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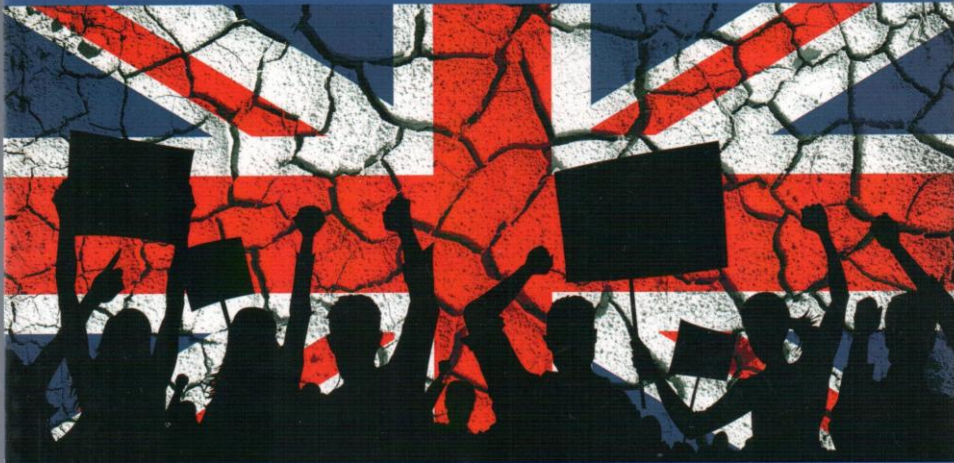
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**ANGLAIS**

**Le Royaume-Uni  
à l'épreuve de la crise  
1970-1979**



sous la direction de  
**Gilles Leydier**

ellipses

## **Strife, beer and sandwiches: British trade unions and industrial action during the seventies**

On March 3rd 1969, the First Secretary of State and Secretary of State for Employment and Productivity, Mrs Barbara Castle, asked the House of Commons to approve the following resolution: “That this House approves the White Paper, ‘In Place of Strife’, Command Paper No. 3888, as a basis for legislation; and invites Her Majesty’s Government to continue consultation with a view to preparing legislation”. The motion received 224 “ayes” and 62 “noes”. The time had come for a Labour Government to come to terms with the fact that industrial relations could no longer be confined to the goodwill of the unions whose legal privileges needed to be balanced against their legal obligations. A situation of almost full employment in the sixties had indeed enabled the unions to enjoy a very different status in the United Kingdom that had turned them into a partner that no government of whatever leaning could allow itself to underestimate.

Nine years later in her speech to the Conservative Party conference, Margaret Thatcher devoted a substantial part of her time to aggressively berating what she considered to be the trade unions’ irresponsible behaviour and emphasising the deleterious effects this had had on industrial relations in Great Britain. Her call to arms was stressed by the shocking effects of the “winter of discontent” during which the electorate had had to put up with electricity cuts while witnessing coffins piling up waiting to be buried, ambulance men refusing to answer emergency calls and soldiers being drafted in to remove mountains of rubbish. At the same time, many other parts of industry – particularly the public sector – were being reduced to working a three-day week.

Thatcher’s demand to slay a sixth “Giant” was to usher in a period during which “beer and sandwich” negotiations, whereby trade unions were cordially invited to No 10 to discuss national – and sometimes international – business, would be confined to the political dustbin: Heath had put this argument to the test in 1974 by asking the electorate the simple question “who governs?” seeking public support in his crusade against the unions after the failure of the 1971 Industrial Relations Act. Wilson had once again tried to seduce the unions by entering a contractual relationship with them in order to keep inflation and national finances under control. Both strategies proved to be inefficient and led Thatcher to take the conflict to the very heart of the union movement itself in order to reign in their power.

The tense relationship between the trade unions and government is certainly a defining chapter of the 1970s given that it amply contributed to the overall reputation of the period as being fraught with crisis. Reform was necessary in order to reduce union militancy so that national economic objectives could be met but quite how to bring it about was to prove to be a very different kettle of coal.

### **The goodwill of the unions**

In order to counter Harold Wilson’s meritocratic “white heat of technology” approach to the British economy, the Conservatives undertook a substantial reappraisal of their policies including an in depth study of industrial relations. This resulted in the publication, in 1968, of the policy paper *A Fair Deal at Work* three months before the Donovan Commission published the government’s official report on the same subject.<sup>1</sup> In the former, the Conservatives recommended the use of legislation in order to foster a more productive system of collective bargaining while making trade union registration obligatory. They hoped that

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<sup>1</sup> The Royal Commission on Trade Unions and Employers’ Associations, Cmnd 3623.

industrial action would take place within a legal framework thus theoretically reducing unofficial “wildcat” strikes and increasing shop floor responsibility.

The Donovan Report came more or less to the same conclusions except that the emphasis was laid on improving the mechanisms of collective bargaining rather than on using legislation to curb union action. This was mostly due to the heavyweight presence of Hugh Clegg in the Commission given that he was a staunch believer in responsible but “free” collective bargaining as being the touchstone of healthy industrial relations. Nonetheless, the Commission did underline the fact that local informal “shop floor” bargaining seemed to be becoming far more the rule than the exception in British industry thus escaping any form of national agreements negotiated according to official union procedure. Inter-union action was also criticised in the report just as much as unofficial strikes which had represented anything up to 90% of stoppages during the decade. Public opinion was indeed becoming increasingly frustrated at irresponsible union action and the ensuing “wage drifts” and the Labour Party knew that its own political credibility was seriously at stake.

Thus Barbara Castle produced her White Paper against this particular backdrop of a tradition of harnessing the unions’ “goodwill” in defining industrial relations and the necessity to reinforce her party’s reputation as being a party of government. Her task was to devise a formula that would enable government to plan economic objectives in the knowledge that they would not be destroyed by truculent unions in a position to wield excessive power in the process of their “free” collective bargaining. Indeed, the goodwill that governments had tried to foster had been characterised during the 1960s by “pay pauses”, “price plateaus”, “severe restraint”, “wage standstills”, “wages freezes”, “guiding lights” to name but a few of the euphemistic terms used to maintain peace with the unions. If peace could not be obtained in this fashion, then government would have to resort to other methods.

Some of the ideas put forward by Barbara Castle were very reminiscent of the Conservatives’ aforementioned paper *A Fair Deal at Work*. This clearly implied that for the first time, a Labour government was putting forward the idea of using legislation in order to curb union power. For instance, a 28 day “cooling-off” period was recommended between the strike ballot and strike action and the Secretary of State was to be given powers to impose settlements on inter-union disputes that neither the Trades Union Congress (TUC) nor the Commission for Industrial Relations could solve and fines on unions involved in inappropriate strike action.<sup>2</sup> It goes without saying that the union outcry about Castle’s conclusions was fierce and she was unexpectedly opposed even from within the Cabinet itself. National days of action were organised and answered by millions of striking workers in what were fast becoming political strikes.<sup>3</sup> In March, the White Paper was debated in the House of Commons and while 53 Labour MPs voted against it, some 40 quite simply abstained.

Yet Castle and Prime Minister Wilson did not lose heart given that public opinion was on their side and pressed on with the legislation but in May 1970, the passage of the Bill deemed to be “anti-trade union” that had emerged from Castle’s report had an even rockier passage through the House of Commons. Revolt was looming from within the Labour Party itself as never before, the main bone of contention being the way unofficial strike action should be dealt with, both sides accusing the other of either going too far, in the case of the government, or not accepting its responsibility to keep its troops in check in the case of the TUC. Under

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<sup>2</sup> Such as « inter-union » strikes like the one that took place in the Girling brake factory in Cheshire in 1968 when twenty-two operatives stopped work forcing five thousand other workers in the motor industry to be laid off.

<sup>3</sup> The concept of political strikes which tend to infer subversive trade union action rather than action taken to improve employees’ conditions of work – and especially wages - is discussed in HAIN Peter, *Political Strikes, the State and Trade Unionism in Britain*, Penguin Books, 1986.

the mounting pressure, the government backed down and the legislation was consequently abandoned.

One of the results of this failure that the Labour government had surely not anticipated was a distinct radicalisation of the labour movement which now had acquired a certain experience in the art of confronting government. *In Place of Strife* had provided the stage for a dress rehearsal of what industrial action was going to be for the next decade. This was going to prove invaluable during the conflict with the Conservative government which quite unexpectedly won the 1970 General Elections organised on June 18<sup>th</sup> with 330 seats and 46.4% of the popular vote.<sup>4</sup> This undoubtedly gave Edward Heath the necessary impetus to tackle the unions head on rather than use any velvet glove. Heath had indeed clearly announced in his party's manifesto that legislation was the way forward in dealing with unfair and damaging union power and he was determined to carry out his promise.

### **The 1971 Industrial Relations Act**

The Conservative Manifesto for the 1970 election borrowed a good number of ideas from the paper *A Fair deal at Work* and the paragraph bearing the same name openly criticised the Labour Party for failing to carry out its own reforms in the field of industrial relations; had Labour managed to implement the recommendations specified in *In Place of Strife*, the Conservative Party's task would have doubtlessly been that much easier. Notwithstanding, the number of strikes was clearly on the increase to the extent that the national economic interest was being threatened and while recognising the vital role that trade unions played, the Conservatives felt the time had come to establish an official "deterrent against irresponsible action by unofficial minorities".<sup>5</sup> To a certain extent, this attitude was backed up by the unions' central authorities given that they were seeking to regain control over the shop floor; needless to say that they could not state this publicly.

The main plank of this legislation was the distinction that the government wanted to make clear between legitimate and illegitimate union action. The idea was to introduce the concept of "unfair industrial action" and render it illegal, the main targets being sympathy strikes, unofficial strikes and strikes organised by unregistered trade unions. To monitor this and settle labour disputes, the National Industrial Relations Court (NIRC) was set up in December 1971 and was empowered to grant injunctions should strike action be deemed "injurious" on other businesses. The Act also stipulated the right workers had to either belong or not to a registered trade union which aimed at weakening the effects of closed shop practises.<sup>6</sup> In case of industrial action, the government was also empowered to impose a 60 day "cooling-off" period during which a secret – as opposed to a show of hands - strike ballot could be held. By the same token, collective agreements would from now on be legally binding and thus prevent wage drift due to locally negotiated pay conditions.

In opposition to his predecessor's "white heat of technology", Heath had promised a "quiet revolution" whereby the enterprise culture would be encouraged by rolling back the frontiers of government, the premises of what Mrs Thatcher would carry out with such dogmatism a decade later. But he was rapidly contradicted in his approach by the hostile trade union reaction to the 1971 Act. This was compounded by the overall weakening economic situation of the country with rising inflation and unemployment. Far from leaving market

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<sup>4</sup> The Labour Party gained 288 seats. It was also the first election when 18year olds were allowed to vote thanks to the 1969 Representation of the People Act.

<sup>5</sup> 1970 Conservative Party Manifesto.

<sup>6</sup> Closed shop – sometimes "pre-entry" closed shop - agreements mean that employers only hire workers who belong to a designated union sometimes even before being hired. In some cases, workers must remain part of the union in order to retain their employment.

forces to dictate the ebb and flow of the economy, Heath found himself in the very uncomfortable position of having to devise an incomes policy that was far more in keeping with his predecessor's corporatist approach to government and somewhat flew in the face of the Industrial Relations Act that had sought to curb one of the main interest groups – namely the unions' – power using legislation rather than persuasion and compromise.

Yet indicators showed that it was too late, given the unions' hostility on the one hand and the ability they had acquired thanks to recent protest movements to mobilise their troops on the other. Unions were strongly advised not to register officially and also to ignore the NIRC and when the Bill became law in August 1971, protest was stepped up. The Transport Workers were the first to brush with the NIRC only to see the House of Lords confirm a fine of £50,000.<sup>7</sup> The railway unions, on the other hand, showed that a secret ballot could be in their favour after producing a "work-to-rule" motion which served to discredit the government and the NIRC in their attempts to make the union knuckle under. In the dockyards, five shop stewards were jailed in July for disruptive work practices and this sparked off a national sympathy strike of some 170,000 other dockers.<sup>8</sup>

In 1972, nearly 24 million days were lost in strikes as opposed to an average of 4 million during the 1960s. In this respect the Industrial Relations Bill was a failure but there was worse to come when after a ballot which showed 59% of members in favour, the Mineworkers' Union went on strike for higher pay on January 9<sup>th</sup>, 1972. The miners have always been considered as the spearhead of the British trade union movement given their ability to organise and finance industrial action and the country's reliance on the production of coal.<sup>9</sup> This strike was particular in that it allowed the rank and file of the union to show that it was at odds not only with government policy but also with the institutionalised links that were gradually being erected in the coal industry. To this end, a new era of industrial action was dawning insofar as this strike was every bit as much a struggle to defend a certain vision of mining coal, of miners' way of life and communities, as it was a protest against the government's attempt to restrain wage claims.

Heath could only wring his hands in sheer desperation given that he desperately needed to keep wages down in order to curb inflation which was reaching unprecedented heights. He thus adopted a far more conciliatory approach to negotiations with the unions in the hope of harnessing some form of wage restraint, but to little avail. Following the introduction of a statutory incomes policy which included a price freeze at the end of 1972, in January 1973 he introduced "Stage II" of this policy, despite pre-election promises that tended to underline the Conservative's opposition to any such interference in the market: prices and wages were to be strictly monitored by government machinery in the hope that inflation would be brought under control.<sup>10</sup> "Stage III" was to start in October and last at least until November of the following year. Thus incomes policies were replacing legislation, quite the contrary of what the Conservatives had expected on coming to power in 1970 and what they had promised in their manifesto.

Despite the government's show of goodwill, the mineworkers refused the pay limits imposed by "Stage II" and "Stage III" and once again were at the forefront of industrial action. In November 1973 their action began at the same time as the price of oil increased rapidly making the demand for coal rise also.<sup>11</sup> Not only was their bargaining power bolstered

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<sup>7</sup> The same tactics were applied a year later to the Engineering Workers who refused to pay a fine but then had some of their assets seized.

<sup>8</sup> They became known as the "Pentonville Five" given that they were imprisoned in Pentonville prison in London.

<sup>9</sup> Quite unlike the postal workers' strike in 1971 which had lasted seven weeks before petering out.

<sup>10</sup> A Pay Board and Price Commission were created for this purpose.

<sup>11</sup> The Arab oil producing countries took full advantage of the Yom Kippur War between Egypt and Israel to considerably increase prices.

by the international situation but the ability of the rank and file to organise meant that the miners could easily bypass not only government but their own leadership. They were joined in their claims by the electrical power engineers and when the energy crisis reached a peak, Heath felt obliged to declare a state of emergency on November 13<sup>th</sup>. Within a month, many parts of industry were back to working a three-day week in an attempt to save energy.<sup>12</sup> Having banned overtime which would have helped the country overcome its present difficulties, the miners held a national ballot which resulted in an 81% majority in favour of strike action.

With his back to the wall Heath decided to call a snap election in order to pit the unions' will against that of the electorate: the campaign was short and the Conservatives' message revolved around one essential question namely "who governs?". Their manifesto entitled *Firm Action for a Fair Britain* devoted a great deal of space to emphasising the need for responsible union action if the nation's economic targets were to be met with inflation being pinpointed as the main enemy. Yet focussing almost exclusively on what they deemed to be irresponsible trade union action backfired to a certain extent given the international economic context which was leading to an overall hike in prices thus fuelling inflation and above all a balance of trade deficit.<sup>13</sup> As it turned out, Labour won a surprise victory in terms of seats, 301 to the Conservatives' 297, but a lower percentage of the popular vote which would tend to suggest that Heath's question to the electorate had been legitimate. Nonetheless, popular disgust with both leaders meant that the two main parties lost a good deal of popular support to the benefit of the Liberals who increased their share by 11.8% to reach 19.3% of the overall votes, but only 14 seats.<sup>14</sup> Six million people had voted for the Liberals which gave Heath considerable food for thought: he horse-traded with the Liberals for the next four days in the knowledge that his legitimacy as Prime Minister was fragile and that any allegiance with another political party in order to form a majority government would be fraught with complications. His attempts were unsuccessful and he was forced to hand in his resignation: for the first time since 1929 Britain had a hung Parliament and Prime Minister Wilson had to face the prospect of governing with a minority administration which could face defeat in the House of Commons at the drop of a hat.

The 1971 Industrial Relations Act was quickly repealed by the Wilson government and replaced by the Trade Union and Labour Relations Act which was bolstered by the Health and Safety at Work Act. Both granted a raft of rights for trade unions and their representatives in an attempt to harness the goodwill of trade union support with little mention of resorting to legislation in order to rein in the more deleterious effects of free collective bargaining. Once again, voluntary restraint was hoped for rather than statutory duties and responsibilities. At the same time, Stage III of the preceding government's incomes policy was maintained and the miners' strike settled quite simply by giving in to most of their demands. This was to pave the way "forward" for the "Social Contract" that was to lock government and trade unions into a complicated relationship over the next five years and ultimately provide Mrs Thatcher with the necessary ammunition in order to unleash all the power of the state against the "enemy from within".<sup>15</sup> But in order to implement his plan, Wilson knew that his slim majority had to be improved and thus within a few months, it was his turn to call a new General Election.

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<sup>12</sup> Television was banned as from 10.30pm which was a severe blow to public morale.

<sup>13</sup> This would ultimately lead Britain to seek aid from the International Monetary Fund two years later.

<sup>14</sup> The Liberal leader, Jeremy Thorpe, was even so considered to be the best candidate for the job of Prime Minister which shows the electorate's disillusion with both Heath and Wilson.

<sup>15</sup> This expression was used by Mrs Thatcher in a speech to the 1922 Committee on July 14<sup>th</sup> 1984 to compare the trade union movement in Great Britain to the Argentinians – the enemy from without – during the Falklands' War.

## The Social Contract

The original idea for a tripartite “social contract” between government, the unions and employers had been put forward by Heath during his attempts to manage the British economy and above all bring inflation under control. Yet whereas he was convinced that it was excessive wage demands that primarily fuelled inflation, the TUC believed that an overall economic *and* social strategy was required in order to keep it within acceptable limits. In other words, the unions believed that not only wages but also prices – essentially food, rent and house prices - should be submitted to government scrutiny in the elaboration of a comprehensive plan for economic recovery. Within the Labour Party, responsibility for this had been given to the Liaison Committee established in 1971 as a forum of discussion, its initial task being to counter the Industrial Relations Bill which it had managed to accomplish. In 1973 it continued its endeavours to provide a coherent range of policies by offering an olive branch to the unions saying that peaceful and voluntary agreements would be the main plank of industrial relations for the next Labour government.<sup>16</sup> To many intents and purposes the Liaison Committee had contributed perhaps somewhat unwittingly to the creation of a partnership for national policy in which the trade unions would be encouraged to play a very active role above and beyond their ambitions of securing improved conditions of work and pay for their members. Yet union leadership knew that in words that were to make Mrs Thatcher famous, there was very little alternative given the sorry plight in which the national economy was in and it was against this backdrop that in the hope of commanding an improved majority in order to carry out his social contract that Wilson called a second General Election in September of the same year.

The Labour Party’s February 1974 manifesto had put forward the idea of a social contract with the unions as being the best way out of the crisis and their October manifesto echoed this. They promoted the idea of “government by consent” stating that the Social Contract was “at the heart of this manifesto and our programme to save the nation ... between the Labour Government and the trade unions...”. For a Labour government, the Social Contract was to “cover the whole range of national policies. It is the agreed basis upon which the Labour Party and the trade unions define their common purpose”. In view of this, there could be little doubt as to the direction in which industrial relations would go under Labour.

In comparison, the Conservative Party’s October 1974 manifesto was far less confrontational with the unions than the earlier one and clearly pointed to inflation as being the Giant that needed to be slain if Britain were to remain a “free” country and not stumble into being the “sick man of Europe”.<sup>17</sup> While accepting the Trade Union and Labour Relations Act, cooperation with the unions and a “voluntary policy on pay and prices...” were promoted as being the way forward in the realm of industrial relations while monetarist policies were offered as a remedy to the economic difficulties the country had to face.<sup>18</sup> Nevertheless, the Conservatives remained adamant in their view that unions were not there to govern and branded them in the same way as other lobbies by underlining their “selfishness” and the way in which “sectional groups [were] starting to take the law into their own hands and to pursue their ends with ruthless disregard for the interests of others”. On the other hand, it was written that legislation would be used above all to fight inflation.

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<sup>16</sup> The Committee also offered a series of proposals for improving the national economy in a report entitled *Economic Policy and the Cost of Living* (February 1973). This was to provide the basis for the Social Contract.

<sup>17</sup> “Inflation is therefore a moral and political evil as well as a social and economic evil. Everything else is secondary to the battle against inflation and to helping those who have been wounded in it”.

<sup>18</sup> “We will rigorously control public spending and the money supply and there must be restraint in prices and incomes.”



The Labour Party victory in October was very slim, only three, but this time round they did manage to harness a higher percentage of the popular vote than their opponents, some 39% compared to 36% for the Conservatives and 18% for the Liberals. Whatever, Wilson claimed that he had been given a legitimate mandate by the electorate to form a new government and take forward his party's plans to engage closely with the trade unions in the construction of national policies designed to lift the country out of the crisis.

The main issue to be faced in the first few months of this second Labour government was the question of Britain's presence within Europe.<sup>19</sup> The TUC had been extremely reticent about entrance in 1972 and three years later, the bulk of the unions were hostile to remaining as was the Labour Party with the National Executive stating that terms of membership needed to be renegotiated in order to win over the party. In April 1975, the House of Commons voted in favour of remaining in the Common Market but debates showed divisions at the very heart of the main political parties over the question. However, the resounding victory for the "remain" vote in the June referendum put paid to this confrontation and with this issue out of the way, the Social Contract became the main bone of contention between government and the trade unions.

Meanwhile, as a gesture to consolidate voluntary union control of wage increases, the Pay Board had been abolished in July 1974 even though the Price Commission was retained (see note 10) in order to make voluntary pay restraint easier. To this end, the TUC had already made it clear in a policy statement that wage increase recommendations would aim at compensating for rises in the cost of living and above all, that major pay settlements should be made on a yearly basis thus giving government enough time to plan in view of establishing national objectives.<sup>20</sup> These were all the harder to attain as wage negotiations were frequent and at shopfloor level rather than national. On top of this, the idea of flat rate increases - £6 initially - were put forward in order as a two pronged attack on inflation and to improve the condition of low-paid workers in what became known as Stage One of the Social Contract.<sup>21</sup> It was hoped that in the overall climate of goodwill that the Social Contract was supposed to foster, higher paid workers would be inclined to renounce the advantages that percentage increases would give them in order to help their worse-off colleagues.<sup>22</sup> Indeed, workers earning £8500 a year were to be given no increase whatsoever.<sup>23</sup> Yet behind the rhetoric, the stark reality was that Britain was facing a crisis that the TUC general secretary, Len Murray, defined as threefold; high domestic inflation, a world recession and industrial obsolescence.<sup>24</sup> Although it seemed as if government and the unions had managed to work out an agreement within the remit of the Social Contract, there is no denying that both parties were fully aware of the fact that they had very little other choice than to pursue common objectives if the national economy were to avoid collapse.

By and large the politics of fear in this field yielded the results anticipated and over the following year - 1975-76 - wage rises only barely exceeded price rises but the new Prime Minister, James Callaghan who had replaced Wilson after the latter's resignation and departure on April 5<sup>th</sup>, was faced with a major sterling crisis.<sup>25</sup> His Chancellor, Dennis Healey, managed to secure a loan from the International Monetary Fund (IMF), but this involved severe cut backs in public expenditure and higher taxation. Not only did these

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<sup>19</sup> The question of Europe is discussed elsewhere in this publication.

<sup>20</sup> TUC, *Collective Bargaining and the Social Contract*, June 1974.

<sup>21</sup> *The Attack on Inflation*, Cmnd 6151, July 1975.

<sup>22</sup> This point is discussed in the present author's article « Les salaires de la pauvreté », in, 'Pauvreté et inégalités en Grande-Bretagne, 1942-1990', *Revue Française de Civilisation Britannique*, vol. XI, n°1, novembre 2000, pp. 81-100.

<sup>23</sup> Self-financing productivity increases were not affected by demands for wage restraint.

<sup>24</sup> TUC, *Annual Report 1975*, pp. 455-480.

<sup>25</sup> Interestingly, it was Callaghan who had led the Cabinet revolt in 1970 against *In Place of Strife*.

measures strike at the very heart of the Social Contract that was keeping industrial peace in Britain, but it also undermined the credibility of the country's policy-makers on the world stage.<sup>26</sup> The TUC's dismay was immense given that they had not been consulted as they felt they should have been about the IMF loan or the consequences it would entail and the feeling of betrayal aroused a sense of bitterness given that unemployment was bound to rise. To add insult to injury, the TUC had produced a report on the cooperative policies they intended to foster with the government within the terms of the Social Contract over the following year and these were reflected in the government's second White Paper devoted to the attack on inflation.<sup>27</sup>

Despite a deterioration in the relationship between the TUC and government, the incomes policy managed to focus wage increases on individual earnings rather than group earnings and by and large the minimum period of twelve months between rises was respected. The following White Paper<sup>28</sup> that dealt once again explicitly with combatting inflation acknowledged the demand for central control on wage demands to be somewhat less strict on the condition that the national increase did not exceed 10% and the TUC insisted on the fact that according to them, this meant that a return to an orderly form of free collective bargaining was on offer during Stage Three of the Social Contract. While encouraging the TUC to toe the line, the government also warned that companies paying in excess of the target figures risked sanctions because public sector workers would be more than likely to want to imitate their counterparts in the private sector.

The Labour Party's difficulties were compounded by the loss of its slim majority in Parliament which in March 1977 forced it into the Lib-Lab pact. Both parties were in full agreement about the necessity to keep inflation down but now, there was no more question of fostering the sort of positive labour legislation wanted by the unions.<sup>29</sup> Callaghan introduced Stage Four of the Social Contract in July 1978 the details of which had been outlined in a further White Paper entitled *Winning the Battle Against Inflation* (Cmnd 7293). Although inflation was nearing single figures, the idea was to keep wage increases within a target of 5% with strict application in the public sector and once again sanctions for private sector employers who breached rules with exemptions for certain defined special cases, mainly low-paid workers. But the unions were grumbling, the Lib-Lab pact was floundering and the winter season was going to precipitate the downfall of the Labour government whose leader declared on September 7<sup>th</sup> that there would not be a General Election that year. This decision was taken two months before the coldest winter in twenty-five years set in, undoubtedly because Callaghan believed that a later election would increase his party's chances of obtaining the majority it needed to pursue its reforms.

### **The Winter of Discontent**

The initial conflict was sparked off in the Ford company when in September, workers wholeheartedly rejected the 5% ceiling imposed on wage increases. By September 26<sup>th</sup>, the Ford factories round the country were out on strike with some 72,000 workers having laid down their tools demanding a 35h hour week and a 25% increase in pay. The strike remained unofficial for a good two weeks but the rank and file had the necessary skill now to control

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<sup>26</sup> This was by no means the first time Britain had had recourse to the IMF and the loan was never fully drawn but the particular circumstances in which this solution was used was very damaging for the government.

<sup>27</sup> TUC, *The Social Contract 1976-1977*, May 1976 & *The Attack on Inflation – the Second Year*, Cmnd 6507, June 1976.

<sup>28</sup> *The Attack on Inflation after 31st July 1977*, Cmnd 6882.

<sup>29</sup> Such as the Trade Unions and Labour Relations Amendment Act passed in 1976 which reinforced the unions' recourse to closed-shop practices.

industrial action from the shop floor. Fearing that action could spiral out of control, the Transport and General Workers Union decided to support the strike and obtained a 17% increase which was inevitably going to send shockwaves out through the pay deals brokered nationwide. Meetings with the TUC only served to show that the government was more than reluctant to impose sanctions against Ford and it came as no surprise that in January 1979, the lorry drivers should strike in the hope of obtaining a staggering 40% pay rise. Their movement was highly visible with drivers picketing their own workplaces while flying pickets operated efficiently at certain strategic places on the road network bringing the distribution of goods – and especially petrol – to a virtual standstill. In less than a month, the drivers obtained slightly less than they had initially sought but had contributed to a pay round that was to knock the stuffing out of the credibility the Labour Party had achieved in showing that it could cooperate with the unions.

Nevertheless, it was strike action in the public sector as workers sought to imitate their private sector counterparts that was to convince public opinion that the Social Contract had been all but gutted of the goodwill it had sought to generate between the unions and the state. Workers not only openly defied their employer – the state - but their union management too. On January 22<sup>nd</sup> 1.5million public sector workers headed by the railwaymen went out on strike and many of the main cities were flooded with demonstrators. The traditionally non-militant nurses demanded a 25% increase, schools were closed for lack of workers as were several airports and even ambulance drivers<sup>30</sup> stopped work as did gravediggers in late January. Their movement was very high profile in the medias – especially the tabloids and above all *The Sun* - with the prospect of coffins “piling up” waiting to be buried and the threat this could pose to public health. Callaghan came within a whisker of declaring a state of emergency but was talked out of this by his Cabinet who feared that clashes between soldiers and pickets outside cemetery gates would only make the situation worse. The dustmen’s strike was highly publicised for much the same reasons especially when the army was drafted in to remove mountains of rubbish which had attracted hordes of rats and constituted a major public health hazard. While the gravediggers accepted a 14% increase, the dustmen settled for 11% and officially strike action ended on Saint Valentine’s Day in 1979.<sup>31</sup> The end of this industrial action was sealed with the publication of a joint statement between the government and the TUC entitled *The Economy, the Government and Trade Union Responsibility*, popularly known as the “concordat”. A total of 29.5million days had been lost in strike action in 1979 as opposed to 9.3million the preceding year and the concordat’s conclusion was that the 5% ceiling on wages had been a failure. The TUC nevertheless agreed on a voluntary – once again – code of conduct that was to cover picketing, closed-shop practises and strike ballots.

While the opinion polls had shown that Labour had had a small lead over the Conservatives in November, by January the tables had been turned and the Conservatives led by 7.5% in January and 20% in the following month. On March 28<sup>th</sup>, the Labour government lost a vote of confidence by one vote having lost the support of both the Liberals and the Scottish National Party MPs.<sup>32</sup> Callaghan was thus forced into calling a General Election and on April 7<sup>th</sup>, Parliament was officially dissolved. The leader of the Conservatives, Margaret Thatcher, had constantly spoken out about excessive union power since being elected in 1975 and was particularly vociferous during the Winter of Discontent. Her party’s campaign orchestrated by

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<sup>30</sup> Emergency calls were dealt with normally but service was somewhat patchy in hospitals too.

<sup>31</sup> It is common knowledge even so that many strikers paid little heed to their union organisations and continued their movements until the end of the month.

<sup>32</sup> This was due to the government’s refusal to implement the result of the referendum result in Scotland which had shown majority support for devolution but because of low turnout, the minimum threshold of « yes » votes had not been reached.

advertisers Saatchi & Saatchi mercilessly exploited footage from the period to highlight their slogan *Labour isn't Working*, and promised to curb inflation while striking a “fair balance between the rights and duties of the trade union movement”. Picketing, closed-shop practises and extremist control of unions were also targeted by the Conservatives in their manifesto whereas they pledged that pay bargaining would be decided according to market mechanisms rather than artificial state control. This meant that in the public sector, settlements would be reached according to what the taxpayer was asked to pay within the limits established by the democratically elected government backed up by the rule of law. Meanwhile Labour promised to improve industrial relations thanks to measures that had been “hammered out with the TUC” but somehow, while printers and teachers continued strike action throughout the campaign, this promise rang hollow as if their road to healthy industrial relations would continue to be paved merely with good intentions.

## Conclusion

The election held on May 3<sup>rd</sup> 1979 showed a 5% swing from Labour to the Conservatives, the highest change since 1945. Labour obtained its lowest share of the popular vote since the war, winning 269 seats to the Conservatives' 339. A part of this groundswell change can undoubtedly be put down to the mauling that Labour had taken throughout its last mandate at the hands of the trade unions despite claims that their “special relationship”<sup>33</sup> provided them with a common goal and every reason to cooperate in order to achieve economic prosperity for the country. This was perhaps reflected in the membership of the TUC which peaked in 1979 at some 12million members but given the electorate's frustration with union truculence, their organic relationship with Labour, illustrated by the Trade Union Committee for a Labour Victory, backfired to a certain extent. It is tempting indeed to adopt a pessimistic stance and suggest that cooperation between government and the unions is impossible, given the nature of the objectives that the two constantly pursue, except when prevailing economic circumstances are favourable enough to allow this duality which they certainly were not in the 1970s: unemployment was on the increase, industrial obsolescence threatened productivity and the balance of payments deficit had forced Britain into asking for a loan from the IMF leaving the economy all the more vulnerable to runs on sterling.

This would tend to suggest that the industrial relations crisis in the 1970s was due primarily to economic circumstances but this would be an underestimation of the profound changes that took place within union organisations themselves. The rank and file took over the shopfloor sometimes without the consent of their own shop stewards and more often than not their management. The result was an explosion of unofficial strikes that union management did not condone and shop stewards could hardly prevent; both showed a high degree of helplessness in dealing with such industrial action. To this end, union truculence was palmed off onto the government which had to deal with pay bargaining in a piecemeal way because to a great extent, union management had been disempowered by its own rank and file. In the meantime, this same management had begun to use industrial action for political purposes becoming involved in national and sometimes international issues rather than restricting their scope of action to improving pay and conditions of work for their members. Their legitimacy in the eyes of their members, public opinion and government had inevitably suffered.

The 1970s was a decade of conflict with the rank and file about wages and workers' standard of living which public opinion assimilated as a crisis between the unions and government. This goes a long way to explaining how the first Thatcher government was able

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<sup>33</sup> Trade unions collect a political levy from their members which is then paid to the Labour Party according to the number of affiliations. Over the years and depending on the government in power, union members have been required to either “opt-out” or “opt-in” to paying this levy. The former is more favourable to the Labour Party.

to move so quickly in offering union reform as soon as it took office targeting the more visible aspects of trade union organisation that the electorate had rejected in May 1979. The new Employment secretary, James Prior, produced a Green Paper calling for the election of full-time trade union officers, the limitation of picketing, exemptions from the closed-shop system and for secret ballots to be held in decisions involving strike action. As promised in their election manifesto, the Conservatives were going to use the rule of law in order to reign in the trade unions and hand power to elected officers rather than un-elected “representatives”. But this hard-line approach was designed to deal with the very visible consequences of trade union activity that had dogged governments during the 1970s. The Thatcher governments chose confrontation with the unions which meant that the underlying relationship between the two was to remain as ill-defined as in the previous decade with crisis being solved by victories and defeats rather than the sort of cooperation and collaboration that befit a kingdom.

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Les années 1970 sont dominées au Royaume-Uni par la problématique de la « crise ». Multifforme, celle-ci renvoie tout à la fois à de graves difficultés économiques, à un climat social fait de tensions et d'affrontements, à une instabilité et une polarisation politiques grandissantes, enfin à une forme d'impuissance récurrente des gouvernements successifs. Elle est également manifeste par la présence d'une quasi-guerre civile sur le territoire britannique à travers les « troubles » nord-irlandais. Elle s'illustre aussi par la multiplication des interrogations identitaires sur la « britannicité » une fois la page de la décolonisation tournée, et qui s'expriment tout autant par le renouveau nationaliste dans la « périphérie celtique », dans la relation compliquée à l'Europe ou autour des modalités du vivre ensemble au sein de la société multiculturelle émergente.

Les élites et les médias vont s'interroger sans fin sur le « British disease », et les rhétoriques du « déclin » et de « l'éclatement » du pays, voire du « no future », vont faire florès, faisant écho à une perception extérieure selon laquelle le Royaume-Uni aurait remplacé l'ancien Empire ottoman dans le rôle de « l'homme malade de l'Europe ».

Si les discours pessimistes, aux accents parfois « fin de siècle », dominent la période c'est parce que celle-ci clôt un cycle bien balisé fait de deux décennies et demie de croissance économique, de progrès social et de relative stabilité politique, pour ouvrir sur une ère nouvelle aux contours flous et pleine d'incertitudes. La fin de ce que l'on a appelé le « consensus » social-démocrate et keynésien, forgé après la Seconde Guerre mondiale, apparaît progressivement manifeste, mais le nouvel ordre social est encore en gestation. Les années 1970 constituent une période charnière autour de laquelle s'articule l'histoire britannique contemporaine.



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