternative. Michael Heseltine was the most coherent anti-Thatcherite. In contrast to Thatcher's opposition to the European Union, he was for a powerful integrated transnational bloc to compete effectively with Japan and the USA. He wanted a more interventionist role for the state.

But it was to be Labour, rather than the Tories, who would embrace the kind of social-market policies which Heseltine offered in the late 1980s and subsequently retreated from. This process got underway during John Smith's leadership. Now often fondly recalled as a genial advocate of old-time socialism, Smith in fact extended the work begun by Kinnock. It was Smith who pushed through the most important piece of restructuring thus far: the 1993 reform of the block vote and union participation in the selection of Parliamentary candidates.

Blairism thus represents the culmination of a process. Blair's New Labour starts from the view that the global integration of capital, the growth of giant multi-nationals, and the development of world capital markets have transformed relations between state and capital in favour of capital. In this

world of resurgent capitalism, the old policies by which the state intervened in the market to boost demand, control key industries, secure for capital a healthy, educated labour force, are viewed as harmful. They are a tax on the autonomy and profits of capital.

So for Gordon Brown, "The old Labour language — tax, spend, nationalisation, state-planning, isolationism, and full-time jobs for men — is inappropriate." Clause Four has been erased and replaced by a paean to the enterprise of the market and 'the rigours of competition'.

The ideas which underpin New Labour politics are found in books such as Michael Albert's *Capitalism Against Capitalism* and Will Hutton's *The State We're In*.

Their emphasis is on the weakness of British capitalism in a world where global capitalism limits radical social change. The debate now is seen not as between the market and some form of state management or planning, but about which form of market mechanism is best. It boils down to a choice between the Reagan-Thatcher model, where regulation of the market is minimal, and the German model of the Social Market Economy, where the state plays a more active role in supporting capital, curbing the excesses of the market, providing welfare support and generalising a culture of social partnership between unions and employers.

New Labour stands for this Rhine capitalism, in which a limited measure of regulation pressurises capital to become more innovative and more profitable, and will in the end generate more effective competition and enhanced profitability. But the Tories' privatisation programme will remain largely in place. The basis of economic policy will stay as it is. In Tony Blair's words "The control of inflation through a tough macroeconomic policy framework is even more important than the Tories have said... low inflation is an essential prerequisite of our supply side measures to boost growth." The "toughness" can already be seen in the spectacle of a Labour Shadow Chancellor siding with the Bank of England against the softer line of Kenneth Clarke. The latter describes himself as the first Chancellor in modern times who has not come under sustained criticism from the Opposition front bench.

In Blair's economic strategy, employers are the state's major partners and unions come a poor second. As Blair told the conference of the Chambers of Commerce in May:

"For too long our party's relations with business have been merely about reassurance. I want to change that. I want a proper dialogue, a new understanding between a party serious about governing Britain well and a business community prepared to look to the future."

Strong independent trade unions are an

obstacle to this programme, seen as "agents of inflation". Legislation to repeal Tory constraints on industrial action will therefore be very limited. At best unions will be given rights of organisation and representation under the European Union social chapter.

The Welfare State will be viewed essentially as an instrument of market efficiency rather than social justice. Expenditure on it will be carefully measured in terms of its ability to supply better quality labour to the market.

We have already heard Blair reiterate that there will be no expenditure commitments, and a variant of Thatcher's authoritarian populism is already in play. A shadow cabinet member was quoted in the Financial Times as saying "We seem to be over-eager to please Middle England. One day it's single mothers. Tomorrow, who knows, it may be 'bring back hanging'."

If we start from Blair's politics rather than his style and view New Labourism as a strategy to gain enough votes to win an election and to govern afterwards, things fall into place. The purpose of the "modernisation" of the party is to reassure capital — witness also his admiration for Thatcher and his courting of Murdoch — to attract votes to a strong-man image, to eliminate alternative power centres, and to increase the autonomy of the leadership so that it can push through policies which the party's supporters may oppose.

In this perspective, Labour's trade union

links are a problem. Ultimately it might be minimised by state funding of political parties. In the short term the strategy of Blair, as of Kinnock and Smith, has been to combine manipulation of union leaders by the traditional methods and appeals to atomised, inactive, individual members.

Blair also wants to replace Labour's existing members, who have often been to the left of party and union leaders, particularly when Labour is in government, with a new set made in New Labour's image. Hence the emphasis on the 100,000 new members since Blair became leader, and the very worrying figure of 38,000, 10% of the membership, who left in disgust over Blair's first year.

Despite the outbreak of criticism Blair is likely to remain in control of Labour's political agenda this side of the election. But the conditions for building a new left wing party outside the Labour Party do not exist. The best way to fight Blair is inside the Party itself, and of course inside the trade unions.

It was failure to adequately root socialist politics in the unions in the 1980s that placed the left in our present predicament. Without a qualitative change in the position in the unions, we will not succeed in changing the position in the Labour Party.

The current position still leaves tremendous power to influence the Labour Party in the hands of trade unionists. Trade unionists have more than half the seats on the National Executive, and still 70% of the votes at Party conference. The present situation ultimately represents not just successful manipulation and intrigue by the leadership, but the political weakness and inability to mobilise of the left. Blair is wrong when he describes Labour as 'literally a new party'. The union links are there. They can be used as part of a wider fight-back in the unions. But as a close analysis demonstrates we have to keep our foot on the ground.

- Union membership has continued to decline, diminishing the unions' weight in society, in industry, and in the Labour Party. The membership of TUC-affiliated unions has dropped over the last 15 months to 6.8 million. Less than a third of workers are union members.

- Only 278,000 days were lost in stoppages in 1994. This is the lowest figure since records began in 1891, 18 times lower than the average of the previous decade. There is anger under the surface. It is not organised and it is not erupting.

- Collective bargaining continues to decline. Union derecognition increases. The number of shop stewards falls. There seems to be a resurgence in the use of the anti-union laws. Labour councils such as Newham have threatened to use the law against their workers.

There are still successful strikes such as those recently involving postal workers and local authority workers in Birmingham and Sheffield. We build on this militancy, but we will face difficulties, as a brief look at the situation in our large unions discloses.

UNISON is still suffering the birth-pangs

of a new organisation, with the different structures and cultures of its components, NALGO, NUPE and COHSE. NALGO was not affiliated to the Labour Party. The consequent existence of two political funds causes difficulties, as does the existence of a layer of militants from NALGO who often fail to understand the need to combine immediate struggles with the fight for a Labour government. The decision of the Affiliated Political Fund members to back Clause Four at the Party's special conference was of real significance, particularly in view of the pressure from former NUPE leader Tom Sawyer, who is now General Secretary of the Labour Party.

The way in which the left can influence the union leaderships to exert pressure on the Labour leadership was demonstrated in Rodney Bickerstaffe's fighting speech to the special conference, defending Clause Four. The UNISON left should get behind Bickerstaffe as an organised grouping in the forthcoming General Secretary election and fight to pledge him to unconditional support for UNISON conference policy, such as the repeal of the anti-union laws, the renationalisation of gas, electricity and water, and a national minimum wage set at £4.15.

Instead, the biggest left organisation, the Campaign for a Fighting Democratic Union, decided to run Roger Bannister, a prominent member of Militant Labour, who of course stand candidates against the Labour Party. Not prepared to be left out, the SWP front Unison Fightback selected SWPer Yunus Bakhsh for the General Secretary. This unholy mess, can only strengthen existing tensions between ex-NALGO and ex-NUPE lefts.

In our second biggest union, the TGWU, it was correct to give critical support to Bill Morris in the recent contest for General Secretary. A victory for Jack Dromey would have strengthened Tony Blair and made a struggle in the TGWU that much more difficult. But we should have no illusions in Bill Morris. His strength has been a willingness to accept conference and executive positions he himself disagrees with and a wish to come to an accommodation with Blair which promises that New Labour is willing to proffer. But Bill is a man of the union centre, as his support for the abolition of Clause Four and his protestations that he has never been the candidate of the left demonstrate. His immediate objective is to gain sufficient ascendancy in the TGWU to broker a merger with the GMBU, and to that end he has attacked the left when they have politically opposed him.

The Broad Left in the TGWU supported Morris uncritically. It is reminiscent of the old CP-dominated organisations of the 1960s and 1970s, and the influence of the Morning Star lives on. It is focussed strongly on winning position at the expense of campaigning. Meetings are often 'invitation only'. Accountability is tenuous and political debate largely absent from what is essentially an electoral machine.

There have been several attempts to establish alternatives to a more open, ▶

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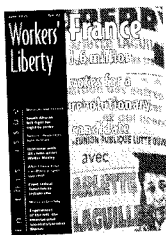
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fighting model of left organisation, but they have been unsuccessful. The way forward in the TGWU is organisation within the Broad Left to turn it into an open democratic organisation with a proper rank-and-file programme. This will be a slow and laborious process.

The situation is even more difficult in the GMB. This year's conference, as in the past adopted many good resolutions on Clause Four, public ownership and the minimum wage. John Edmonds declared "our task is to ensure in 1995 and 1996 that full employment goes into the priority plans of an incoming Labour government." When Tony Blair appeared on the platform he offered nothing specific on full employment, the minimum wage, public ownership or anything else. There is little likelihood that Edmonds will enter into a gruelling struggle with Blair. The GMB is a 'one faction union' where no organised opposition presents any threat to Edmonds' effortless control.

In the AEEU, the right wing remains in firm control. The election for General Secretary prompted by the recent resignation of Paul Gallagher is unlikely to change things. And in Britain's fifth largest union, MSF, Roger Lyons is clearly and completely Blair's man whilst the left is still divided between the former ASTMS and TASS Broad Lefts and all the weaker for it.

The TUC is less influential than at almost any time this century. Its apparatus, led by John Monks, is a conveyor belt of Blairism into the unions and a caucus for co-ordinating the responses of the biggest unions in a pro-Blair direction. The Annual Congress is increasingly a orchestrated shambles, with opposition coming from smaller unions excluded from the counsels of the mighty.

The situation across the unions is one in which the weakness of industrial struggle underpins leadership which is cautious, dominated by the desire to see a Labour government of almost any complexion at almost any cost. It is clear, however, that in unions such as UNISON, the TGWU and the GMB there is a conflict between what the leaders want and what Blair is prepared to give a conflict which will be exacerbated when a Blair government is seen to have the possibility of granting concessions. The key factors will be the ability of the left in the unions to develop rank-and-file struggles which challenge the timidity and sparrow like appetites of the union leaders.

We have to keep arguing: any real strategy for a revival of trade unionism will come into conflict with Blairism. The weakness of the left is a clear handicap here, and we face a hard uphill struggle over a longer haul than many believe. A Blair government is unlikely to be quickly blown away in an explosion of militancy.

There is strong evidence that Blair has moved to the right just at the time when workers are moving leftwards. But the opinion surveys register attitudes which require development, synthesis, political leadership: in its absence, their potential will go unrealised. ■

The honeymoon is over

By Adie Kemp

UP UNTIL two months ago, Tony Blair could do no wrong. He was the golden boy of the media, and you would have been hard pressed to find a word said against him in even the most right-wing newspapers. The a previously unknown backbench MP makes a speech, and suddenly the honeymoon with the press is well and truly over.

The *Guardian* and the *Independent* have chosen to highlight Roy Hattersley's long standing dispute with the Blair leadership on education. The *Guardian* has suddenly discovered the worrying news that "New Labour's" policies are just the same as the SDP's were.

All this, however, is at one remove from real politics. Neither the *Guardian* nor the *Independent* were reporting on real conflict inside the PLP. Even taking into consideration the muttering from Bill Morris and John Edmonds, the possibility that any of Blair's critics will lead a revolt against the direction he is taking the party remains remote to say the least. Bill Morris has even gone so far as to rule out taking any action if a Labour government sets a minimum wage much lower than the £4.15 target the TGWU is committed to, and Richard Burden, the MP whose article sparked the latest round of 'crisis' stories, tried desperately to get the *New Statesman* to pull it when he realised the impact it was going to have.

What it perhaps does signify is a slight predicament for the sort of well-meaning liberals that the *Guardian* attempts to cater for.

The *Guardian* reveals all too clearly their dilemma, "What is need to rally the doubtful is a passionate speech from Mr Blair on poverty with some specific pledges on what he'd do to reduce inequality. No opposition should make too many specific pledges but Labour's reluctance to reverse anything the Tories do... is absurd." (Editorial, August 14th). It is clear that the *Guardian* at least is desperate to maintain its adoring position, but, is more than hungry for a hook — in the shape of a policy, almost any policy — to hang its support on.

The only thing that Blair has done in the way of newsworthiness over the summer has been to jet off to Australia (cancelling his commitment to open MSF's new headquarters in order to do so) at the behest of Rupert Murdoch.

The real story, and one which you

can bet the *Guardian* will be quick to play down, it the battle Blair is going to face at the upcoming Party conference. On both education and the minimum wage, Blair is facing serious opposition from all corners of the party. The Grant Maintained schools debacle is coming back to haunt him, with over 20 resolution demanding the return of all GM schools to local authority control. And the minimum wage is shaping up to be the debate that will polarise opinion at the conference. 19 resolutions call for the Party to accept the formula agreed at successive TUCs of half male median earnings (£4.15 per hour) which Tony Blair has already rejected on the Party's behalf.

At the same time, attempts to get rid of union sponsorship of MPs have already come under fire not only from "left" unions but also from the AEEU. But pressure is also continuing from the right to increase the pace of "modernisation". The Labour Co-ordinating Committee, not content with pushing for representation for Labour Councillors on the National Executive, has increased the profile of its campaign to abolish Constituency General Committees.

Given the poor stage management of the closure of Walsall District Party, Frank Dobson will no doubt be glad to relinquish his responsibility for the Party's summer profile. On their return, however, Mandelson and Blair will have to face a more serious task than dealing with Brian Mawhinney's press stunts. For all the stories of the past few weeks, the media are unlikely to slip the leash just yet, although the closer we get to a General Election, the more difficult it will be for Mandelson to spin things his way.

The left, now have a chance to turn the discussions inside the Party back onto our strong suit of policy. We can, if we use the opportunity, turn the *Guardian*'s desperate pleading for policy to our advantage. Into the Blair-manufactured vacuum we should seek to inject a manifesto built around the issues on which we can win majorities at this year's conference: education, jobs, welfare and the minimum wage.

Against the non-event of a summertime assault by unknown backbenchers and bored journalists, silence has been a reasonable defence for the Party machine. But against a serious attempt to build momentum for socialist politics, Blair may yet find that the *Guardian* block vote cannot deliver every time.