

# After Clause Four: can Blair's project succeed?

By Roland Tetchet

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 reconstitution 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.



Sawyer, Blair, Prescott. Photo: John Harris

"Instead of a fixed formula (half male median earnings going up to two-thirds male median earnings) we should, like other countries, have a social partnership approach. This would mean the establishment of a Low Pay Commission of employers and trade unions... This model would have the merit of tying in employers who do not want to see competition on the basis of downward pressure on wages."

It would also — though Harman does not say it — create employment opportunities for trade union bureaucrats in yet another extension of the Quango State. It will not guarantee £4.15 per hour for all.

Whether or not this next stage of the modernisers' "project" will succeed is an open question. Its success or failure will be determined as much by the response of the left as by the manoeuvring of the right.

So far, the initial left response to Blair's victory has been good. A conference has been called for 17 June under the auspices of the Defend Clause Four Campaign, *Tribune* newspaper, the Socialist Campaign Group of MPs and Socialist Campaign Group Supporters' Network. Its theme is "socialist policies for a Labour government."

If successful, the conference can lay the basis for a broad-based fightback inside the party which would concentrate on setting the agenda for the next Labour government by focusing on those policies that have majority support in the party and trade unions, but which are likely to be opposed or equivocated on by the Shadow Cabinet elite.

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 (£4.15).

- Cutting military spending to no more than the EU average percentage of GDP.

- Taking positive action to challenge racism, sexism and discrimination of all kinds.

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 "Blairite" 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.

Given the extremely low level of industrial struggle right now much will depend on the response of the different sections of the trade union bureaucracy to Blair's new offensive — and the way this interacts with the internal struggles inside the different unions.

There is good reason to believe that those unions like UNISON and TGWU which stood out on Clause Four — even though neither Bickerstaffe nor Morris put up much of a struggle — will resist Blair on the minimum wage. (A Dromey victory in the forthcoming TGWU General Secretary election would, however, change all this.)

The big question is: how will the leadership of the GMB respond? It is they who hold the balance of votes at Party conference; they can still frustrate big parts of the mod-

ernisers' agenda.

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 tier of neo-corporatist class collaborationist structures 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 classically *Labourist* methods of corporatist bargaining. This is proof that he and his allies still fear a direct confrontation 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 1993 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 constituencies. 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 when 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 hope to apply in *extremes*: 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 those ballots it is vital not just 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 over-optimistic 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 if — 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

## The left and Labour democracy

SOME LEFT wingers have related to Blair's victory in the constituency ballots on Clause Four by arguing that postal ballots are here to stay and that the left simply needs to learn how to work with them.

Such a response is one-sided and therefore wrong.

If the leadership succeeds in pushing through ballots on particular issues obviously we shouldn't abstain, or attempt to boycott the proceedings, and we must, therefore, attempt to influence the outcome as best we can through whatever tactics are available. These include advocating all-members meetings to discuss the issues, General Committee recommendations, making alternative literature available, etc. etc. However, it is necessary to defend the idea of delegate-based, participatory and informed, democracy.

The socialist case against the right wing involves:

- A rejection of the idea that ballots are the essence of democracy.

Real democracy means self-control from below, self-rule; it must, therefore, involve effective mass control from below of the terms, nature and substance of what is to be voted on.

Otherwise we are left with rubber-stamping, with plebiscites, not democracy.

- A recognition of a full blown system of plebiscitary democracy inside the party would destroy any real internal democracy and liquidate the Labour Party as the party of the labour *movement*. Inevitably this would lead to a break with the trade unions, which are in essence collective bodies.

- The dominance of a media manipulated "plebiscitary democracy" inside the Labour Party would in turn further undermine democracy in society at large.

Politics would become a variant of advertising, as it more or less is in the US.

The parameters of debate would be set by the billionaires' media, with dissident voices excluded or reduced to token airings. Any left wingers who think that all we need to do to counter the media is to produce better, more frequent and higher quality left-wing literature aimed at the mass of the membership are deluding themselves.

We need these things anyway. But we have to defend the active, participatory, delegate-based democracy of the Labour Party — despite all its imperfections — precisely because it provides a bulwark against the encroaching tide of the big business-dominated hollowed-out democracy of capitalist society.

The road to a genuine mass party is to turn Labour outwards to the workplaces, the estates and to every arena in which working-class people struggle.

his point of view is for Blair to rely on the traditional methods of Labour's parliamentary elite. He will ignore the party and instead appeal to the supposedly higher court of the "national interest."

The general point here is that it is necessary to distinguish between conflicting tendencies within the "modernisers'" "project" if we are to make sense of the likely future evolution of the Labour Party and any Labour government:

1. The "modernisers" still face massive obstacles for their ultimate aim of abolishing Labour's links, not least securing a majority for such a change at Party Conference.

2. The parliamentary elite is, in the last instance, more interested in governmental office than they are in a war to the death with the likes of John Edmonds. They may have to choose one or the other.

This makes it more likely that Blair will attempt to incorporate a large section of the trade union bureaucracy into a subordinate role within New Labour rather than taking the immediately more dangerous route of attempting to liquidate the Labour Party.

The revival of tripartism in the Low Pay Commission is one method. The other could be to *use state funding*, not to break the trade union link but to OMOVise it with cash for postal ballots on key issues.

Whatever option the modernisers may go for, neither is guaranteed success.

An attempt at a clean break with the unions would create resistance because in the climate of mass unemployment and de-unionisation the trade union bureaucracy need a political voice in order to strengthen their own organisational base, not to mention the electoral space that it potentially would create.

But the alternative has pitfalls too. A compromise with Edmonds would open up the possibility of renewed internal battles under a Labour government, as would the LCC's favourite proposal — to stack the NEC with councillors. Both are double-edged swords.

We have already seen school governors taking a leading role in the education revolt. Blair and Brown want to keep some form of the Tory spending "caps" on councils, to restrain Labour local authorities. What is there to guarantee that Labour in local government could not become once more a focus for opposition? Ditto the trade unions.

So, although Blair's victory on Clause Four represented a real defeat for the left it needs to be put in perspective.

Smith's "reform" of the union link and parliamentary reselection procedures represented a bigger change to the party than Blair's victory on Clause Four does.

The simple fact is that Blair has yet to embark on the real meat of his "project", the difficult part. Here the victory on Clause Four is no indication that Blair and his friends will succeed. If the left starts digging the trenches now he will not succeed. After all, a programme of counter-reforms which will generate working-class opposition is not the best way to go about persuading the political labour movement to liquidate itself!

Reports of the death of the Labour Party are greatly exaggerated. ■

## 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 30 work in the press office, acting as out-riders 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 bureaucracy 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 policy-making 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 BET.

These big business contacts 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 claptrap.

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 tax payer. Is it only a matter of time before this embryo finally asserts its independence from its labour movement host and starts its independent life?