With the thought of offering the guild idea as their contribution to the building of a Communist society after the transference of power from the ruling to the working class had taken place, they began to regard themselves as Communists first and Guildsmen second. When the CPGB was founded in 1920, they – including Ellen Wilkinson, Hobson, R.P. Dutt, Page Arnot and William Mellor – hastened to join the new organisation.

However, an important section within the League, mainly the more religious-minded, including Penty, Tawney, Reckitt and Bechhofer, strenuously resisted the Communist arguments. In April 1920, *The Guildsman* reported a crisis within the League: the Communists who believed that a sharp break with the existing order was imminent and that guild ideas could be applied only after the revolution; the constitutionalists who rejected the idea of a catastrophic and violent upheaval and saw guild socialism as primarily a method of industrial organisation; and, finally, the small centre party, led by G.D.H. and Margaret Cole, who, while sympathetic towards the Bolsheviks, were not prepared to subordinate guild socialism to any political party.[53] The differences within the League found expression at its annual conferences and finally came to a head in January 1921, when six of the right-wing members of the executive resigned protesting that the organisation had "gone Bolshevik".

Social Credit

A further factor which helped to undermine the movement was the espousal by *The New Age* of the Douglas Social Credit schemes. Orage had always remained somewhat aloof from the activities of the League itself and, as the war progressed, he became increasingly unsympathetic towards the syndicalist element in guild doctrines. From the experience of the Bolshevik Revolution, he and his immediate circle concluded that the workers were not capable of managing the larger industries themselves, at least until they had undergone a long process of technical education. When, therefore, in 1919 he added to his long list of 'editorial discoveries' the name of Major C.H. Douglas who claimed to have found that, not property

but money and the manipulation of money was the root of the social evil, Orage was ready to champion the new cause with all his accustomed verve. Although Social Credit theories were at first given a guild flavour, they were in certain respects fundamentally opposed to guild doctrines. The general thesis put forward by Douglas was that industrial democracy could never be achieved so long as 'finance' remained untouched and that the important point was not workers' control of industry or even the common ownership of the means of production but the control of credit power by the consumer. It was too much to expect that the majority of guildsmen would accept this new interpretation of 'economic democracy'. The 1920 conference of the League turned down the Social Credit proposals by a large majority, further resignations and secessions took place on this score, and, henceforward, Douglas and Orage pursued their new course apart from the movement.

The Building Guilds

At the same time as differences within the Guild Socialist movement were making themselves felt, the energies of a large number of guildsmen were diverted into what proved to be an unfortunate attempt at 'propaganda by experimentation'. In an effort to redeem its wartime promises of 'homes fit for heroes', the Government, early in 1920, initiated a housing scheme under which the Treasury was to meet the residual cost of all houses built by local authorities with the aid of a fixed contribution from local rates. The first result of this scheme was to force up the price of houses to a record high level: the private builders and suppliers of builders' materials quickly realised that the local authorities had no incentive to economy and could pass on all losses to the national exchequer. In these circumstances, the local Federations of Building Trades Operatives in Manchester and London, inspired by Malcolm Sparkes, a former master builder and a Quaker socialist, offered to undertake housebuilding for the Government on a non-profit-making basis. They proposed that Building Guilds should be formed

to undertake contracts on a cost-price basis plus a percentage to cover overhead expenses and a fixed allowance to enable them to grant the workers whom they employed 'continuous pay'. Working capital was to be borrowed on the security that the banks would receive the sums coming in from local authorities as the houses were built. In effect, the proposals amounted to a scheme for the establishment of Producer Co-operatives in the building industry, the main differences between the new guilds and the existing co-operative co-partnerships being that the former were to be more closely linked with the trade unions and that there was to be no form of profit-sharing.

National Guild Council

The scheme captured the imagination of many trade unionists in the building industry. A start was soon made and rapidly the Building Guild movement spread from Manchester and London to other parts of the country.[54] By December 1921 there were upwards of one hundred Building Guilds in existence and, in addition, a number of guilds in other industries – furnishing, clothing and engineering. At the suggestion of the trade unions, the local Building Guilds were later consolidated into one body, the National Building Guilds, which was registered as a limited company with a nominal capital of £100. Its headquarters were in Manchester and its leading personality was S. G. Hobson – the original National Guildsman. To facilitate the spread of the guild idea among trade unionists an offshoot of the League was formed – the National Guild Council – representative of the building and other guilds and a number of interested trade unions.

During the first eighteen months of the experiment, everything seemed to be going well. With the price of building so high and the output of labour in the building industry generally so low, the trade union workers employed by the Guild had little difficulty in providing the local authorities with better service than was being given by most private firms – at a lower cost. By the summer of 1921, however, the period of post-war inflation was coming to an end. The Government felt that in the new circumstances it could

no longer afford the high prices it was paying for houses; the former method of subsidy was replaced by a fixed subsidy which left local authorities to meet a larger share of the bill for houses; and the 'cost plus' contracts were abolished in favour of 'maximum sum' contracts under which the contractors could charge costs and an overhead percentage only up to a fixed total. In addition, the conditions of interim payments to contractors for work in progress were revised so that, henceforth, a much larger working capital was needed to carry out the same amount of work.

Government Sabotage

These changes could hardly have been better designed if they had been intended – which, of course, the Government protested they were not – to sabotage the Building Guild. The Co-operative Wholesale Society's Bank which had hitherto provided the Guild's working capital refused further advances for what was now a highly speculative business. Desperately short of working capital, the Guild was forced to seek accommodation from a private bank and to entreat the building trade unions to help them by imposing a levy on their members. The National Federation of Building Trade Operatives did in fact agree to make such a levy but the response from its constituent unions was poor. The Federation was highly critical of the central management of the Guild and, when further pressed for aid, retorted that it was not a trading body but a trade union and as such could neither risk its members' money nor accept responsibility for the Guild's affairs. The Guild's finances went from bad to worse and by the end of 1922 the bank had foreclosed and the Guild was in the hands of the receivers.

The chronic shortage of working capital in its last year was undoubtedly a major cause in the collapse of the Building Guild movement but it was not the only one. In the slump conditions of 1921-22 many building trade operatives were thrown out of work and, not unnaturally, turned to the Guild for employment. There is evidence that many of the Guild jobs were over-manned and that contracts were undertaken at unduly low prices in order to keep members at work. The principle of 'continuous pay' – the Guild's

most striking modification of the wage-system – aggravated the situation and diminished the competitive power of the Guild in a period of falling prices. In addition, the lack of trained managers and technicians, which had not been so important during the boom years was sorely felt under the new conditions. Hobson was inclined to blame the Guild workers themselves for lack of discipline. "In one case", he alleged,[55] "a Guild committee barely begun on a public contract, authorised a full week's pay for men to attend the local race meeting"– and to insist on the need for central control over the local bodies. Others, with some show of justice, felt that Hobson himself could not be cleared of the charge of gross mismanagement. Staking everything on a sensational success, he was mainly responsible for the Guild taking on more work at a time when it would have been prudent to reduce the scale of operations. In retrospect, it seems clear that it was a mistake to apply to a Guild operating within the framework of a capitalist society the methods and organisation which had been proposed for a fully developed guild society. Guildsmen themselves had pointed out that the Building Guilds were not Guild Socialism and that for the workers involved they were only a partial escape from 'wage-slavery'. Had the local guilds not been absorbed in the National Guild it would not have been possible to finance, by separate local action, the volume of work which central organisation made possible, but operations would have been placed on a sounder footing and it is probable that a number of them would have survived the slump. At it was, the more efficient local bodies were swamped in the disaster which overtook the national body.

The collapse of the Building Guild movement presaged the collapse of the wider movement. The initial success of the building guilds undoubtedly brought guild doctrines before a wider audience and had their success continued the Guild Socialist movement might have survived the schisms due to policy differences. In the event, their failure, which had resulted in many hundreds of operatives losing their savings, produced a reaction in the trade union movement against Guild Socialism itself. Some attempts were made to revive the building guilds on a local basis but without

success. A final effort to rally the now scattered and diminished forces round the National Guild Council, into which the League had been merged in June 1923, met with the same fate. The Council declined rapidly and by the end of 1924 there was no longer a separate and organised guild socialist movement.

The Contribution of Guild Socialism

The Guild Socialist movement in its progress from the stillborn Gilds Restoration League, with its demand for the emancipation of the craftsman, to the full-blown 'functional democracy' of *Guild Socialism Re-Stated* was above all a moral revolt: a moral revolt, on the one hand, against a system of society which seemed to the guildsmen to treat the mass of people as something less than human, and, on the other hand, against an ideal – Collectivist State Socialism – which placed the amelioration of the physical condition of the people and the efficiency of the social machine above the age-long demand for freedom. In retrospect, much might be said in criticism of their passion for constitution-making, their theorising, and their 'utopianism'. But it is this element of moral revolt which remains most impressive and most enduring. The important differences that the guildsmen had with State Socialists over the organisation of industry and services in a socialist society were not so much differences about the structure of the machine as about the purposes for which it was intended. The great quarrels of mankind are not about technicalities or about the virtues of this or that form of administration, but about social values. The guildsmen left one in no doubt as to what came first in their scale of values: freedom was placed high above physical well-being and social efficiency. As Cole put it in a memorable phrase: "Poverty is the symptom: slavery is the disease ... The many are not enslaved because they are poor, they are poor because they are enslaved".[56] Men, he argued, have a right to freedom whatever they may make of it, for "the one thing that supremely matters is the free exercise of human will".[57] As for Hobson, "if it came to a choice", he said,

"between industrial democracy and efficiency – an alterative I do not for one moment admit – my unequivocal choice is for democracy".[58] To Ivor Brown it appeared that the State Socialists had made the great mistake of putting socialism on a *business* instead of on a *working* basis. What he valued in the guild idea was that it had forced men to undertake a revaluation of their ideals and to ask themselves whether what they wanted was the collectivist-efficiency-leisure State dear to the followers of Webb and Wells, or the work State of William Morris.[59] Granted the Guild Socialist scale of values, it becomes clear that industrial organisation, as Cole pointed out, must be regarded as an art rather than as a science and an art whose object is not simply the production of commodities but "the production of good commodities by free men under democratic conditions".[60]

Industrial Freedom

Historically, the movement played a large part in destroying the model of the Collectivist State fashioned by the pre-1914 Fabians and, in so doing, helped to pave the way, ironically enough, for a new type of industrial organisation – the Public Corporation. But its most lasting achievement lay, as may be expected, not in the field of practice but in the realm of ideas. The Guild Socialist movement helped to popularise the idea of industrial democracy, sought to clarify its nature and provided men with an ideology of industrial freedom. Long after the details of the guild socialist blue-prints have faded in men's minds, the concept of industrial freedom which they championed – the idea of free men participating freely and fraternally in the ordering of their working lives – remains. The movement itself might die but henceforth no socialist could afford to neglect paying tribute – or, alas, more frequently, lip-service – to the ideal of industrial democracy.

Guild Socialism and Syndicalism

One last comment may be vouchsafed the historian. Guild Socialism was not merely the British equivalent – or what amounts to much the same thing, the middle-class version – of syndicalism.

It was more than that and it was this 'more' which gave it much of its charm and attracted to the movement many who would otherwise have passed it by. But it was the syndicalist content in guild doctrines which appealed most strongly to the rank and file socialists and trade unionists who joined the movement. Syndicalism proper, in this country at least, was exclusively a working class movement. Its theories, in comparison, were crude and over-simplified; its appeal limited to the small majority of class-conscious proletarians. The Guild Socialists in taking over 'the syndicalist idea' – Workers' Control of Industry – developed it, refined it and gave it a less class-conscious and a more humanitarian character. Concepts which had been only implicit in syndicalist thought and action became explicit in the hands of the guildsmen. For example, the idea that ownership was becoming divorced from control and management and that what really mattered was not who owned but who controlled and managed is much more clearly perceived by the Guild Socialists than by the Syndicalists. This deeper insight into the nature of industrial development led directly to what is perhaps the most significant distinction between the two movements.

To many guildsmen, the virtue of Guild Socialism lay in the fact that it was a compromise between Syndicalism and Collectivism, that it sought to reconcile the differences between producers and consumers not by eliminating one or other of the two categories but by establishing a just balance or division of function between producers and consumers. Not exclusive producers' control, not exclusive consumers' control, but joint control (though not joint management) of the industrial process by both producers and consumers. It may be doubted, however, whether the syndicalists did entirely overlook the claim of the consumers or whether the guild socialist compromise would have achieved a 'just balance' between the two interests.

Of deeper significance is the difference between the syndicalist and the guild socialist attitude to 'the managerial class'. Broadly speaking, the syndicalists either ignored this 'class' or considered them to be no more than the lackeys of their capitalist masters. The guild socialists, on the other hand, were among the first to point

out the importance of the recent social developments which had given rise to "a class of managers, under-managers, experts and technicians, who do an ever-increasing part of the scientific and constructive work of industry, but who are salaried servants, having normally no voice in its ultimate control and no direct interest in its profits".[61] And they were the first to make a conscious effort to win the allegiance of this class to socialism. In their manifestos to 'the salariat' they cried: It's your brains we want![62] and they assured them that their position would be better under workers' than under capitalist control. They were convinced that socialists needed to make an alliance with this new 'intellectual proletariat' if socialism was to be achieved at all. If the prognostications of James Burnham turn out to be correct and the managers become the new ruling class, the vital difference between the syndicalists and the guild socialists may have to be put in this way: Syndicalism was the revolutionary movement of the proletariat which sought to achieve the emancipation of the working class by its own unaided exertions; Guild Socialism was the movement of social revolutionaries which sought to win over to the cause of the proletariat the new ruling class of managers before they had consolidated their power.

From Control to Consultation

'Joint Control': A Compromise

Between them the syndicalist and guild socialist movements achieved the popularisation of the idea of workers' control. From being, in Sidney Webb's phrase, 'an anarchist deviation', it had become by 1920, if not a respectable idea, at least a demand to be reckoned with. It was no longer possible for parlour socialists to draw up blueprints of pink futures without making special reference to the position of the workers in the control and administration of industry.

In the period 1884-1914 the bulk of the members of the Labour and Socialist movements had conceived the Collectivist State in terms of municipal ownership of local industries and State

ownership, on the Post Office model, of national industries. Under the impact of syndicalist and guild criticisms of bureaucratic State socialism this conception went into the melting pot: the Collectivist State had to be re-fashioned. In keeping with the mentality of 'moderates' of every age and clime, the moderate socialists of the First World War generation did not, however, seek to re-think their general position in the light of syndicalist criticisms: instead they sought a reconciliation between 'the new socialism' and the old fashioned collectivism. The syndicalists and guildsmen had demanded workers' control; the Fabian collectivists had advocated State control: the solution 'therefore' was joint control – the sharing of control between the workers' unions and the State. The syndicalists, as might be expected, rejected this compromise 'solution'. The guild socialists, however, were more circumspect: they rejected the notion of joint management by producers and consumers but were prepared to countenance joint control by the unions with the State, *provided* that the workers were accorded the right to appoint at least 50 % of the members of any management body that might be set up. Joint control, in this form, was seen as a possible step towards workers' control – the establishment of a fully self-governing guild for every industry.

Between 1914 and 1926 the majority of nationalisation proposals put forward by constituent organs of the Labour movement were based on the notion of joint control in one form or another. Even the Webbs, those high priests of Collectivism, pronounced in its favour. In 1920, largely under the inspiration of the Webbs, the Socialisation Commission of the reconstituted Second International published a report advocating the establishment of semi-independent public boards on which the workers were to be given tripartite representation along with the representatives of management and the consumers. Labour Party conferences began to pass resolutions in favour of nationalisation "with due arrangements for the participation in management, both central and local, of the employees of all grades" – without specifying what the 'due arrangements' were to be. Several of the larger unions, notably those in the postal, engineering, railway and mining industries where syndicalist and

guild socialist doctrines had found widest support, published revised plans or model bills for the nationalisation of their own industries.

The Miners and the Sankey Commission

The most famous of all the new plans of this period was the one the Miners' Federation put before the Sankey Commission in 1919. Aided by G.D.H. Cole, the miners succeeded in making this Royal Commission a forum for the discussion of industrial democracy. Human freedom, argued Cole in his evidence, "implies, not the absence of discipline or restraint, but the imposition of the necessary discipline or restraint either by the individual himself, or by some group of which he forms, and feels himself to form, a part. If then a man must receive orders, he must, if he is to be free, feel that these orders come from himself, or from some group of which he feels himself to be a part, or from some person whose right to give orders is recognised and sustained by himself and by such a group. This means that free industrial organisation must be built on the co-operation and not merely on the acquiescence of the ordinary man, from the individual and the pit up to the larger units". Such co-operation could not be achieved by State management for "a State Department is not a group of which the ordinary man feels himself to be a part".[63]

In administrative terms, the miners' plan proposed State ownership of the industry and the setting up of a Mining Council composed of ten members appointed by the Government and ten members appointed by the Miners' Federation, with the Minister of Mines as President. In addition, there were to be divisional and pit councils, similarly constituted, and an independent advisory Consumers' Council to represent the interests of the consumers.

The weakness of this attempt at a compromise solution became clear, however, when the plan was subjected to detailed scrutiny. In the event of a clash of policy between the State and the union, whose will should prevail? If the union's, why joint control in the first place? If the State's, then the union would be in the awkward position of being a party to a policy of which it disapproved.[64]

In the event, the Government rejected the miners' plan and along with it the majority report in favour of State ownership. The Commission had served the purpose of staving off temporarily the threatened coal strike and the Government could afford to bide its time for a showdown with the miners. By the time the next commission on the mining industry was set up – the Samuel Commission of 1925-26 – the miners' union had been weakened by a series of protracted and bitter strikes and lock-outs. They abandoned the demand for a half-share in control at all levels and, instead, were prepared to accept minority representation.

Managerial Socialism

The new miners' plan of 1926, which had the backing of the Labour Party and the TUC, was overshadowed by the 'General Strike' of that year. But to the historian of industrial democracy it is of special significance. For it prefigured the development of a new nationalisation policy by the Labour movement. Bureaucratic nationalisation through State Departments on the model of the Post Office had been discarded and the compromise of 'joint control' substituted. The time had now come for the abandonment of the joint control policy and with it any attempt to meet the demands of the industrial democrats. The new socialism was to be managerial socialism and its administrative form was to be the Public Corporation.

The full implications of Labour's new nationalisation policy did not become clear until the 1930s. It was not obvious at first that the Public Corporation as an administrative form could not be combined with. if not joint control, at least some element of workers' representation on the governing boards. When Morrison, the leading protagonist of the Public Corporation in Labour circles. put forward his bill for the re-organisation of London Transport in 1929, he consequently touched off a prolonged debate in the Labour movement over the question of workers' representation. This debate, as it was pursued at Labour Party Conferences and Trades Union Congresses, revealed how hazy were most of the participants' ideas of industrial democracy. No distinction was made between workers' control, joint control, and workers' representation; and it

was never clearly stated who should appoint the workers' 'representatives' and to whom they were to be responsible. The appointment of a few Trade Union nominees to governing boards was frequently dubbed as tantamount to syndicalism – despite the fact that Sidney Webb had advocated it as long ago as 1891. With no organised syndicalist or guild movement to rebut such travesties, it is not surprising that the debate ended in confusion – each side claiming the victory. In retrospect, however, it is clear that the laurels went to Morrison and the advocates of managerial socialism.

The TUC and the Control of Industry

In 1932, as its contribution to the debate, the TUC published a report on the Control of Industry. This neglected report is perhaps the most important single document for the comprehension of modern Labour policy on this subject. The crux of socialisation, argued its authors, lies in the transfer to the community of *control*, not as is commonly thought of *ownership*. In the past control was automatically vested in the owners of property but this control has been successively limited by government regulation. Moreover, the increase in the scale of industrial organisation has led to the divorce of ownership from control, while at the same time ownership has come to mean not so much the ownership of tangible property as the right to receive an income in the shape of profits and interest. With the introduction of dividend limitation, this general tendency is carried a stage further until the logical conclusion is reached when the private ownership of capital seems almost meaningless, apart from the right to an annual income. In such circumstances, it is merely a matter of convenience whether socialisation takes the form of compensating the owners by the issue of Government Stock or by the issue of Public Corporation Stock. In either case, the former owners *as such* have no part in the control and management of the concern.

It can hardly have been more clearly stated that the difference between 'socialisation' *à la* Public Corporation and 'advanced capitalism' is practically indiscernible! But this was not all. The

authors proceeded to subject the 'vague dogma' of workers' control to critical scrutiny. Needless to say, the upshot of their examination was that the workers had no right to control industry: all they could reasonably claim was to 'participate' in control. The workers, through their unions, had the right to influence those who did control and this could be achieved by joint consultative machinery, but they should not challenge managerial prerogatives. The determination of policy on technical, administrative, commercial and financial matters was outside the competence of the workers. "The task of business administration in this technical and commercial sense is a matter nowadays of expert training and experience. It is as much the manager's 'craft' to be able to organise the factors of production as it is the worker's 'craft' to use a lathe or a pick. It would therefore seem that efficient results can only be obtained if the final responsibility for these technical questions is left to those whose training and experience fits them for the job".[65]

Statutory Representation

It was not to be expected that even the bulk of Labour moderates in 1932 would swallow whole this piece of blatant advocacy of managerialism. Morrison's antagonists refused to yield: they insisted that in any future act of nationalisation the workers should, as a statutory right, have a number of representatives on the governing boards of the Public Corporation. The managerialists gracefully accepted the point. In 1935 the Labour Party and the TUC jointly agreed on the principle of statutory representation: the workers were to have an unspecified number of 'representatives' on the proposed boards, 'representatives' appointed by the Minister and paid by the corporation, 'representatives' who would cease to be members of their unions, 'representatives' who would be responsible not to the workers but to the Government!

Ten years later, on the eve of the election of the 1945 Labour Government, the TUC reiterated its arguments on the position of management *vis-à-vis* the workers, stating even more clearly the case against any form of the concessions that could be made to industrial democracy.[66]

In the summer of 1945 the Labour Party and the National Union of Mineworkers held joint discussions out of which emerged a detailed plan on which the Labour Government later based its Coal Industry Nationalisation Bill. In the course of these discussions, the NUM agreed that the principle of statutory representation should be dropped and that no explicit provision should be made to include on the boards of nationalised industries representatives of the workers in those industries. Thus, on the eve of realising their fifty years old demand for nationalisation, the miners – or rather, the miners' leaders – abandoned the last vestige of the syndicalist dream of 'the mine for the miners'.

The Tradition Survives

Labour Nationalisation

The 1945-51 Labour Government's nationalisation measures were constructed according to the canons of managerial socialism which Morrison and Citrine had adumbrated in the 1930s. Industrial Democracy was equated with joint consultation and managerial prerogatives were left unchallenged. All the nationalisation statutes stipulated that one of the qualifications for appointment to the new public boards was experience in labour organisation but this provision merely implied that a number of the 'safer' Trade Union officials could be offered top-level jobs in the industries: 'responsible' Labour leaders were not to be barred from entering the managerial class!

It is now clear that nationalisation has not been the panacea that its advocates predicted: the status of the workers has not been materially altered by the change from private to State ownership. In some respects conditions have improved, in others deteriorated; but the workers are still alienated from the instruments of production; they remain an inferior class within the productive process.

Inevitably there has been, within Labour-Socialist circles, a reaction to this situation. On the right-wing, nationalisation has been soft-pedalled; on the left-wing, criticisms have been made of the

administrative set-up. Generally speaking, however, these criticisms have been oddly defensive in tone, while the positive proposals reveal an extreme naivety. Typical has been the demand voiced by several unions, notably the NUR, for more trade unionists on the public boards: as if a few extra Citrines and Bowmans would make all the difference! The term 'workers' control' has been bandied about but there has been little evidence that the word-spinners understood what they were talking about: it remains only an expression of discontent, not a positive demand. G.D.H. Cole, forlornly hoping for a revival of guild doctrines, has made some trenchant criticisms of the public corporations and some Fabian-like proposals for achieving the end to which he devoted his early years. But his words have been treated as no more than an echo from a distant past. The new generation of Fabian intellectuals simply shake their heads: such nonsense is not for them. Like Hugh Clegg, they make a gesture of sympathy and turn to more 'practical' matters. Workers' control might be satisfactory in a small-scale society but is not a realistic alternative for a society such as ours.[67]

The UPW

At the present times, therefore, workers' control, in the sense that I have been using the term, remains an aspiration of 'the socialist sects'. The single exception is perhaps the Union of Post Office Workers. This union, formed by amalgamation in 1920 largely owing to the inspiration of the Guild Socialists, still adheres officially to the guild objective which was written into its constitution in 1922. Alone among the larger unions, it has conducted a battle against the socialism of the public corporation. In the 1930s and again in the immediate post-war years, it made proposals for 'joint control' (Union and State) of the service as a step towards the ultimate aim. As the union with the longest experience of nationalisation, one might have thought that our Labour-Socialists, who pride themselves on their 'empiricism', would have taken some notice. Instead, the TUC looked askance at this inconvenient demand and, discouraged by lack of support from the Post Office Engineers, the UPW have not pressed the matter again.

Communist Party Opportunism

Of 'the socialist sects', the two that have shown most sympathy towards the concept are the ILP and the anarchists. The British Communist Party – more truly a sect than either – has not been included. The Communist Party attitude towards workers' control, like its attitude to all things save the Moscow party line, has been notoriously ambiguous. In its early years the Communist Party attracted to its ranks a number of prominent ex-syndicalists and, as a consequence, included 'workers' control', as one of its slogans. With the development of managerial socialism in the Soviet Union, however, the party began to change its tune. In the early 1930s the slogan was still used but it was given a new interpretation. Instead of implying the control by the workers of the enterprises in which they worked, it was taken to mean control of industry by the workers *as a class*. In this way the slogan was given a *collectivist* twist which it had not possessed before and, of course, in practice the Communists understood by workers' control of industry, the control of industry by the self-styled *party* of the working class – the Bolshevik mandarins themselves. In Britain such opportunism has led nowhere and the Communist Party can offer in its 'British Road to Socialism' nothing better on this subject than the demand for more 'workers' representatives' on management boards.

The ILP and Workers' Control

The ILP advocacy of workers' control, in contrast has been much more sincere, especially since the party ceased to be a force in the political arena. In the early 1920s the Guild Socialists almost but not quite succeeded in writing guild objectives into the ILP programme. After the party had disaffiliated from the Labour Party, its 'revolutionary' tendencies became more marked. The clearest statement of its new position was made perhaps at its Jubilee Conference in 1943. The acid test of socialisation, the party declared, was whether control was in the hands of the workers. Workers' control was "the only final and lasting solution to the anarchy of capitalist industry" and this was to be achieved through representative committees of workers on a local, area and national

basis. All management and administrative staff were to be elected, subject to technical qualifications, by the workers themselves and *paid only as much as ordinary workers.*

Since the war, the ILP, along with radical elements from the Common Wealth organisation, have devoted a good deal of attention to the question, especially in relation to the theory of the managerial revolution. In an effort to rally support for the idea, these elements formed The League for Workers' Control in 1951 but the new movement proved abortive.[68]

Anarcho-Syndicalism

It is the anarchists, however, who have proved most faithful to the syndicalist tradition. Despite the differences between them and the 'pure' syndicalists in the pre-1914 period, it is the anarchists with their uncompromising hostility to 'political action' who can best lay claim to be the heirs of William Morris and James Connolly. On the international plane, anarcho-syndicalism as a distinct social theory was first formulated at the Congress of Revolutionary Syndicalists at Berlin in 1922 and since that date it has been perhaps the most coherent of the tendencies within the wider anarchist movement. In Britain the revival of anarchist thought during the Spanish Civil War was largely inspired by the activities of anarcho-syndicalists in Catalonia. Since 1945 considerable efforts have been made by British anarchists to propagate the theory of revolutionary industrial unionism. The small dissident anarchist group which was known as the Anarchist Federation transformed itself into the Syndicalist Workers' Federation, while certain numbers of the larger group centering round *Freedom* were responsible for the production of the paper *The Syndicalist*, 1952-53, and a number of pamphlets re-stating the anarcho-syndicalist position, the most notable of which was Philip Sansom's *Syndicalism: The Workers' Next Step*, 1951.

It cannot be claimed that these efforts have been rewarded by any marked revival of interest in workers' control on the part of the industrial workers and clearly a new step forwards will not come until the idea ceases to be confined to a few, relatively insignificant,

groups. But at least the efforts provide evidence that the tradition dating from the Owenites is still alive in this country. In this matter, as in so many others, the anarchists remain guardians of the libertarian aspirations which moved the first rebels against the slavery inherent in the capitalist mode of production.

Notes

1. *Forecasts of the Coming Century*, edited by E. Carpenter, 1897, pp. 171-2.

2. Address to Trades' Unionists, 1885.

3. *Organised Labour: the duty of Trades' Unions in relation to Socialism*, 1886.

4. *Op. cit.*, 1920 edition, p. 653.

5. *Freedom*, November 1912.

6. *The Socialist Labour Party: its aims and methods*, 1908.

7. *Op. cit.*, p. 32.

8. *Ibid.*, p. 16.

9. *Ibid.*, pp. 25-26.

10. Mainwaring and Mobray provided a direct link with the Socialist League. Both were formerly contributors to *The Commonweal*.

11. Fernand Pelloutier, a French anarchist, who became the secretary and mastermind of the Bourses du Travail from which sprang effective labour organisation in France.

12. *cf.* G. Woodcock and I. Avakumovic: *The Anarchist Prince*, 1950, p. 294.

13. *The Syndicalist*, May 1912.

14. *cf. Freedom*, October 1907.

15. The question of the relationship between anarchism and syndicalism was discussed at length at the International Anarchist Congress, Amsterdam, 1907, where Malatesta and Max Nettlau led the opposition to the coalescence of the two movements. See *Freedom*, September-October 1907.

16. Eugene Burdick in his unpublished doctoral dissertation on *Syndicalism and Industrial Unionism in England until 1918*, Oxford University, 1950.

17. It consisted of twelve monthly pamphlets and was followed in September 1911 by *The Syndicalist Railwayman*, in its turn followed by *The Syndicalist*, January 1912.

18. This celebrated pamphlet was issued by The Unofficial Reform Committee, Tonypandy, 1912. According to Burdick, it was the joint product of six authors: Charles Gibbons, Noah Rees, Noah Ablett, W.F. Hay, George Dolling, and W.H. Mainwaring.

19. *From Single Tax to Syndicalism*, p. xiv.

20. This was the title of the English translation, published 1913, of their book: *How we shall bring about the Revolution*. One of the translators was Frederick Charles who had been concerned the so-called anarchist 'bomb plot' at Walsall, 1892.

21. *Syndicalism: its basis, methods and ultimate aims*, 1913.

22. Apart from these two conferences the ISEL called an International Congress which was held in London, September to October 1913. It was mostly concerned with the question of trade union structure.

23. This repudiation sometimes went so far as a repudiation of the famous syndicalist slogan itself: "Syndicalism does not hold with the position of the mines for the miners, though Syndicalists would prefer even that to the present state of affairs ... Syndicalism favours the administration of the mines for the miners on the theory that none knows as well as the miners themselves the various details connected with the mining industry". *The Syndicalist*, June, 1912.

24. *Syndicalism: what is it?*, no date.

25. 'The Genesis of Syndicalism in France', appendix to *Self-Government in Industry*, 1917.

26. W.F. Hay: *Industrial Syndicalist*, November 1910.

27. *The Syndicalist*, February 1914.

28. See *Fields, Factories and Workshops*, and *Freedom* October 1909 and March 1912.

29. See his *The Workers' Committee*, 1918.

30. i.e. W. Gallacher – John Paton, who had joined the Guild Socialists, had died in 1920.

31. My italics.

32. *The Syndicalist*, February 1914.

33. Quoted in N. Carpenter: *Guild Socialism*, 1922, p. 91.

34. *The New Age*, 30th December 1909.

35. *The New Age*, 8th January 1912.

36. See Cole and Mellor: *The Greater Unionism*, 1913.

37. *Towards a Postal Guild*, 1919.

38. M. B. Reckitt and C. E. Bechhofer: *The Meaning of National Guilds*, 1920 edition, p. 190.

39. *The Guildsman*, March 1920.

40. *Op. cit.*, pp. 3-4, 6-7.

41. Cole: *Labour and the Commonwealth*, 1918, p. 32.

42. Cole: *Guild Socialism Restated*, 1910, p. 53.

43. Cole: *Self-Government in Industry*, 3rd edition, 1929, p. 216. For a more complete picture of the working of industrial democracy, see Cole's sketch of the constitution for an Enginering Guild, *ibid.* pp. 211-229.

44. *Guild Socialism Restated*, p. 57.

45. *Self-Government in Industry*, p. 14.

46. Hobson: *National Guilds and the State*, 1920, p. 25.

47. *National Guilds*, p. 276.

48. Cole: *Social Theory*, p. 103.

49. *Ibid.*, p. 106.

50. *Ibid.*, p. 115.

51. *Guild Socialism Restated*, p. 32.

52. *Op. cit.*, p. 121.

53. Cole's attitude inspired M.B. Reckitt's triolet:

Mr G.D.H. Cole
Is a bit of a puzzle,
A curious rôle
That of G.D.H. Cole,
With a Bolshevik soul
In a Fabian muzzle;
Mr G.D.H. Cole
Is a bit of a puzzle.

54. *The Guildsman*, February 1920, published the following 'announcement':
Birth – January 1919, at Manchester, Building Trade Unionists and the National Guilds League, of a Guild. Parents and child are doing well.
Marriage – January 1919, at Manchester, a marriage has been arranged between the labour power of the building workers and the credit of the public.
Death – January 1919, at Manchester, the theory of the necessity of Capitalism passed painlessly away. No flowers by request.

55. *The Guild Socialist*, January 1923.

56. *Self-Government in Industry*, p. 110.

57. *Labour and the Commonwealth*, p. 219.

58. *National Guilds and the State*, p. 12.

59. *The New Age*, 6th May 1915.

60. *Labour and the Comonwealth*, p. 32.

61. R.H. Tawney in *The Guildsman*, June 1921.

62. *The Guild Socialist*, August 1921.

63. Coal Industry Commission, *Evidence*, Cmd. 359/1919, Vol. 1, pp. 548 *ff.*

64. For a 'syndicalist' critique of joint control on these lines see *A Plan for the Democratic Control of the Mining Industry*, 1919, published by the South Wales Socialist Society.

65. *TUC Report*, 1932, p. 217.

66. Report on Post-War Reconstruction, *TUC Report*, 1944, p. 411.

67. See H. Clegg: *Industrial Democracy and Nationalisation*, 1951.

68. Its publications included *Workers' Control in the Modern World* by Don Bannister and *Industry and Democracy* by the former Guild Socialist Maurice Reckitt.

Fabianism and the Managerial Revolution

(The Fabian Society has recently celebrated its 70th anniversary. Although at the outset it included anarchist as well as state socialist elements, it soon replaced any revolutionary objectives it may have avowed by the doctrine of 'the inevitability of gradualness'. In the article below an attempt is made to assess the significance of Fabianism in the light of the emergence of what James Burnham has called 'the managerial society' and to interpret the tasks of the future in the light of this assessment).

When the future historian comes to write the history of the managerial social revolution in this country, he will undoubtedly assign a prime role to the Fabians. To them belongs the credit for preparing the way for the peaceful emergence of the new ruling class by the elaboration of a 'socialist' ideology which could, at one and the same time, enlist the sympathy of the proletariat without antagonising those elements of the old capitalist class which were to be enrolled in the new ruling class of managers.

Today, as always, the membership of the Fabian Society is limited to a few thousand middle class intellectuals but the Society has never estimated its success in terms of membership figures. Its criterion of success has ever been the extent to which its ideas have permeated political parties and the Labour Movement, and, judged on this standard, no one can deny its victory. British Socialism, except for the Communist and other minor elements, is essentially Fabian Socialism.

Fabianism has sometimes been regarded as essentially a tactical method – the method of permeating other bodies with the object of furthering Fabian ends – but the superficiality of this view is obvious. Tactics presuppose doctrines and in the light of the emergence of the new social order the leading ideas of Fabianism may be characterised as follows:

First and most obvious is the rejection of the theory of the class struggle which assigns to the proletariat the chief role in the

achievement of the free, classless, socialist society. The popularity of the early Fabians, as E.R. Pease, the historian of the Society has suggested, was in no small part due to their freeing British Socialism from revolutionary ideas and diverting it into constitutional paths, thereby making it respectable for even the middle class 'do-gooders' to profess a belief in socialism. The Fabian Society began and has continued as essentially a middle class movement, with middle class men and with middle class ideas and prejudices. No one will deny that the Fabians have often displayed a genuine sympathy for the poor and the oppressed, but however much they were *for* the working class they were never *of* it. To the Fabian the working class has always appeared at best as a rather stupid helpless child who requires an intelligent guardian to protect him.

The second and equally important Fabian doctrine is the acceptance of the bourgeois democratic State as a suitable instrument for the achievement and application of socialism. No essential change, the Fabians argued, was necessary, as the Marxists thought, in the apparatus of government. Much less was it necessary, as the anarchists believe, to destroy the whole conception of the modern centralised State. To break the State machine, said Shaw with a characteristic glibness, is tantamount to Luddism: "I regard machine breaking as an exploded mistake. A machine will serve Jack as well as his master if Jack can get it out of his master's hands. The 'State Machine' has its defects; but it serves the enemy well enough; and with a little adaptation, it will serve us quite as well as anything we are likely to put in its place." (*Today*, September 1887).

All that was required was for the people to gain control of the machine through the use of their votes and to perfect it for their own ends. With the acceptance of the democratic State went the tendency to identify it with the community. Such an identification made it possible to regard State control and State ownership as control and ownership by the community in the interests of 'the community as a whole'.

The Fabian rejection of the class struggle and their attitude to the State inevitably had important repercussions on their theory of socialisation. The revolutionary socialists and anarchists, grounding

their theory on the prime importance of the ownership of the means of production as the source of power the ruling class, were led to draw a distinction between capitalist public ownership and genuine socialisation. The capitalists as a class, however much certain interested sections of them might be hostile to particular acts of nationalisation, were not averse to, and indeed supported, a limited extension of it in those services which were natural monopolies and which were of great importance to the functioning of private industry — notably communications, transit and power.

Such nationalisation could be welcomed as increasing the general efficiency of private industry, as providing a secure and profitable field for investment, and as producing surpluses which could be used to relieve national and local taxation on property. The extension of public ownership by a capitalist controlled State could, therefore, only mean the strengthening of capitalist domination.*

The Fabians, in contrast, showed themselves far less discriminating. Every extension of public ownership and control they welcomed as a victory for the community over the capitalists, and socialism became practically equivalent to the extension of State power and ownership. The original 'Basis' of the Society is a revealing document. Its stated object was not, as the revolutionary socialists would have put it, 'the emancipation of labour through the socialisation of the means of production', but instead 'the emancipation of land and capital from individual ownership'. This more limited object betrays the fact that the Fabians from the outset were far more markedly anti-capitalist than pro-labour.

The fourth essential Fabian doctrine was the theory of the limited role of workers' organisations in a socialist society. The acceptance of the bourgeois State machine with its location of sovereign legal

* This revolutionary distinction between capitalist nationalism and socialist nationalisation, however useful in the past, is now outmoded in most advanced industrial countries. Nationalisation no longer serves the interest of the capitalists and its further extension spells their extinction. The important distinction is between nationalisation, whether 'capitalist' or 'socialist', and a form of socialisation which ensures workers' control.

power in Parliament entailed the corollary that any institutions the workers built up should be subordinate to it. The early Fabians neglected to study the main working class organisations – the Trade Unions and the Co-operatives. Sidney and Beatrice Webb, however, soon made up for this deficiency and in so doing laid down the broad principles which should govern their functioning in a socialist society. Socialism, they decided, meant essentially paramount control by the consumer. Producers' co-operatives, for long the ideal of nineteenth century socialists, were ruled out as liable to be anti-social as well as being impracticable.

Consumers' co-operation naturally had a part to play in the field of distribution, but elsewhere it suffered from inherent limitations which only the State could overcome. The function of the Trade Unions was to represent the interests of the producers *vis-à-vis* the consumers. The extent of Trade Union control was, however, to be strictly limited to a partial control over the conditions of work. In no circumstances was it to extend to interference in the productive side of business management.

The fifth and perhaps most significant Fabian idea is the notion of the peculiar importance of experts – the administrators and the managerial elements. As one historian of socialism has so naively put it, Fabian Socialism "saw in the middle class a group that could be utilised in developing the technique of administration on behalf of the new order" (Laidler: *Socio-Economic Movements*). The early Fabians included a high proportion of upper Civil Servants and not unnaturally stressed the importance of efficient bureaucratic administration. Early Fabian literature contains no hint of the elective control of officials – a plank in the programme of the Social Democratic Federation which the latter got from Joseph Lane's Labour Emancipation League. On the contrary, officials were to be appointed from above by the State after examination, and controlled only indirectly by the community through Parliament. Pre-1914 Fabianism appears as essentially bureaucratic socialism and was attacked as such by the syndicalists and the guild socialists.

After 1918 the emphasis on political bureaucracy disappears to be replaced by a growing emphasis on the importance of the

managerial elements in a socialist society – a change which coincided with the abandonment of the concept of nationalisation through a Government Department on the model of the Post Office in favour of nationalisation through semi-independent public corporations which are much less amenable to public control. But from the beginning the Fabians had not neglected to woo the managers. Accepting explicitly the development of modern large-scale industry, they underlined, as early as the *Fabian Essays* of 1889, the growing distinction between the capitalist owners and the salaried managers, the latter performing the indispensable function of organising production while the former, through their property rights, simply laid claim to profits, rent and interest. The progressive development of industry from individual ownership and management to joint stock companies and trusts indicated, they argued, that the next step, as each industry became 'ripe' for control, was the elimination of the capitalist owners, the State taking the place of the shareholders "with no more dislocation ... than is caused by the daily purchase of shares on the Stock Exchange" (Sidney Webb). The managers were further reassured by the categorical statement that there would be no nonsense about equality of wages. The Fabian Society, declared one of its tracts (No. 70, 1896), "resolutely opposes all pretensions to hamper the socialisation of industry with equal wages, equal hours of labour, equal official status, or equal authority for everyone". Management, it was later pointed out, is, or is fast becoming, a specialist technique, and its profession must be organised as such and paid its appropriate reward. (Webb: *The Works Manager Today*, 1916).

With this high regard for bureaucratic and managerial administration went a characteristic managerial ideal – that of social efficiency, an ideal, which, if it has always found expression in socialist literature, has previously been subordinate to the more human values of freedom, mutual aid and social co-operation. The Fabians above all emphasised the economic advantages to be gained from a collectivist economy – the replacement of the 'anarchy' of competition by planned production and the elimination of wasteful unemployment and poverty through the establishment of

a national minimum standard of life. The total effect of Fabian doctrine was thus to transform socialism from a moral ideal of the emancipation of the proletariat to a complicated problem of social engineering, making it a task, once political power had been achieved, not for the ordinary stupid mortal but for the super-intelligent administrator armed with facts and figures which had been provided by diligent research.

Today with our retrospective wisdom, it requires no great insight to see how these five essential Fabian doctrines have contributed to the development, not of the free, classless, socialist society but of the managerial society. The rejection of the class struggle and the insistence that there could be, even in a predominantly capitalist society, a genuine community of interests, has had the effect of turning the proletariat away from its revolutionary objective and towards the goal of mere amelioration through social reforms.

The acceptance of the existing State meant the acceptance of an institution which, whilst it suited the bourgeoisie and could be, in this country at least, fairly readily adapted to the new ruling class of managers, is incapable of being controlled by the workers. The State and especially its central organs, as all who study its functioning know and as all practical politicians realise, is essentially a power over and above the people and not one readily amenable to their control. It acts in their name but in reality it acts in the interests of the dominant groups in society which control the instruments of production, however many concessions it may care to make in the way of social welfare schemes. The Fabian theory of State ownership in the interests of the community, coupled with the insistence on the subordinate role of the trade unions and co-operatives and on the importance of the experts, the bureaucrat and the manager, is one that is of direct interest to the managerial class, just as it is opposed to the interests of both the workers and (in the long run) to the capitalist owners.

No amount of assertion, statutory or otherwise, that nationalised industries are to be run 'in the public interest' can disguise the fact that they are being run in the interests of those in whom the real control is vested.

The concept of 'the public interest', in itself an unanalysable mumbo-jumbo, is in fact a beautiful ideological smokescreen to hide the interests of the managers while, at the same time, exposing the capitalists to public obloquy and confusing the workers. The limitation of the Trade Unions to a subordinate role in the nationalised industries means, moreover, that these working class organisations which could and should be operated as a base for building up, "within the womb of the old society", the power of the proletariat, have been castrated from the outset: the Trade Unions are to be used by the new masters, many of whom are ex-Trade Union leaders, only as more refined instruments for disciplining the workers. The emphatic rejection of the revolutionary idea of workers' control – the most direct threat that the managers had to face – is a signal victory for the new ruling class.

These five leading Fabian doctrines are thus all in keeping with the interests of the new ruling class that is emerging. The acceptance of them as the basis of the new social order constitutes the great illusion of our time. The application of them leads not to the free, classless, socialist society: it leads to the managerial society and the history of their application by the Labour Government serves only to underline that fact more clearly.

It may be that the managerial society is inevitable if present tendencies continue but this does not mean that the dominance of the managers must be meekly accepted. The proletarian social revolution may be further off than we once thought and the difficulties of bringing it to birth may be more substantial than we once optimistically imagined, but this provides no reason why we should not continue to work for it. To think otherwise is to accept – as Burnham himself accepts – the fallacy of historical determinism.

But we can only work for the proletarian social revolution if we have cleared our minds of the ideology of the managers. The time has now come for laying the foundations of a new workers' movement – a movement which will not be misled by doctrines that appear to hold out the prospect of workers' emancipation but in reality hands over the workers to new masters, a movement which will cut through the web that the Fabians have so cunningly

spun, albeit half-unconsciously, in the interests of the managers.

In terms of the Fabian doctrines outlined above this new workers' movement must recognise :

i) That the theory – and practice! – of the class struggle must be redefined in such a way as to make clear that the proletariat has two enemies, the old, fast-disappearing capitalist class and the new increasingly powerful managerial class – the men whose social power is based not on their property rights but on the key positions which they hold within the industrial process. The long and bitter struggle of the first workers' movement is drawing to a close. The drama is ending in a Pyrrhic victory for the workers and the stage must now be set for the next and second phase of the class struggle – the struggle against the managerial class.

ii) That the State can never serve as an instrument to achieve workers' emancipation and that political action, in the narrow sense of parliamentary and party politics, is profoundly irrelevant to the real struggle – the struggle within the workshops.

iii) That nationalisation as such is no concern of the working class. It may facilitate the technical and economic reorganisation of industry – its primary purpose – and incidentally provide the means by which extra concessions can be made to the workers but it does nothing to alter their status: they remain essentially wage-slaves. Only a form of socialisation which ensures control by the workers in place of control by the managers and bureaucrats is worth pursuing.

iv) That a serious attempt must be made to build up workers' organisations with their own culture, morals and ideology, free from middle class influence. The first workers' movement failed lamentably in this respect. By diverting the struggle into political channels the middle class were able to assume control and leadership of the workers' movement. An anti-political and industrial movement provides no opportunity for the careerist and frustrated intellectual. Of the two genuinely working class forms of organisation – the trade unions and the co-operatives – the first

has been content to remain a purely defensive instrument so far as industrial organisation is concerned; and when it did decide to take positive action it did so in the form of creating a political party which at once succumbed to Fabian permeation. The second – potentially the more revolutionary in that it attempts to lay hold on the means of production and distribution *directly* instead of through the State – has survived only by abandoning its ideals.

v) Lastly, the new workers' movement must face squarely the problem of controlling the expert and devise means to ensure that he remains on tap not on top. Complex modern industrial organisation cannot function without experts – men with the technical know-how which nowadays requires a long and expensive training. To talk as though the ordinary workers at the bench could tomorrow take over the functions of management, if only they had the will and the opportunity, is mere moonshine. Opposition to the managerial class does not mean opposition to management as such. Workers' control does not imply the abolition of management: it implies the control of managerial functions by the workers. Workers' control in this sense will be no easy matter to achieve but achieved it must be if the emergence of a new ruling class is to be prevented now and in the future. Workers' control is and remains the touchstone of any successful workers' revolution.

The new workers' movement, in other words, must be essentially a syndicalist movement. The nineteenth century anarchist-communist movement showed great prescience when, in opposition to Fabian and Marxist socialists alike, it predicted that state socialism would result in the exchange of one set of masters for another, but it also had its weaknesses. It underestimated the immense difficulties of organising a successful social revolution and failed to emphasise the importance of building up workers' organisations for the two-fold purpose of waging the daily struggle against capitalism and of creating the administrative units of the new society. This defect in anarchist doctrine was recognised by the pre-1914 syndicalist movement – although the rapidity with which that movement disintegrated after the Bolshevik Revolution

of 1917 indicates that many syndicalists soon forgot the text which they had preached and acted upon: that no new system can supersede another until it has become fully matured within the womb of the old. Nevertheless, syndicalism of the period 1900-1920 now appears as the great heroic movement of the proletariat, the last desperate attempt before society took the plunge down the managerial abyss to emancipate the proletariat by its own exertions, to build up a distinct proletarian culture purged of any traces of bourgeois ideology, and to evolve a uniquely proletarian method of social action. To the Fabian who is constitutionally incapable of conceiving a society which is not constructed according to the canons of bourgeois architecture, syndicalism seems a crude and impractical social theory. But those who are to play their part in the new workers' movement in opposition to the managerial State will find in it the fount of their inspiration.

Industry and the Managerial Society

During the past seven or eight years a desultory debate has been going on in the Labour Movement on the subject of public ownership. Contrary to popular belief, public ownership in the sense of ownership by the State or other governmental agencies is not genetically a socialist idea. In the early nineteenth century there were advocates of municipal gas and water works and even railway nationalisers who would have been aghast at being identified with the socialists, while the socialists themselves thought of the future society in terms of *voluntary* co-operative communism. It was not until the 1880s with the virtual triumph of Marxist doctrines that socialism came to be practically identified with State ownership. The British Labourites, rejecting revolutionary methods in favour of Fabian gradualism, nevertheless adopted the Marxist formula of the nationalisation of the means of production, distribution and exchange. Adherence to this formula then became the hallmark of the 'genuine' socialist, as distinct from the 'exceptional' socialist – Liberal or Conservative in politics – who advocated nationalisation of particular industries, usually those deemed to be 'natural' monopolies. It is for this reason that 1918 is usually held to be such a significant date in the history of the Labour Party, for in that year the party adopted as one of its principal objects "the common ownership of the means of production, distribution and exchange". This phrase signified to the wider world the party's conversion from a mere social reform to a full-blooded socialist party.

The object remains written in the Labour Party's constitution and is quoted with apparent approval in the first paragraph of the new policy statement, *Industry and Society*. But for many influential Labourites the formula has lost much of its old magic. In 1945 the general talk was of "the first instalment of socialism", meaning by that the nationalisation of the basic industries, with the implication that the rest would, by the grace of God and the electorate, follow in due course. During the first four years of the Labour Government there were no serious misgivings among the leadership over the

nationalisation policy but in 1949 the 'moderates' expressed doubts about steel and it is no secret that it was only the pressure of the Leftists which secured the nationalisation statute of that year. Morrison began to drop large hints about the need for time to digest the industries already swallowed and the more sophisticated started to prate about the virtues of 'the mixed economy'. This latter term particularly stank in the nostrils of the Leftists: it seemed tantamount to a repudiation of the old faith. So, for a time, the issue was raised: more nationalisation or less, and how soon?, with the Leftists of course on the side of 'progress'. Hardly a voice could be heard suggesting that what was wrong with the Labour Party was not its pace but its direction.

* * *

Then, in 1951, the Socialist International weighed in with the pronouncement that the essence of socialism was not public ownership but economic planning: public ownership was one of the techniques to be used in planning an economy but "socialist planning does not presuppose public ownership of all the means of production". Taking this as its cue, the German Social Democratic Party – that erstwhile representative *par excellence* of milk and water Marxism – has now abandoned its nationalisation objectives and has come out in favour of private, if regulated, enterprise. Its British counterpart, the Labour Party, has been more circumspect. Here the issue has been complicated by the Bevanite struggle and by the fact that the party activists, especially in middle-class constituencies, have proved to be obstinately wedded to the old faith. Conference resolutions to nationalise this, that and the other industry keep cropping up and even if the National Executive, with the aid of the block vote of the larger trade unions, can prevent them being passed, they testify to the emotive appeal of the old formula. However, not even the Leftists can pretend to be enthusiastic about the *form* nationalisation has taken in the past. Statistics 'demonstrating' the success of nationalisation cannot disguise the obvious fact that the setting up of a few public corporations in the major industries of the country has not

instituted the millennium or begun to look like instituting it. For the Leftists, then, it has been a question of 'more nationalisation *but*' – the 'but' being followed by some asinine generality about the need for more democratic control or the suggestion that perhaps a government department on the model of the Post Office might be better than a public corporation after all.

In truth, the Leftist Labourites have in the last few years shown themselves to be pretty feeble intellectually. Their favourite Welsh Charley can spin fine phrases and take the mickey out of the hecklers but he hasn't got a new idea in his head. With the result that the clever young graduates in economics have been making circles round them with such dexterity that they have succeeded in pinning on the nationalisers the labels 'old-fashioned' and 'reactionary'. 'The New Socialists' have produced provocative and weighty books like the Socialist Union's *Twentieth Century Socialism* and Crosland's *The Future of Socialism*, while all that their opponents have managed to muster is an odd pamphlet or two and Strachey's *Contemporary Capitalism* – the latter with its Marxist overtones being so much to the point that its author has publicly acknowledged that no policy conclusions are to be derived from it!

* * *

The New Socialists have not only mastered Keynesian economics; they have also been reading Burnham and some of the modern sociologists. From the latter they have learned that social inequalities are buttressed by institutions other than private property, our educational institutions in particular. Hence the importance attached by recent Labour thought to education reform and the comprehensive school. From Burnham, they have learned the importance of the distinction between ownership and the control of industry. True, this distinction was not first drawn by Burnham. It was implicit in classical syndicalist thought before World War One and was made explicit by the Guild Socialists. Also, it underlay the arguments in the TUC's important report on *The Control of Industry*, 1932, which decisively repudiated industrial democracy in favour of joint consultation. But it was Burnham who gave the

idea wide currency by linking it with a dramatic revision of Marx's theory of social change. By and large, Labourite intellectuals did not begin to take Burnham seriously until several years after 1945: if they had done so, they might have been less enthusiastic about the party's nationalisation programme. It was only when, for other reasons, doubts began to arise concerning the efficacy of nationalisation that Burnham was brought into the picture.

Burnham's general analysis may, according to one's temperament and objectives, be interpreted in either a radical or a conservative way. To the syndicalist, for example, the decline in the importance of the functions of ownership reinforces the arguments in favour of workers' control. If capitalist control is on the way out, it becomes an urgent necessity, if a new ruling class is not to emerge, for the workers to assume control of the instruments of production. But suppose one is not seriously worried about the idea of a ruling class, so long as it is not called by that name; suppose one is not prepared to forgo any of the advantages of large scale and mass production which requires for its organisation a professional elite of managers; suppose, even, that one sees a fair prospect that in the future set-up one has a chance of becoming a member of the new power elite; why, then, Burnham's analysis appears in a quite different light! Of course, one must avoid mentioning Burnham: the name is slightly odoriferous; and in 1942 when *The Managerial Revolution* was first published Burnham was still something of a radical – he didn't in so many words actually approve his predictions and a critical reader, not weighed down by his pseudo-deterministic fallacy, might well draw the 'wrong' conclusion; that efforts should be made to halt the march of the managers. The conservative, therefore, must tread gingerly: his best course is to steal Burnham's leading ideas and to dress them up in a manner more appealing to the popular palate.

This, roughly, is what the authors of *Industry and Society: Labour's Policy on Future Public Ownership* have done. On any reckoning this statement is a landmark in the development of British socialist thought. Despite the evidence it contains of a carefully contrived compromise designed to satisfy both the New

Socialists and the Leftists, it is an intelligent and persuasive document. It has been and will be attacked by the Leftists but mostly for the wrong reasons; some of Labour's leading capitalists, like R.R. Stokes and Sir Hartley Shawcross, may object when – or if – its ideas are put into practice; but I shall be very surprised if it is not accepted with anything more than a murmur of protest by the dissident rank and file at the next Annual Conference of the Party in October.

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A large part of *Industry and Society* is devoted to an analysis of recent changes in the structure of industry. In the last forty years the pace of technological change has quickened, a new pattern of production has emerged, mass production has increased, and the tendency towards amalgamation has continued. As a consequence we have witnessed the emergence of the large firm to a position of dominance in the economy. The number of joint stock companies – now some 291,000 – has increased but the great bulk of these are small 'private companies' with fifty or less shareholders. The number of 'public companies' – those permitted to raise money on the capital market – has however declined to a figure of just over 11,000. It is these public companies which really count. Their total paid up capital of £4,340 million is nearly twice that of all private companies and, measured in terms of the value of their shares, public companies account for 80% and private companies 20% of total company wealth. Within the class of public companies a further group can be distinguished: that of some 500 firms, each with assets in excess of £2½ million. It is this group of super-firms which accounts for nearly 50% of the profits made by private industry. As Peter Drucker noted in *The New Society*, it is the super-firm which is the decisive institution in our economy: "The great majority of people do not work for the large industrial enterprises yet their livelihood is directly dependent upon them ... The enterprise determines economic policies and makes economic decisions. A small number of big enterprises sets the wage pattern and establishes the 'going wage' of the economy".

The super-firm is ostensibly a capitalist institution: it is owned by private individuals and corporate shareholders. But – and this is the point – it is run by its managers. In the words of the policy statement: "As companies grow larger and their affairs more complex, management becomes increasingly important, increasingly specialist and increasingly professional. More and more it assumes a life of its own. In the large companies it is the managers who now undertake the functions once performed by capitalist owners". It is an exaggeration to say that the functions of management are completely divorced from the functions of ownership or that the interests of the managers and those of the shareholders are necessarily conflicting. But undoubtedly the managers do think and behave differently from the capitalists. "The world of the managers is not the world of the shareholders. Their concern is with production as much as with profits and with expansion far more than with dividends. Salaries, pensions, status, power and promotion – these rather than wealth are their operating incentives". The tensions reflected in the formation of shareholders' associations and the recent 'take-over' bids serve only to underline these truths. The fragmentation of ownership – the reduction in size and the increase in the number of shareholdings – contributes to building up the effective power of the controlling managers *vis-à-vis* the capitalist owners. By and large the managers are not themselves substantial shareholders in the concerns they control and to an increasing extent these firm are self-financing. The capital required for further expansion is provided from profits rather than distributed in the form of larger dividends, with the result that dependence on the shareholder is further reduced. 'The profit motive' still operates, of course, but the dividend is not the dominant impulse. "Company aggrandisement, conceptions of the national interest, prestige and power, pensions and pay for chief executives – these are now the main incentives for those on their way up and for those who have arrived in the Board Room".

Historically, the 'justification' of the capitalist's existence has been couched in terms of his risk-bearing function – he risks his capital in return for a chancy dividend. This 'justification' still

applies in the small firm and in a competitive industry the risks to capital may be quite high. But it no longer applies to the thousands of owners of the large firm. The ICIs and Unilevers of this world never find themselves in Carey Street. Such firms never go bankrupt, they could not be allowed to fail: their prosperity in fact is "now substantially underwritten by the State". With the decline in the capitalist's risk-bearing function, with the possibility of accumulating capital within the company itself, and with the emergence of a professional class of managers, any case for retaining the capitalist goes by the board. These super-firms could be run without owners and one notable German firm – the Volkswagen company – is in fact so run, as was the Steel Company of Wales during its period of 'suspended ownership', following de-nationalisation.

The shareholders of the super-firms, of course, retain certain 'rights', above all the 'right' to receive the greater part of the new wealth created by economic expansion: their shares increase in value as the firms grow and more than keep pace with increases in the cost of living. But, with the whittling away of his social functions, this 'right' becomes increasingly merely a barefaced privilege – a parasitic claim on the efforts of the producers, a claim that could be rejected without leading to any problem of operation and management.

All this is familiar to the student of industrial organisation, although many socialists – and anarchists – still talk as if we were living in a nineteenth century capitalist economy. What, then, does the Labour Party propose to do with these five hundred super-firms?

It is at this point that the conservatism of the authors asserts itself. If control is now largely in the hands of the managers, one might expect the socialists to transform them into real public companies, i.e. the State would take over *both* the ownership *and* control of their assets. But nothing so simple or straightforward emerges. Instead, 'the community' is invited to become the owners of industrial shares. How? Through the investment in equity shares of the fund to be established as a consequence of the party's National Superannuation proposals; through death duties being

paid in shares and land as well as in cash; and (to be more precise!) through "other methods and other agencies". When? The reader may fix his own date because the authors studiously avoid giving any. There is only the broad hint that "it is not our intention that the Government should indulge in a wildly inflationary scramble for shares: both the timing and occasion for acquiring shares will need careful consideration". This is Sidney Webb's 'inevitability of gradualness' with a vengeance!

Through its participation in shareholding, 'the community', i.e. the State (our authors, of course, equate the two) secures for itself the rewards hitherto claimed by the private capitalist. Thereby "a fairer distribution of income and wealth" is achieved – provided that the controllers of the State see fit.

So, the State becomes (gradually) the owner or part-owner of public companies. But our analysis has already shown that ownership is virtually divorced from control. What happens under the new dispensation to the controlling power of the managers? Answer: it stays, more or less, where it is. The case for control is, we are told, quite distinct from the case for ownership. General controls over the super-firms and industry generally there will be, for the sake of securing a measure of central planning. Just what these controls will mean in practice we are not told but are referred to a future policy statement on the subject to be published next year. We may safely assume, however, that they will be similar to the general controls exercised by the Government in war-time and by the post-war Labour Government, with perhaps less emphasis on direct controls and more inducement controls – financial baits and the like. What such general controls will *not* mean is close supervision of the managers: "The Labour Party recognises that, under increasingly professional managements, large firms are as a whole serving the nation well ... No organisation, public or private, can operate effectively if it is subjected to persistent and detailed interventions from above. We have, therefore, no intention of intervening in the management of any firm which is doing a good job".

But what of 'the problem of public accountability'? Students of public administration, to say nothing of the general public, have

been much concerned about the irresponsibility of the public corporations which run the nationalised industries. On this particular question another policy statement, *Public Enterprise*, recommends only a few minor changes which will leave the problem where it is. But the public corporations are statutory bodies over which the Government and Parliament have, in theory, considerable control. If there is a problem of public accountability in respect of public corporations, how much more will there be one in respect of the proposed semi-public forms. The authors of *Industry and Society* don't altogether ignore the problem. They recognise that "the Boards of large firms are almost wholly autonomous. They exercise enormous power without being responsible to anybody. They may exercise that power well, but it is hardly satisfactory that there should be no accountability whatever". At this point the reader should prepare himself for one of those asinine generalities which are a substitute for hard thinking in Labour circles. "It is possible", we are told, "that the best way of dealing with this situation is to review the Companies' Act and to develop more definite forms of public accountability. The essential point is that the Boards of these companies should conduct their affairs in a manner which coincides with the interests of the community."

Perhaps conscious that these supine observations will receive the scorn they merit, the authors have added another section dealing with this general problem of control of the managers. Its title is promising: The Problem of Social Power. Its third sentence even reads: "From existing Board Room policies it is not difficult to envisage a managerial caste taking on the former role of the owners of wealth and using its economic power to buttress class privileges and institutions". Good! Nay, excellent! The possibility of the managerial revolution is acknowledged, even if Burnham isn't. Let us hear, and right soon, the answer we've all been waiting for!

We are informed, quite correctly, that in recent years privilege in its many forms has been financed increasingly from company resources and decreasingly from private savings. This follows naturally from the increase in personal taxation of the rich and the decrease in shareholders' unearned income, on the one hand, and

from the ability of companies to accumulate financial resources and to secure favourable tax treatment of business expenditure, on the other. The managers today don't pay for their privileges like the capitalists did and do: they get their companies to pay for them. Expense accounts, cars, meals, travel, entertainment, holidays, 'top-hat' pension schemes, the provision of houses and servants, interest-free loans, help with school fees and the like – all these are ways in which the managers, as distinct from the capitalists, secure the rewards of being the men who control the instruments of production. These privileges are acquired by being a member of the managerial élite: they serve the dual function of being perks for the boys, for 'the top people', and also of being a handy method of controlling any individual manager or would-be manager who steps out of line. The managerial élite is self-recruited by the process of co-option in a way that the capitalist class never was and it controls the route to the top by methods which, in comparison, make nineteenth century capitalism look like a society where 'careers were open to talents'.

And what is the Labour Party's answer? Why, a code of conduct for the managers! The Government in discussion with the Trade Unions and employers is to draw up a code of "desirable social practices" to which industry "will be expected to conform. If need be" [how daring can we get?] "this should be given the force of law". At the same time we are told in *Public Enterprise* that the salaries of the managers of nationalised industries must not be "markedly less than those for similar jobs in private business". Apparently, it's not that the managers have superior rewards and privileges that the Labour Party objects to: only the way they secure them. These managers really should be more discreet!

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I said earlier that our New Socialists had been reading Burnham. I should have added that they have not succeeded in understanding him. The sheer puerility of Labour's answer to The Problem of Social Power would be incredible if one was not prepared for it by the whole history of the party, both in office and out. A new ruling

class is emerging and the party proposes to tame it by formulating (in discussion with the Trade Union bosses and the employers) a code of conduct! If the Labour Party had existed in 1800 no doubt it would have proposed a code of conduct to curb the exploitative powers of the capitalists!

The sad truth of the matter is that the Labour Party cannot be expected to formulate any measures to prevent the emergence of a managerial order. Of the two major political parties in this country, its attitude towards the managers is more ambivalent and on the whole more favourable than that of the Conservative Party which, broadly speaking, still represents *capitalist* interests. In future historical perspective, the Labour Party will appear as the harbinger of the managerial order, while the Conservative Party, as ever, will in time adjust itself to the new social forces. I do not wish to deny that there are elements in the Labour Party opposed to managerialism. A party so broadly based in the working class could not fail to voice in some way opposition to the social revolution of our time. But this voice is muted and, unless a near miracle happens, will be lost in the thunder of approval of the new social order. There are too many men of power in the Labour Party and the Trade Union hierarchy with an actual or potential interest in managerialism to make any other outcome at all probable.

If those in the Labour Party hostile to the managers are to have any effect, they must start at once learning their political ABC. I do not say that they will have to come to school at the anarchists, although that would certainly be desirable. But the basic minimum they must learn is that 'the State' and 'the community' are not equivalent terms and that ownership and control by the State cannot automatically be translated into ownership and control by the community. Moreover, all of Labour's proposals to control the managers are based on the naive assumption that the State and industry are in some way separate entities. The State is to control industry and, by implication, the managers by planning techniques and codes of conduct. But our society at its top levels – as distinct from the middle levels of power – is not a pluralist society, and is rapidly becoming less so every year. The political élite and the

industrial managerial élite are merging. The industrial bosses – the Bevins and the Lord Millses – become political bosses and to a lesser extent – significant in itself of the social forces at work – the political bosses become industrial bosses. When the merger is complete, State and industry will be simply different aspects of the same Establishment. The new power élite will then confront the powerless masses: the social revolution will be complete.

Industry and Society is indeed an important document: it points the way to the Managerial Society.

Socialism by Pressure Group

There are two main types of pressure group. One is the group organised to represent and further the interests, usually 'material', of a relatively stable section of a community. Employers' and employees' associations, such as the FBI and the TUC, are the most obvious examples of this type. The other is the group organised to represent and further the interests, usually 'ideal', of a set of like-minded individuals. The essential basis of this second or 'promotional' type is the common acceptance by the group's members of a proposal or set of proposals which they wish to see implemented by the authoritative decision-makers of the society in which they operate. The Anti-Corn Law League, the Anti-Vivisection Society and the CND are all examples of this type. From their very nature, groups of this kind tend to be less stable, more ephemeral than sectional interest groups. The Fabian Society, however, appears to be an exception to this rule. Founded in 1884, it rapidly became, and remains today, the most influential pressure group in the British socialist movement. Its impact on the wider society, if unmeasurable, has been great. Recently, it has been paid the sincerest compliment of all by its Conservative political opponents: imitation. The successful and much-publicised Bow Group of Tories was deliberately modelled on the Fabian Society and designed to combat its influence.

In her latest book,[1] Margaret Cole gives us what amounts to an official history of this socialist pressure group. Soberer, more informative and a good deal more accurate than the journalistic effort of Miss Fremantle which appeared last year,[2] it supplements, if it does not replace, the previous 'official' account by Edward Pease written in 1916.

The general character of Fabianism is too well known to need depicting here. 'Fabian' has long been a term of abuse in the

1. *The Story of Fabian Socialism* by Margaret Cole.

2. *This Little Band of Prophets* by Anne Fremantle.

vocabulary of radical socialists and libertarians, ever since its original anarchist members, headed by Kropotkin's collaborator, Charlotte Wilson, were manoeuvred out of the Society in 1887. Mrs Cole, in an epilogue, attempts some assessment of the Society's record but fails to meet, let alone to answer, the most serious charges levelled against it. Committed to being 'practical' and to the pursuit of the municipal and Parliamentary road to socialism, the early Fabians distinguished themselves from their socialist contemporaries by their resolute opposition to 'political luddism' – State-busting – in all its forms. Their successors, despite their avowed *penchant* for political *free-thinking*, have never questioned this commitment. Confronted as we now are by a State in which even the Tories 'plan' the economy – in a manner deliberately designed to win elections – and further away than ever, apparently, from the realisation of a society which anyone with the instincts of a William Morris would recognise as socialist, the Fabians still urge us along the same path. More facts, more tracts, and, so we are assured, all will be well. Frank Horrabin's Fabian tortoise with its uplifted paw – looking like an outraged old-age pensioner begging for a shilling rise to meet the latest increase in the tobacco tax – moves slowly, but move it does. Where it has come from, the historically minded Fabians are quite clear: where it is going to, the unphilosophically minded Fabians have never bothered to enquire.

Seventy-seven years further on from its starting point, perhaps the most interesting question to ask about this organisation is: How has it managed to survive and still be kicking? Part of the answer undoubtedly lies in its relative lack of dogma. The early Fabians saw themselves as the latter-day Benthamites of British socialism. Beyond a few basic principles enshrined in the Society's original Basis, which even some Liberals and Tories found themselves capable of accepting, they had no set programme to foster. Proposals for reform they produced in plenty, many of which have found their way on to the statute books of the State and of local and other authorities. But the Society *as such* promoted none of them. Almost from the start, each proposal was presented with the disclaimer that it represented the views, not of the Society but only

of the individual who prepared it. As a consequence, divisions within the membership over specific policy matters, although not avoided altogether, have been kept to a minimum. This organisationally sensible procedure was taken a step further in 1939 when – a new and even broader 'basis' having been adopted – the Society accepted as a fundamental rule the self-denying ordinance which forbade it to put forward any resolution of a political character, expressing an opinion or calling for action, in the name of the Society. This rule immediately placed the Society out of the reach of interested minorities chasing paper majorities which has been the bane of most socialist and labour organisations. No Fabian delegate to any other organisation has a mandate from the Society and his vote commits no one but himself. Freedom from internal political manoeuvring and policy rivalries has left the Fabians with the energy to pursue their major task – research and education. At the same time, it has enabled their Society to attract financial support from a wide variety of sources.

As an organisation, the Fabian Society has also shown a remarkable ability to hive off those groups and individuals within the membership who looked like making trouble. The hiving off of the anarchists in 1887 by the passing of a resolution committing the Society to participate directly in political action – a resolution which the majority had no intention at that time of implementing – was only the first of a series of such events. Before the First World War, the old guard Fabians met a number of challenges to their authority by giving the rebels their head and an organisation of their own. Some of these organisations quickly perished; others, like the Fabian Research Department, subsequently captured by the CP and renamed the Labour Research Department, survived. The peak of the Society's influence was undoubtedly reached before 1914. After 1918 the Fabian's monopoly of socialist cerebration was broken by the establishment of other bodies, including the Labour Party's own research department. In the '20s and '30s, under the bumbling secretaryship of F.W. Galton, the Society went into a decline. By 1939 it was on the point of expiry. But it survived because a few years earlier G.D.H. Cole and his friends had formed the New

Fabian Research Bureau. An amalgamation of the Bureau and the Society, under Cole's leadership, gave it a new lease of life. Membership figures, if not influence, reached a peak in the post-war years. The years of apathy and the lost sense of socialist direction have since eaten into the membership. One no longer looks to the Society in the expectation of finding 'new' socialist thinking, but the volume of work produced remains high and the odd tract here and there warrants a *Times* or a *Guardian* leader.

Part of the success of the Society must also be attributed to the quality of its leadership. The verbal brilliance of Shaw which attracted hundreds and thousands needs only to be mentioned. More important in the long run were the prodigious efforts of that bureaucrat *par excellence*, Sidney Webb, and, more recently, of G.D.H. Cole. That Cole, the guild socialist rebel who plagued the life out of the Webbs in the period 1914-24, should have succeeded to Sidney Webb's mantle seems a bit ironic.

"Mr G.D.H. Cole is a bit of a puzzle, With a Bolshevik soul in a Fabian muzzle." So sang Maurice Reckitt in 1920. Margaret Cole comments that the epigram would have been more correct if 'anarchist' were substituted for 'Bolshevik'. The anarchist element in Cole's thinking was very real and remained with him to the last. So much is evident from the final paragraph in the last volume of his *History of Socialist Thought* where he repudiated both Social Democracy and Communism. The puzzle about Cole remains but there is no doubt that he shared with the Webbs a selfless devotion to the cause of socialism. Neither the Webbs nor Cole, nor many other Fabian stalwarts, were 'on the make'. We may violently disagree with many Fabian policies and principles but it is difficult to point a finger at the men. If only their energies and capacities had been wholeheartedly devoted to the libertarian cause, we might not now have to make such a qualified approval of this most famous of all socialist pressure groups.

Socialism by Pressure Group

Geoffrey Ostergaard's excellent account of the Fabian Society as a socialist pressure group (*Freedom*, 12th August) fails to mention its other function – a front organisation for the Labour Party. Indeed he only refers once to the Labour Party, and then only in passing, which isn't really good enough, even for *Freedom*. It is worth noting that membership of the Society, according to the little note in its frequent publications, "is open to all who are eligible for individual membership of the Labour Party", which effectively excludes anyone who belongs to most other political groups whether to the right or to the left; neither Liberals nor Communists have a chance of taking it over. The note adds that "other radicals and reformers sympathetic towards the aims of the Society may become Associates" (with no voting power, of course). What it does *not* add is that the Society is actually affiliated to the Party, as one of the five 'Socialist Societies' which send four delegates to the Annual Conference and which join the 'Co-operative and Professional Organisations' in putting Arthur Skeffington, MP for Hayes and Harlington, on the National Executive Committee of the Labour Party. More informally, most of the top people in the Fabian Society are top intellectuals in the Labour Party.

The Society is in fact a sort of intellectual debating hall for Party disputes which might get out of hand if they were conducted in the popular press, Transport House, the Annual Conference or the House of Commons. It is at the same time a safety valve for clever malcontents, a kite-flying device for the Party Establishment and a nice dependent-looking façade for left-wing intellectuals who lean towards Social Bureaucracy but can't quite stomach the Labour Party. In its first capacity we see the defence, nationalisation and culture debates ritualised in monthly instalments, which gratify the protagonists while neutralising their rancour; in its second we see the research pamphlets, which are often prepared by members of the Transport House staff to foreshadow policy changes; and in its third we see special treats for uncommitted but sympathetic intellectuals, such as Kingsley Amis's *Socialism and the*

Intellectuals, Wayland and Elizabeth Young's *The Socialist Imagination* – and we might also have seen Michael Young's *The Chipped White Cups of Dover* a year ago if it hadn't stepped too far out of the Party line, by suggesting the idea of "a new progressive party" (its original title) and been narrowly rejected by the Society's Executive Committee for that reason.

Make no mistake, the Fabian Society couldn't survive as a pressure group any longer than its mirror-image, the Bow Group, if it weren't constantly preserved as a front organisation by the Labour Party. It is quite different from the Young Socialists' organisation, which is openly run by the Party bureaucracy, or the New Left movement, which is genuinely independent; it manages to get the best of both worlds, chiefly because it has a tradition of political respectability (not to say downright timidity) which has percolated down to the Young Fabians, and so survives and remains the exception to the rule stated by Geoffrey Ostergaard: that pressure groups are normally highly unstable. The point is that its members can feel that they are more than mere intellectuals or mere politicians, and so salve their fear of political or intellectual inadequacy respectively; at the same time the Party Establishment can feel that it is using the Society rather than the other way round (which is the simple truth), and so salve its fear of either political or intellectual independence. This is why Fabians like Cole are so ineffective when it comes to the point – they can't last any longer in the Society if they oppose the Party than the Anarchists could 74 years ago. Thus the Horrabin tortoise plods on, winning race after race, only to learn too late that the hare changed the rules half-way through.

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Fabian and Parliamentary Socialism

In September 1886 the Fabians, as Mrs Cole has recently reminded us, "finally made up their minds on the question of Anarchism versus Parliamentarianism" (Margaret Cole: *The Story of Fabian Socialism*). With the deliberate intention of sloughing off their anarchist wing, the Fabian leaders called a meeting to consider the following resolution: "That it is advisable that Socialists should reorganise themselves as a political party for the purpose of transferring into the hands of the whole working community full control over the soil and the means of production, as well as over the production and distribution of wealth". To this William Morris, the leading libertarian socialist of the day, moved a rider: "But whereas the first duty of Socialists is to educate the people to understand what their present position is and what their future must be, and to keep the principle of Socialism steadily before them; and whereas no Parliamentary party can exist without compromise and concession, which would hinder that education and obscure those principles, it would be a false step to take part in the Parliamentary contest". After a stormy meeting, the original resolution was carried by 47 votes to 19 and Morris's rider rejected by 40 to 27.

This decision, taken in an obscure London hotel room, marked a turning point in the history of British socialism. The Fabian leaders had no immediate intention of implementing their resolution: they were still wedded to the tactic of 'permeating' the existing parties with their socialistic ideas. But it was nevertheless an important symbolic event. For the Fabians were in the process of establishing themselves as the ideologists of a respectable variety of socialism, a socialism different in kind from the then current 'socialism of the street'. And the first principle of this new socialism, differentiating it sharply from both Marxism and anarchism, was a 'resolute constitutionalism', and acceptance of the existing political structure. With characteristic brilliance, Bernard Shaw in an article in *Today*, September 1887, put the case against anti-statism: "I

regard machine breaking as an exploded mistake. A machine will serve Jack as well as his master if Jack can get it out of his master's hands. The State Machine has its defects; but it serves the enemy well enough: and with a little adaptation, it will serve us quite as well as anything we are likely to put in its place".

The subsequent history of British socialism is an extended commentary on the naive but persuasive fallacy contained in this passage and a vindication of Morris's judgement that it would be a 'false step' to embark on the Parliamentary road to socialism.

In his brilliant and polemical study of the history of the Labour Party over sixty years (*Parliamentary Socialism, a Study in the Politics of Labour*), Ralph Miliband provides much of the documentation to support this thesis. The perspective from which he writes is not, it must be said, that of an anarchist: he is a Labour Party Leftist in the Laski tradition. But the material he has compiled so industriously and with a keen eye for the revealing quotation is almost pure grist for the anarchist mill.

Integration with Parliament

His main contention is simple and incontrovertible: "The leaders of the Labour Party have always rejected any kind of political action (such as industrial action for political purposes) which fell, or appeared to fall, outside the framework and conventions of the parliamentary system". At each stage in the party's growth, from the time when it was little more than a pressure group in the House of Commons to the time of its transformation into the official Opposition and its subsequent emergence as the government party, the Labour leadership has consciously and deliberately steered the organisation in the direction of its complete integration with parliamentary politics. If in the process the socialist dream of a new order based on co-operative as opposed to individualistic acquisitive social relations has to be discarded, so much the worse for socialism! Complete integration has not even yet been finally achieved but, under Gaitskell's leadership, we may fairly predict that the end is in sight. When a few more manoeuvres have been executed, when the annual conference has at last been transformed into a chorus echoing the chants of the leadership, and when the wild men of the Left have been finally tamed, then the party of Tweedledum will joyfully confront the party of Tweedledee.

Miliband's study is especially valuable because it places the present tensions and strains of the party in historical perspective. The division between the parliamentary leadership and the socialist activists is no new thing: it has been a permanent feature of the party's life. What *is* new about the present crisis is the fact that the fundamental question about the social purpose of the party can no longer be evaded. For a generation after 1918, the year when Clause Four was written into the party constitution, labourite social reformers and socialists could co-exist, albeit uneasily, in the same party. Whatever misgivings they might have about the policies being pursued by the leaders, the socialists could persuade themselves that the direction if not the pace of the party was correct. By the end of the third Labour Government, this illusion was becoming painfully transparent. The moment of truth had arrived. The Labour leadership made it quite clear – and recent revisionism has only underlined it – that by socialism it understood, not a new social order but a regulated Welfare State capitalism. The nationalisation and welfare measures which the militants had seen as the *beginning* of the social revolution was defined by the leaders as being in themselves the social revolution. All that remained to be done was a consolidation of this 'revolution'.

In tracing the perennial conflict between the leadership and the rank and file, Miliband identifies two different sets of critics on the Left. One set which he labels the Labour Left has assumed a variety of forms at different periods – the ILP, 1900-32, the Socialist League in the 1930s, Bevanism and Victory for Socialism in the 1950s. Its purpose has been twofold: to push for more radical policies and to press for more militant attitudes in response to the challenges from Labour's opponents. Although it has accepted the categories of the parliamentary system, it has done so, unlike the leadership, with certain misgivings: its acceptance has been accompanied by "a continuous search for means of escape from [the] inhibitions and

constrictions" of the system. The other set of critics Miliband calls "the extra-parliamentary Left for whom parliamentary politics has always been of secondary importance, if that". The most important single group of this kind has been the Communist Party, but Miliband also includes in this set the Social Democratic Federation in its various forms, the SPGB, the Socialist Labour Party, and the syndicalists and industrial unionists. The listing of these diverse groups indicates that Miliband's 'extra-Parliamentary Left' is a residual rather than an analytical category. It comprises, in effect, all Leftist groups outside the Labour Party. In view of the general tenor of his argument, Miliband's failure to consider more carefully the diversities within this set constitutes a serious weakness in his analysis. It is just not good enough to lump CPers, SPGBers *et al* together with the syndicalists and declare that "beyond their more complex differences the simple message they carried was that the wage-earners achieve neither immediate reforms, nor the emancipation of their class, without a militant assertion of their strength outside Parliament". Alone among the groups of the extra-Parliamentary Left, the syndicalist heirs of the anarchist tradition had a clear and well-formulated position *vis-à-vis* Parliamentary and other forms of politics. If Miliband had stopped to consider the syndicalist doctrines, his analysis would have been much more effective.

No effective challenge to the leadership

Miliband's failure in this respect is all the more disappointing, because despite his own sympathies, he is very aware of the shortcomings of the Labour Left. His appraisal of these groups is, in fact, of greater significance than his more familiar criticisms of the official leadership. The Labour Leftists have always been a force the leaders have had to reckon with. On occasions, notably in 1944, they have succeeded in committing the leadership to policies more radical than the latter wished to pursue. But at no time have they constituted a majority within the party. They have seldom posed an effective challenge to the leadership and they have never come near to capturing the Labour Movement's commanding heights of

power. Their victories have been mainly verbal ones which, with few exceptions, have made little difference to the party's conduct inside or outside Parliament. Miliband's judgement on the so-called 'wild men of the Clyde' in the 1920s will stand for the Labour Left as a whole: "They didn't shape the strategy of the party. They only continued as their predecessors had done ... to make its bark appear, at least to the uninstructed, much more frightening than it had ever a chance of becoming under its real controllers".

That this judgement holds good of the successors of the Maxton-Kirkwood group is shown by Miliband's perceptive comments on Bevanism in the 1950s: "Many of the political ambiguities of parliamentary Bevanism were but a reflection of its ideological ambiguities. Throughout, parliamentary Bevanism was a mediation between the leadership and the rank and file opposition. But the parliamentary Bevanites, while assuming the leadership of that opposition, also served to blur and to blunt both its strength and its extent. Themselves limited by their parliamentary and executive obligations, they fell back on the politics of manoeuvre, and were regularly outmanoeuvred in the process".

If we accept, as I think we must, Miliband's judgements on the Labour Left, we are forced to ask ourselves the question which the author comes near to posing but does not actually pose himself: Is there any real future for the Labour Left? Despite a few optimistic signs in recent years – the emergence of the New Left groups, the persistence of 'radical' views, especially on public ownership, even within some of the more conservative-minded trade unions – the prospect of the Labour Left becoming anything more than a nuisance to the leadership remains dim. And if this is the prospect, the Leftists must ask themselves: What useful purpose is now served by their remaining in the party?

In discussing Bevanism, Miliband rightly points out that the Bevanites were mistaken in thinking that their cause was furthered by the victories they secured in the National Executive and Shadow Cabinet elections. These successes imposed on the victors an acceptance of policies which they had no chance of affecting in any significant way. Bevanite membership of the NEC made it more,

not less, difficult for them to give effective direction to the struggle against Right-wing policies. An important political truth is involved here. One of the most effective ways a ruling group can disarm its opponents is to 'co-opt' the rebel leaders into the group, thus compelling the rebels to accept some measure of responsibility for the ruling group's policies. From the Labour leadership's point of view, they would no doubt have preferred to have bought over the Bevanite leaders by promises of jobs, 'concessions', etc., but failing that, 'co-option' by democratic election was the next best thing.

The Leaders need the Left

But if this argument is valid in this particular context, is it not equally valid in a wider context for the Labour Left in relation to the party as a whole? By remaining in a party which they have no real prospect of controlling, the Labour Left serves only to legitimise the policies of the leadership, to make them more acceptable than they would otherwise appear. Without the presence of the Left, the Labour leaders could not delude the unsophisticated rank and file into thinking that the party was an instrument for the achievement of socialism. It is a mistake to believe that the Labour leaders want to get rid of the Left by expelling them *en bloc* from the party: the leadership's interests are best served by a Left that is both within the party and safely under control. In this way, the party can enjoy the benefits without the disadvantages of Leftism.

From the long-term historical perspective, it is naive of Leftists to fulminate against the leaders of the Labour Party for their 'betrayal' of socialism: if there has been any betrayal, it is one for which the Labour Left must accept a full measure of responsibility along with the leadership.

But 'betrayal' is not the right word. To write, as Miliband does of the leaders of the General Strike and by implication of the whole Labour leadership, that "betrayal was the inherent and inescapable consequence of their whole philosophy of politics" is to reveal one's sociological naivété. The blurb hails the book as "an historical essay in political sociology". It is nothing of the kind: at most it provides merely the materials for such an essay. One has only to compare

Miliband's book with that classic of political sociology, Roberto Michels's *Political Parties* to see the point. The comparison is the more apt since it was Michels who made the observation, fifty years ago, that "the socialists might conquer, but not socialism, which would perish in the moment of its adherents' triumph". Assuredly, the Labour Party's development would not have surprised Michels! But there is no evidence that Miliband has absorbed the lessons of Michels.

What makes Michels's book an essay in political sociology is the fact that he looks for an explanation of political behaviour in terms of social structure. Miliband, in contrast, and despite his broadly Marxist orientation on issues like public ownership, offers a 'liberal' explanation in terms of ideas. Having carefully traced a persistent pattern in which the behaviour of the leaders is sharply opposed to that of their Left critics, he accounts for this pattern, in effect, by saying that the leaders had the wrong ideas – that they were wedded to parliamentarianism and all its conventions and to social reform rather than to socialism. This, of course, is true but not very illuminating. What one wants to know is *why* the leaders behaved as they did and equally *why* they found themselves continually confronted by frustrated Left critics.

Function determines behaviour

A *sociological* answer to this question would begin with Michels's theory of 'the iron law of oligarchy', with its implication that the very creation of a complex mass organisation unleashes 'conservative' forces. And it would explain the perennial failure of the Labour Left by the fact that in such organisations the control of decision-making for a variety of reasons, such as superior access to the means of communication, tends to concentrate in the hands of the leadership. The answer might proceed by distinguishing the different *roles* of the leaders and the militants. It is an axiom of sociology that to a large but indeterminate extent the behaviour of individuals is determined by the roles they perform. The leadership role is clearly different from that of the militant rank and file and the ideas of both may be largely a reflection of their respective roles.

For example, one of the functions of the leadership is to preserve the integrity of the organisation without which they would not be leaders. The leaders are much more concerned with this question than the militants and at least part of their 'conservative' behaviour may be explained by their desire to 'conserve' the organisation. The present Labour leadership believes – and all the evidence suggests 'quite correctly' from the short run point of view – that a programme of further extensive public ownership would react unfavourably on the party's electoral prospects. Revisionism is not merely a matter of ideas: it has its roots in the social structure.

Nor should it be forgotten that the leaders of an alternative government party perform roles not only in the party but also in the state organisation. Their state roles, either actual or potential, are in fact their most important roles. In performing these roles, the leaders inevitably find themselves constrained by forces in the state over which they have only limited control. When you find socialist governments making concessions to big business or socialist Colonial Secretaries pursuing imperialist policies, these are not necessarily due to wrong ideas or defects of character: the pursuit of such policies may be the only course open to them if they are to remain in office. For the radical, a sociological explanation of Labour politics would lead to the conclusion, not that the Labour leaders have 'betrayed' socialism and that all might yet be well if only they could be persuaded or compelled to adopt a genuinely socialist programme, but that socialism cannot be brought about by Parliamentary means. As William Morris saw, "no Parliamentary party can exist without compromise and concession" and the price of trying to achieve socialism through such a party is and must be compromise and concession.

For some readers, Miliband's demonstration of the failure of social democracy in Britain will suggest the moral that the way to socialism lies through a party of the Communist type. The kinds of tactics and strategy that he appears to favour have always been espoused by the Communists and it is true that Communist parties have managed to play the political game without becoming disastrously infected by parliamentarianism. But Communist success – not of course in Britain but elsewhere – has been achieved only by the creation of a dictatorial type of organisation, Communist parties, unlike social democratic parties, can achieve the forms of a socialist society but neither can achieve socialism in the classical sense of a free classless society. It is a possibility that has to be faced that there is *no* road to such a society. But, if there is one, all experience of the last fifty years suggests that it is the third road pioneered by the anarchists and syndicalists. In Britain today there is a greater interest than there has been for two generations in this third road – the road of direct as opposed to political action. If Miliband's book, for all its shortcomings, stimulates this interest, it will have served a purpose even more useful than that intended by its author.

Modernity and its Aftermath – British Syndicalism: End of an Era?

In the aftermath of the decline of British trade unionism since 1985 we need to consider the place of radical syndicalism, as recommended by Geoffrey Ostergaard, in what has been called the post-modern society. To do this we need an overview of how and why syndicalism developed historically and to consider if it has reached an historical dead-end.

If we go back to the early days, G.D.H. Cole in his essay 'Attempts at General Union 1829-1834' said that those actively involved in the Grand National Consolidated Trades Union (GNCTU) of 1833-34 were mainly in those trades not yet absorbed by the industrial revolution. One implication here is that the GNCTU, though large (perhaps half a million strong), was dominated by politically has-been trades, farm labourers and artisans, creatures of the pre-industrial age rather than factory workers. In his book *The Common People* G.D.H. Cole declares: "The trades it [the 'Grand National'] covered included farm-workers, miners, tailors, gas-workers, shearmen, sweeps, bonnet-makers and bakers". Many trade clubs joined almost automatically, but it is doubtful if they paid full contributions on all their membership.

Here was an organisation devoted, according to E.P. Thompson, to the "theme ... of industrial syndicalism", while Karl Marx was still a lad. And Mr Thompson adds: "Hence the workers who had been 'insolently placed without the pale of social government' developed stage by stage a theory of syndicalism, or of 'inverted masonry'." (*Man*, October 1833). At that time 'A Member of the Builder's Union' wrote: "The trade unions will not only strike for less work, and more wages, but will ultimately *abolish wages*, become their own masters and work for each other; labour and capital will no longer be separate but will be indissolubly joined together in the hands of workmen and work-women."

Geoffrey Ostergaard tends to pass over what he calls "the dramatic collapse of the Grand National" in 1834. But did this radical

syndicalist notion of a revolutionary transformation of society represent the deranged fantasy of a pre-industrial age? Some Marxists argue that it did!

An alternative argument is that the workers then, who had not been swallowed up whole by the industrial revolution, could make critical comparisons between the factory system and what preceded it. At critical moments Spain, Russia and Mexico seem to have experienced a similar clash between the peasants and artisans, and modernity. In England in the nineteenth century E.P. Thompson, discussing our "radical culture" in *The Making of the English Working Class*, says: "True enough, one direction of the great agitations of the artisans and outworkers, continued over fifty years, was to resist being turned into a proletariat. When they knew that this cause was lost, yet they reached out again in the '30s and '40s, and sought to achieve new and only imagined forms of social control." According to him, at that time the workers constantly complained that 'they wish to turn us into tools' or 'implements' or 'machines'.

One hand-loom weaver witness in 1835 told a parliamentary committee that the workers of England viewed "the Reform Bill as a measure calculated to join the middle and upper classes to government, and leave them [the workers] in the hands of government as a sort of machine to work according to the pleasure of government". Clearly the workers were not marching blindly into the modern world. The poor had been driven off the land by the Enclosure Acts, and daughters herded into the industrial cities lost cooking skills and the ancient recipes of their mothers. Yet these labouring men did not graduate overnight from peasantry into proletariat. They still had that critical capacity to challenge capitalism, the factory system and the oncoming modernity. As E.P. Thompson writes: "They suffered the experience of the Industrial Revolution as articulate free-born Englishmen".

Mr Thompson, who was apprenticed to Marxism, argued that after the "terrible defeats of 1834 and 1835" the vision of the Grand National Consolidated Trades Union was lost, and "the workers returned to the vote, as a more practical key to political power".

Others, anarchists perhaps, would not see this as progress. In her book *Felix Holt – the Radical* (1866) George Eliot had Felix Holt say: "And if any working man expects a vote to do for him what it can never do, he's foolish to that amount ..." and adds "the way to get rid of folly is to get rid of vain expectations".

The growth of the big cities and the development of large-scale industry has tremendous impact on the mentality of the workers. The shift from the artisan's workshop to the big factories may increase class awareness, but it takes away the taste for individual action. The worker in the big factories is good at solidarity in mass actions, but lacks the ability to take individual initiative in small groups. The novelist Ignazio Silone elaborated this point: "The factory worker is a mass-man *par excellence*. It is no accident that in Italy fascism met armed resistance and lost more victims in the regions and cities where large industry doesn't exist and where workers are employed in small enterprises. Compare the respective attitudes of the Spanish workers and the Germans. The difference in character can explain only in part the different way of reacting to the enemy's attack. The growth of big industry has been a powerful help in reinforcing the tendency of Germans – workers included – towards *zusammen-marschieren*. Their inter-party struggles are essentially struggles between different machines. Individual initiative has been reduced to zero." (*School for Dictators*)

What goes for Germans to some extent goes for the law-abiding English, in so far as we were a highly industrialised society. Making some allowance for our differing national character. The fall into industrialised modernity was increasingly marked by rear-guard actions and political reforms beginning with Chartism. In the end trade unionism was merely reactive to the measures of governments and employers – the miners' strike of 1984-85 was initially a struggle to save the status quo in response to government plans to close pits.

In Britain it developed this defensive tradition early on in the nineteenth century, as E.P. Thompson writes: "Hence these years appear at times to display not a revolutionary challenge but a

resistance movement, in which both the Romantics and the Radical craftsmen opposed the annunciations of Acquisitive Man". But the Romantic criticism of Utilitarianism remained separate if parallel to that of the craftsman. No one after William Blake was up to the job of interpreting the two traditions to each other.

Hence the working class were left to run the course of history like rats in a treadmill. Of course the voice of syndicalism, or 'inverted masonry', echoed through the nineteenth century as George Eliot records through Felix Holt: "I have the blood of a line of handicraftsmen in my veins, and I want to stand up for the lot of the handicraftsmen as a good lot, in which a man may be better trained to all the best functions of his nature than if he belonged to the grimacing set who have visiting cards, and are proud to be thought richer than their neighbours." Or later when she wrote: "Felix ... contended that universal suffrage would be equally agreeable to the devil; that he would change his politics a little, having a larger traffic, and see himself more fully represented in parliament."

In some countries – Spain and France in particular – the anarchists developed a strategy of anarcho-syndicalism to come to grips with the problems of modernity and capitalism. In Spain, at the start of the century, Gerald Brenan, in *The Spanish Labyrinth*, claimed the adoption of anarcho-syndicalism and the foundation of the CNT rescued the anarchist movement there. But in Britain, just as in the last century the Romantics like "Wordsworth and Coleridge had withdrawn behind their own ramparts of disenchantment", so most of the anarchists held aloof from syndicalism and the workers' movement.

This left the field open to what some have called the Jacobin tendency in politics; the centralisers, the communists, the marxists and state socialists. Without a libertarian or anarchist input, trade unions in Britain remained muscle-bound; a kind of lobotomised labour movement. The syndicalist tradition continued, of course, but as a negative force – a truculent twin of managerialism.

Modernity brought what Wyndham Lewis in *The Art of Being Ruled* called "the great development of associational life", and syndicalism is part of this associational habit of mind.

When I think of the distinction between 'anarchism' and 'syndicalism', I have in mind two types of strike I took part in. In 1964 I was involved in a national strike of engineering apprentices organised by the Apprentice Wages and Conditions Committee. The strike was organised in Manchester and planned for November 1964. There were a number of militant apprentices of different political persuasions on the Committee in August of that year. Before November the committee had split, with a group from the then Socialist Labour League (Trotskyist) breaking away and forming their own committee. This committee then called for a rival strike on a different and later date. The Communists and Trotskyists on the original Manchester committee had fallen out and proceeded to strike-break and scab on each other's respective strikes. The November apprentice strike, which had been planned and plotted at umpteen committee meetings and apprentice conferences, took off in a confused and petty way. Ultimately it ground to a stop when most lads returned to work feeling bitter about being used by the Communist-dominated committee. The Trotskyist-proposed strike held later was even more poorly supported. The anarcho-syndicalist apprentice paper *Industrial Youth*, which was born out of the November strike, continued publication until 1966. The experience was a political horror story in which a strike was planned, plotted and organised according to the principles of traditional syndicalism. That the strike was not a practical success is not surprising. More important in an apprentice strike, it was not a symbolic success and, but for all the recriminations and back-stabbing, it could have been a morale booster for those who took part.

In May 1960 a different kind of strike of engineering apprentices took place. This was reported in *Freedom* by Colin Ward and was in most respects a more anarchistic strike. It broke out in Glasgow in April and spread south, within weeks it had involved thousands of apprentices all over the country. It was a spontaneous strike which snowballed and was organised on-the-hoof as it spread from town to town. There was no time for back-stairs intrigue, the practical demands of picketing and promoting the strike over-ruled

the political prattling. The arguments in the streets, at mass meetings and before the factory gates were about real issues. In the end the strike was a symbolic success, though the apprentices' demands were not met until some months later.

At its worst, as displayed in the 1964 apprentice strikes, nothing is more debilitating than the 'associational habit' of modern times.

Henry Ford, mass production, state socialism and the economies of scale, plus the increasing influence of experts, managers and scientific fundamentalists, throughout most of the twentieth century was bound to favour the creation of a more authoritarian syndicalism or trade unionism. Marxist-Leninism, Scientific Management, Fascism and Nazism – the Jacobin tendency came into its own in this century. No wonder Geoffrey Ostergaard called on anarcho-syndicalists to try to keep their 'foot in the door' before it closed forever on industrial freedom.

Yet Mr Ostergaard's problem is the occupational disease of most modern historians – that is a faith in human evolution. Running through most of his writings is the extrapolation of cheerful anticipation, of wishful thinking, a belief in pending progress. But was the miners' strike of 1984-85 any more enlightened a spectacle than the uncontrolled and disorganised disputes that followed the foundation of the Grand National Union in 1833-34? Has Arthur Scargill's mixed-up marxist dialectical-materialism been any more inspiring than the muddled morality of Robert Owen's nineteenth century proclamations of the 'new moral world'? Mr Scargill hasn't got a libertarian-socialist bone in his body and is an authoritarian in both means and ends. Mr Owen may have had more than a touch of megalomania which helped doom the 'Grand National', but 'Owenism' will probably have had longer-term influence than 'Scargillism' ever will.

If anarcho-syndicalism is anarchism's concession to modernity, in the same way Herbert Read's glorification of mass produced art is an anarcho-aesthetic concession to modernism, then it is an attempt to render industrial relations relevant to an anarchist agenda. Or rather make the anarchist agenda relevant to large-scale industry.

But what of anarcho-syndicalism now? Now we are supposed to be in a post-Ford, post-modern world! Now that modernism has reached a dead-end! With manufacturing industry in Britain seeming in terminal decline, and ever-lengthening dole queues, what will become of trade unionism now in a time of 'temps', casuals and freelance workers?

Some contributors to *Freedom* suggest anarcho-syndicalism is a clapped-out vehicle. Others, like syndicalist Derek Pattison, have argued anarcho-syndicalism needs modifying to meet the new era. In a recent pamphlet (*Syndicalism: in Myth and Reality*) Larry Gambone, a Canadian, admits "a revitalisation of *traditional syndicalism* (i.e. separate unions) seems an unlikely future prospect". But he thinks syndicalist ideas will remain influential, and that possibly "a new form of syndicalism may arise" based on professional associations steeped in the culture of the new knowledge-based economy. He proposes that "these associations may also become a force for de-bureaucratisation and workers' control".

In a recent debate of anarchists in the north of England, Derek Pattison asked: "Isn't anarchism part of modernity as well as anarcho-syndicalism?" Yes, anarchism is modern in so far as it applies itself to the modern world through movements like syndicalism, and Sir Herbert Read's criticisms and intellectual ministrations in modern art (Read held that an anarchistic form of society is compatible with a high level of technology). Earlier movements like Robert Owen's 'Grand National' were attempts to harness industry and modernity and render them available to community control and the values of a pre-industrial, pre-modern age of craftsmen and landless labourers.

Yet anarchism transcends modernity! It was certainly pre-modern, and come the day it is capable of evolving a post-modern agenda. That anarchism is a primordial phenomena is a point made by the historian and critic of anarchism A. Ramos Oliveira in his book *Politics, Economics and Men of Modern Spain 1808-1946*: "In a word, anarchism was the moral and political reaction typical of a primitive proletariat, whether rural or urban".

Claiming that anarchism is a social phenomenon which pre-dates anarchist philosophy, Señor Oliveira argues: "Anarchism was the *primordial and elementary manifestation of the discontent of the exploited*".

Anarcho-syndicalism is one attempt to address the modern world after the industrial revolution. I don't think Geoffrey Ostergaard tackled this aspect of social development in modern society. But if the industrial system has changed irrevocably, if the 'modern' has been replaced by the 'post-modern', then the primordial aspect of anarchism in the human condition – the demand of people to control their own lives – will still re-assert itself. The question is what form will this re-emergence take?

Appendix I: What's to be Done

Now that the Anarchist movement has taken a firm hold on what the sturdy old rebel Chatterton is pleased to call the 'disunited kingdom', comrades are asking themselves what they can do to help forward the movement; how they can best work for the establishment of that free condition of society which they so earnestly desire. The answer to the question was given at the conference held at the hall in Lamb's Conduit Street on the 25th of last October. The key note of the new policy was struck on that memorable occasion and we are so satisfied of this and so pleased with it ourselves that we think the date might well be borne in mind for anniversary purposes. If the policy then proposed is acted upon with energy and determination, we feel sure that there will be every reason to celebrate the date by a public meeting this year at which we may record the progress we have made during the twelve months and get up steam for another burst of propaganda in the ensuing year.

Anarchists, in fact, must avail themselves of the trade unions. In other words the trade unionists must be converted to anarchy. This is by no means a very difficult matter. There are now a great many trade unionists who are also anarchists. Let them start on the job at once. They have an admirable manifesto ready for circulation, which is calculated to awaken thought and prepare the ground for them to converse with and thoroughly bring around their fellow workers. Moreover the trade unionist is naturally inclined towards anarchism, towards the principle of working out his own emancipation without having recourse to parliament and the legislators. The trade unionist class is in fact the most self-reliant and energetic portion of the workers. By means of their organisations, we, or rather they, can certainly do very much to lay the foundations of the new society. If it appears to some of us that they are at present as a body rather inclined towards parliamentary methods, let us not forget that this is due to the fact that the Social Democrats have been working amongst them for years and turning

their ideas in the direction of state help. Their real inclination, however, is towards independent action. It is an undeniable fact that the basis on which all existing trade unions were founded was self help, defence against the extortions of the capitalist class. In most cases the leaders were strong advocates of direct action and it was only when they became imbued with the spirit of officialism, had made positions for themselves and aspired to parliamentary honours, that they turned away from the old traditions of the movement. This is still to be seen in the action of the present leaders of the older trade unionism and their differences with the leaders of the 'new' unionism. The former having been corrupted by their intercourse with the capitalist class, though they cling to the old ideas of independence refuse to act upon them, thus justifying the criticism of the new school, who profess to be anxious to pass all sorts of acts of parliament for the benefit of the workers. What we anarchists have to do at this juncture is simply to take up the work where the old, corrupted leaders have left off, to continue the movement but at the same time to give it a broader, wider, more complete ideal, to point out the imperfections of the existing unions and how they may be remedied.

Of course there is much in the existing trade unions which is objectionable. They are far too centralistic in their tendency, the ordinary worker has no means so large a share of influence as he should have. They are often not managed on sufficiently broad lines. In many unions difficulties are put in the way of workers gaining admission. They are too much inclined to rest on their oars, that is to say they are not sufficiently aggressive, and the official is far too powerful. But all these and the other defects which might be mentioned, are comparatively insignificant. Unions are free spontaneous associations of working men and women waiting to do anarchistic work. The great fault to be found with them is that the economic education of their members is too far back, that their ideal is too narrow. What is that ideal? Merely to defend themselves against the exactions of the capitalist class, to obtain a minimum wage and in some cases to pay a small 'out of work benefit'. This should be altered. They are already discontented: they must be

inspired with the anarchist ideal of being their own employers, their own masters. They must realise that if the worker is to be a free man he must be a joint owner with his fellows of the means of production, and that to obtain the control of these is the end and aim of the labour movement.

To the most men amongst the mass of trade unionists the thought has never occurred that it lies in their power to create a new state of society in which co-operation will be substituted for competition and in which the exploiting middleman between the producer and the consumer will have disappeared. Once this ideal is explained to them in such a fashion as they will readily understand, they will be only too eager to work for it themselves and to enrol themselves under the banner of anarchism. Here and there the idea is even now finding ground, but only as a sort of resource for the unemployed members. For example, the busmen have recently held one or two meetings at which it was proposed that their union should start a few buses so that the unemployed and boycotted members might have employment provided for them. Here again we see the germ of the idea which we anarchists ought to put clearly before the workers. What we have to convince them of, however, is that they should aim not merely at starting business 'on their own hook' for the purpose of establishing a refuge for the unemployed and boycotted members, but that they should seek to eliminate the capitalist altogether; that they should not only feel a spirit of solidarity with their fellow unionists but with all workers, that is to say that each trade should look upon it as their business to find employment for all the workers, inside or outside the union, in their particular trade; that they should consider themselves responsible, as indeed they are, for there being unemployed men in their line of business, and seek to provide employment for them. Once this spirit of universal solidarity and this new ideal begins to be generally accepted, the unemployed question, the black-leg question, the overtime question, the eight-hour day question, and all the subsidiary matters in which workers interest themselves will solve themselves. For when the union and the unionists understand that the unemployed men of their trade are a burden

upon them, that they must be either supported by the funds of the society, or in other words out of the pockets of the members, or that work must be found for them, the workers will begin to see that it is against their personal interest if they work long hours and overtime whilst others are not working at all. If there are a large number of men dependent upon the union, a movement will immediately arise in favour of a strike to reduce the hours of labour, not merely to eight, but to such a degree as will find employment for the unemployed men. Once the workers get controlled by this spirit of solidarity, the capitalist will find himself in an impossible position, for he will be unable to make a profit. There being no longer any black-legs, strike must necessarily be successful and the survival of the fittest will result in his being crushed out of existence as capitalist, to be converted, if he is a wise man and accepts the position philosophically, into a fellow-worker enjoying the blessings of a higher civilisation in common with the rest of mankind.

The first thing to be done is to encourage the decentralisation movement. Small unions, federated if the members desire it, are the most effective and give the fewest opportunities to scheming ambitious officials. A very great many of the workers see the dangers of officialism and continual grumbling goes on, but they also see the necessity for organisation. A little discussion, a little thrashing out of the subject with these discontented ones and the anarchist trade unionists will very soon have a host at their back. And this leads us to the question of economic education, one of primary importance. We would suggest that the different unions should be urged to start educational meetings, or that anarchist unionists should start educational meetings themselves, specially addressed to the members of their union. We shall do all we can to help in the matter by the publication of articles, specially dealing with such matters as require elucidation in order to gain over the trade unionists, and by advertising and noticing such meetings. In this connection we would earnestly invite our readers who are trade unionists to send us all the information they can, to report their personal progress in the way of propaganda, to let us know of

such difficulties as they encounter, to make arrangements for our speakers to address their members, and in a word to keep us thoroughly well-informed at the same time that they demand from us such aid as we are able to give. There is also a desire amongst unionists to modify the power of their representatives at congresses and conferences and to make them rather delegates carrying out instructions than representatives who say and do as they choose rather than as those who have sent them there desire. This feeling ought specially to be encouraged, even if it is only that the workers may be induced to gather together more frequently and to discuss their own affairs, instead of leaving them in the hands of a few individuals.

This sort of work may seem very prosaic and insignificant to some of our comrades, but it is work that has to be done, of that there can be no doubt. By helping to convert the trade unionists to anarchy you will be laying the foundations of the new society and preparing for the impending struggle. When once the trade unionists get hold of the anarchist ideal and enlarge their unions so as to include all the workers, agricultural, industrial and clerical, and there is no longer any excuse for a man being outside the guild of his calling, the differences between the workers and the exploiters will be forced to a head, the landlords and capitalists will be compelled to stand aside and let the workers have free access to the materials and tools which are necessary to their living happy lives. Then doubtless will come a struggle, but it will be one in which the force and the victory will be on the side of the workers.

February 1892

Appendix II: Anarchism and Syndicalism

The question of the position to be taken in relation to the Labour movement is certainly one of the greatest importance to anarchists.

In spite of lengthy discussions and of varied experiences, a complete accord has not yet been reached – perhaps because the question does not admit of a complete and permanent solution, owing to the different conditions and changing circumstances in which we carry on the struggle.

I believe, however, that our aim may suggest to us a criterion of conduct applicable to the different contingencies.

We desire the moral and material elevation of all men; we wish to achieve a revolution which will give to all liberty and well-being, and we are convinced that this cannot be done from above by force of law and decrees, but must be done by the conscious will and the direct action of those who desire it.

We need, then, more than any the conscious and voluntary co-operation of those who, suffering the most by the present social organisation, have the greatest interest in the Revolution.

It does not suffice for us – though it is certainly useful and necessary – to elaborate an ideal as perfect as possible, and to form groups for propaganda and for revolutionary action. We must convert as far as possible the mass of the workers, because without them we can neither overthrow the existing society nor reconstitute a new one. And since to rise from the submissive state in which the great majority of the proletariats now vegetate, to a conception of anarchism and a desire for its realisation, is required an evolution which generally is not passed through under the sole influence of the propaganda; since the lessons derived from the facts of daily life are more efficacious than all doctrinaire preaching, it is for us to take an active part in the life of the masses, and to use all the means which circumstances permit to gradually awaken the spirit of revolt, and to show by these facts the path which leads to emancipation.

Amongst these means the Labour movement stands first, and we should be wrong to neglect it. In this movement we find numbers of workers who struggle for the amelioration of their conditions. They may be mistaken as to the aim they have in mind and as to the means of attaining it, and in our view they generally are. But at least they no longer resign themselves to oppression nor regard it as just – they hope and they struggle. We can more easily arouse in them that feeling of solidarity towards their exploited fellow-workers and of hatred against exploitation which must lead to a definitive struggle for the abolition of all domination of man over man. We can induce them to claim more and more, and by means more and more energetic; and so we can train ourselves and others to the struggle, profiting by victories in order to exalt the power of union and of direct action, and bring forward greater claims, and profiting also by reverses in order to learn the necessity for more powerful means and for more radical solutions.

Again – and this is not its least advantage – the Labour movement can prepare those groups of technical workers who in the revolution will take upon themselves the organisation of production and exchange for the advantage of all, beyond and against all governmental power.

But with all these advantages the Labour movement has its drawbacks and its dangers, of which we ought to take account when it is a question of the position that we as anarchists should take in it.

Constant experience in all countries shows that Labour movements, which always commence as movements of protest and revolt, and are animated at the beginning by a broad spirit of progress and human fraternity, tend very soon to degenerate; and in proportion as they acquire strength, they become egoistic, conservative, occupied exclusively with interests immediate and restricted, and develop within themselves a bureaucracy which, as in all such cases, has no other object than to strengthen and aggrandise itself.

It is this condition of things that has induced many comrades to withdraw from the trade union movement, and even to combat it as something reactionary and injurious. But the result has been that our influence diminished accordingly, and the field was left free to

those who wished to exploit the movement for personal or party interests that had nothing in common with the cause of the workers' emancipation. Very soon there were only organisations with a narrow spirit and fundamentally conservative, of which the English trade unions are a type; or else syndicates, which, under the influence of politicians, most often 'socialist', were only electoral machines for the elevation into power of particular individuals.

Happily, other comrades thought that the Labour movement always held in itself a sound principle, and that rather than abandon it to the politicians, it would be well to undertake the task of bringing them once more to the work of achieving their original aims, and of gaining from them all the advantages they offer to the anarchist cause. And they have succeeded in creating, chiefly in France, a new movement which, under the name of 'revolutionary syndicalism', seeks to organise the workers, independently of all bourgeois and political influence, to win their emancipation by the direct action of the wage-slaves against the masters.

That is a great step in advance; but we must not exaggerate its reach and imagine, as some comrades seem to do, that we shall realise anarchism as a matter of course by the progressive development of syndicalism.

Every institution has a tendency to extend its functions, to perpetuate itself and to become an end in itself. It is not surprising, then, if those who have initiated the movement and take the most prominent part therein, fall into the habit of regarding syndicalism as the equivalent of anarchism, or at least as the supreme means, that in itself replaces all other means, for its realisation. But that makes it the more necessary to avoid the danger and to define well our position.

Syndicalism, in spite of all the declarations of its most ardent supporters, contains in itself, by the very nature of its function, all the elements of degeneration which have corrupted Labour movements in the past. In effect, being a movement which proposes to defend the present interests of the workers, it must necessarily adapt itself to existing conditions and take into consideration interests which come to the fore in society as it exists today.

Now, in so far as the interests of a section of the workers coincide with the interests of the whole class, syndicalism is in itself a good school of solidarity; in so far as the interests of the workers of one country are the same as those of the workers in other countries, syndicalism is a good means of furthering international brotherhood; in so far as the interests of the moment are not in contradiction with the interests of the future, syndicalism is in itself a good preparation for the Revolution. But unfortunately this is not always so.

Harmony of interests, solidarity amongst all men, is the ideal to which we aspire, is the aim for which we struggle; but that is not the actual condition, no more between men of the same class than between those of different classes. The rule today is the antagonism and the interdependence of interests at the same time: the struggle of each against all and of all against each. And there can be no other condition in a society where, in consequence of the capitalist system of production – that is to say, production founded on monopoly of the means of production and organised internationally for the profit of individual employers – there are, as a rule, more hands than work to be done, and more mouths than bread to fill them.

It is impossible to isolate oneself, whether as an individual, as a class or as a nation, since the condition of each one depends more or less directly on the general conditions of the whole of humanity; and it is impossible to live in a true state of peace, because it is necessary to defend oneself, often even to attack, or perish.

The interest of each one is to secure employment, and as a consequence one finds himself in antagonism – i.e. in competition – with the unemployed of one's country and the immigrants from other countries. Each one desires to keep or to secure the best place against workers in the same trade; it is in the interest of each one to sell dear and buy cheap, and consequently as a producer he finds himself in conflict with all consumers, and again as consumer finds himself in conflict with all producers.

Union, agreement, the solidary struggle against the exploiters – these things can only obtain today in so far as the workers, animated by the conception of a superior ideal, learn to sacrifice exclusive

and personal interests to the common interest of all, the interests of the moment to the interests of the future; and this ideal of a society of solidarity, of justice, of brotherhood, can only be realised by the destruction, done in defiance of all legality, of existing institutions.

To offer to the workers this ideal; to put the broader interests of the future before those narrower and immediate; to render the adaptation to present conditions impossible; to work always for the propaganda and for action that will lead to and will accomplish the Revolution – these are the objects we as anarchists should strive for both in and out of the unions.

Trade unionism cannot do this, or can do but little of it; it has to reckon with present interests, and these interests are not always, alas, those of the revolution. It must not too far exceed legal bounds, and it must at given moments treat with the masters and the authorities. It must concern itself with the interests of sections of the workers rather than the interests of the public, the interests of the unions rather than the interests of the mass of the workers and the unemployed. If it does not do this, it has no specific reason for existence; it would then only include the anarchists, or at most the socialists, and would so lose its principal utility, which is to educate and habituate to the struggle the masses that lag behind.

Besides, since the unions must remain open to all those who desire to win from the masters better conditions of life, whatever their opinions may be or the general constitution of society, they are naturally led to moderate their aspirations, first so that they should not frighten away those they wish to have with them, and next because, in proportion as numbers increase, those with ideas who have initiated the movement remain buried in a majority that is only occupied with the petty interests of the moment.

Thus one can see developing in all unions that have reached a certain position of influence a tendency to assure, in accord with rather than against the masters, a privileged situation for themselves, and so create difficulties of entrance for new members and for the admission of apprentices in the factories; a tendency to amass large funds that afterwards they are afraid of compromising;

to seek the favour of public powers; to be absorbed, above all, in co-operation and mutual benefit schemes; and to become at last conservative elements in society.

After having stated this, it seems clear to me that the syndicalist movement cannot replace the anarchist movement, and that it can serve as a means of education and of revolutionary preparation only if it is acted on by the anarchistic impulse, action and criticism.

Anarchists, then, ought to abstain from identifying themselves with the syndicalist movement, and to consider as an aim that which is but one of the means of propaganda and of action that they can utilise. They should remain in the syndicates as elements giving an outward impulse, and strive to make them as much as possible instruments of combat in view of the Social Revolution. They should work to develop in the syndicates all that which can augment its educative influence and its combativeness – the propaganda of ideas, the forcible strike, the spirit of proselytism, the distrust and hatred of the authorities and of the politicians, the practice of solidarity towards individuals and groups in conflict with the masters. They should combat all that which tends to render them egotistic, pacific, conservative – professional pride and the narrow spirit of the corporate body, heavy contributions and the accumulation of invested capital, the service of benefits and of assurance, confidence in the good offices of the state, good relationship with masters, the appointment of bureaucratic officials, paid and permanent.

On these conditions the participation of anarchists in the Labour movement will have good results, but only on these conditions.

These tactics will sometimes appear to be, and even may really be, hurtful to the immediate interests of some groups; but that does not matter when it is a question of the anarchist cause – that is to say, of the general and permanent interests of humanity. We certainly wish, while waiting for the Revolution, to wrest from governments and from employers as much liberty and well-being as possible; but we would not compromise the future for some momentary advantages, which besides are often illusory or gained at the expense of other workers.

Let us beware of ourselves. The error of having abandoned the Labour movement has done an immense injury to anarchism, but at least it leaves unaltered the distinctive character.

The error of confounding the anarchist movement with trade unionism would be still more grave. That will happen to us which happened to the Social Democrats as soon as they went into the parliamentary struggle. They gained in numerical force, but by becoming each day less socialistic. We also would become more numerous, but we should cease to be anarchist.

E. Malatesta
November 1907

Publisher's Note and List of Sources

'The Tradition of Workers' Control' was serialised in thirteen issues of the anarchist weekly *Freedom* in 1956, and the type kept standing for later publication in book form. During production, fire broke out at the printing works and, as *Freedom* reported (30th March 1957), "Fortunately the alarm was given early and fire damage was limited to one floor of the building. The basement however was flooded ... Geoffrey Ostergaard's 88-page booklet on *The Tradition of Workers' Control*, the printing of which had been completed all but for sixteen pages, is a soggy mass of paper somewhere in the dump. The type for this work has already been distributed. To reprint it therefore means resetting all the type."

In those days of letterpress printing, the expense of resetting was beyond the resources of Freedom Press, and the project was abandoned.

After Geoffrey Ostergaard's death, when consideration was given to the re-issue of some of his writings, Brian Bamford was of the opinion that 'The Tradition of Workers' Control' was well worth reprinting. He has selected several other articles from the same period, and has provided an introduction and a concluding essay to bring the story up to date, and show its relevance to the current 'New Labour'.

There has been space to append two of the articles from *Freedom* mentioned by Geoffrey Ostergaard. 'What's To Be Done' he saw as an important early instance of anarchists in Britain deciding to work within the emerging labour organisations. It is reprinted here for the first time. The article by Malatesta is, we think, timeless as an account of the relationship between anarchism and syndicalism; although it has occasionally been quoted, the full text has been unavailable for many years.

The texts are taken from the versions published in *Freedom*, with the minimum of alterations to regularise spelling, capitalisation and punctuation, and the silent correction of obvious typographical errors. Dates of first publication are given below.

Geoffrey Ostergaard: the official life, by N[icolas] W[alter], *Freedom*, 21st April 1990.

The Tradition of Workers' Control, *Freedom*, 21st April, 5th May to 21st July 1956.

Fabianism and the Managerial Revolution, *Freedom*, 16th and 23rd January 1954.

Industry and the Managerial Society, *Freedom*, 3rd and 10th August 1957.

Socialism by Pressure Group [review of *The Story of Fabian Socialism* by Margaret Cole], *Freedom*, 12th August 1961.

Socialism by Pressure Group [reader's letter signed 'AF'], *Freedom*, 2nd September 1961.

Fabian and Parliamentary Socialism [review of *Parliamentary Socialism: a study in the politics of Labour*, by Ralph Miliband], *Freedom*, 13th January 1962.

What's To Be Done [unsigned], *Freedom*, February 1892.

Anarchism and Syndicalism, by E. Malatesta, *Freedom*, November 1907.