

# INDUSTRIAL DEMOCRACY



## Tony Benn at the IWC Debate

AN ACCOUNT OF THE INSTITUTE FOR WORKERS' CONTROL MEETING AT  
THE LABOUR PARTY CONFERENCE, NOVEMBER 1974.

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## Introduction

The debate on industrial policy, which continued at the postponed Labour Party Conference at the end of November 1974, was also carried forward at a "fringe" meeting organised by the IWC. A crowded audience including numerous convenors and shop stewards, joined issue on the question of workers' control with Tony Benn, and this pamphlet contains a record of the main speeches and points of discussion.

Among the participants in the meeting were also two recently elected MPs, both long-standing supporters of the Institute for Workers' Control: Audrey Wise and Joan Maynard; together with Ernie Roberts, one of the growing band of trade union officers who, alongside Hugh Scanlon and Jack Jones, have played a distinguished role in encouraging the development of the rapidly growing demand for workers' control.

That the TUC has come to table its own proposals on this question will be an encouragement to every industrial democrat, even when, as some of the contenders in this discussion point out, there exist widely different approaches to the subject in different unions, and even within the same trade union.

The IWC is pleased that, with Tony Benn as its powerful spokesman, this issue has at last become a central political concern, which it should have been long ago. This fact does not mean that the debate can stop: hopefully it has already reached a point at which it will result in real gains for Labour in the near future, but even if this happens, the argument must still continuously expand and develop if it is to create the climate of trade union and public opinion which can make the whole movement irreversible. This pamphlet is published in the hope of advancing this cause.

*Ken Coates, January 1975.*

# Industrial Democracy

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*Tony Benn, MP.*

The time has come for the Labour movement to intensify its discussion about industrial democracy; to see it as one of the key components in the social contract for bringing Britain through the present crisis, requiring a substantial advance to be made; and to consider a range of methods that can be used to advance it. It follows that the greatest contribution will be made by workpeople themselves.

## The Present Position

The Companies Acts by which private enterprise is now regulated give few rights to employees over the control of the firms in which they work.

A number of protective Statutes limit managerial power but these do not grant positive powers to workers, except in so far as they are allowed to organise trade unions, which are still discouraged by some firms.

Trade Unions by the exercise of their bargaining power have succeeded in limiting managerial authority and negotiating various procedure agreements, that impinge on company policy.

The Trade Union Movement is itself a major force for industrial democracy but it is still exercised largely by its real — or potential veto power.

This veto is so strong in many firms and industries as to be a bar to the full development of Britain's industrial potential.

In the public sector the position has been modified in some degree but workers in the nationalised industry do not enjoy effective industrial democracy in any real sense. Proposals for supervisory boards in the public and private sectors have been under consideration for some time but the issue has not been resolved. The TUC has played a large part in promoting discussions of these very issues. Their insistence of joint control in key decisions has advanced thinking most significantly.

## Proposals advanced by management and others

In the long discussion about industrial democracy various proposals have been put forward by management and others which, whatever their merits, do not effectively extend democratic control;

(a) *Co-partnership*

The idea of co-partnership or profit-sharing under which workers hold a few shares in the companies in which they work does not resolve the basic conflict of interest that exists in industry, does not give to worker shareholders any real share in the power of the firm, and could put their savings and their pensions at risk — as well as their jobs — if the firm collapses, as happened with Rolls Royce.

(b) *The single worker on the board*

This proposal, adopted in some nationalised industries was intended to meet a need. But it has not yet enlarged the power of the work force since hitherto worker directors have not normally been elected by, nor accountable to the workers as a whole.

(c) *Works councils*

Elected works councils separated from the organised trade union movement can only weaken that movement without providing a representative system of comparable strength.

(d) *Management communication programmes*

The most enlightened management is now waking up to the need for programmes of job enrichment, better company communications, extended consultation, etc. However successful these may be in themselves they do not constitute any shift towards democratic control.

None of these proposals go to the heart of the problem.

## Recent responses by unions and workers

In recent years the demand from workers for greater industrial democracy has also manifested itself in a number of different ways and each of these are worth studying because they offer a pointer to the way in which industrial democracy is coming to be seen by those who are actually seeking greater power for themselves as employees. Indeed the very existence of effective trade unions can be seen as a major step towards industrial democracy.

(a) *“Right to work” campaign*

These campaigns, as at Upper Clyde Shipbuilders, were primarily to maintain employment, rather than to establish the principle of management by industrial democracy. This became clear when the jobs were saved and a normal management pattern re-imposed. But they do indicate the prime concern of workers with jobs which also explains other forms of pressure.

(b) *The “right to information” demands*

The TUC in its “Guide to good industrial relations” set out a list of information requirements which it believed negotiators needed to do their job properly. This list would certainly increase the power of employees substantially, alert them to any future threats to jobs and stimulate further pressure for a transfer of power to labour from management.

(c) *The pressure for change in the Public Sector*

In recent years many workers in nationalised industries have expressed their dissatisfaction with authoritarian management in a number of ways and the pressures this has created is now causing a major re-think which is still in progress. Whether the answer lies in full scale industrial democracy, or in the development of tripartite institutions like the Coal Commission, or both, will depend upon the strength and direction of the pressure from the workers concerned.

(d) *The workers co-operative movement*

More recently – as in the cases of Fisher-Bendix (IPD), the Triumph workers at Meriden or the Scottish Action Committee formed to launch the *Scottish Daily News* – workers have gone beyond protest about job loss and have begun to think out how they could actually organise and run their own enterprise if it was funded to achieve long-term viability. Each of these co-operative initiatives have argued that a very substantial increase in output will be possible.

(e) *Full workers’ control proposals*

Some groups of workers in industry have been doing very serious work on the application of industrial democracy in their own firms. For example the British Aircraft Corporation shop stewards in Bristol – triggered by fears about the future of their industry – have published a plan for 100% workers’

control under which a workers' representative council, elected through the trade union organisation, would actually employ the executive management, leaving the trade unions to negotiate with that management in the normal way.

(f) *The TUC proposals*

Most significant of all, because of the degree of discussion which has gone in to them, and the weight they carry on the trade union movement, have been the TUC's own proposals for the joint control of policy at Board level through trade union elected machinery where workpeople wish to implement this.

(g) *The growth of Combine Committees*

The development of joint shop stewards committees in factories and of combines connecting different plants in a single firm, or a whole industry, has been going on a pace and is even developing internationally in response to multi-national companies. This machinery working with the national trade union structure, through which more and more workers will be planning for the future also provides a very important new consultative mechanism which may have a role in developing planning agreements. The relationship between these committees and the national trade union machinery needs to be strengthened. Government must not cut across its relations with the official union machinery.

All these developments, with their strong emphasis on the right to work, the right to information, and the right to real consultation or control have now to be taken very seriously. They are likely to be pushed forward with increasing emphasis especially if jobs are threatened during any recession. Moreover, public money going into private industry offers a greater chance of securing accountability.

### **Industrial Democracy and salaried management**

The development of industrial democracy or workers' control has often been wrongly assumed to involve an inevitable confrontation with professional management which it is argued feels threatened by the erosion of its right to manage.

But this is not necessarily the case. The attitude of professional management is changing and it is important to understand why.

1. Management is becoming increasingly aware both of its power-

lessness to enforce its will by the old methods and of the growing strength and confidence of the trade union movement. Thus realism points to the need for a new balance of power.

2. Management by consent is seen as desirable hence the various public relations techniques now being called into play in an attempt to achieve it. Industrial democracy may be the missing factor just as the extension of the franchise was a necessary pre-requisite to Government by consent.
3. Salaried managers are also increasingly aware that they are employees too — especially when there is a crisis. The development of trade unionism amongst salaried management is an indication of their desire to be organised themselves so that their voices may be heard.
4. Workers themselves are coming to understand that they need, and must pay for, really good management and that what is wrong is not necessarily the quality of their existing management but the fact that at this moment management is only answerable to the shareholders or to some remote board of a multi-national company whose headquarters are situated abroad.
5. There is now a very large body of management in the public sector, and in local authorities, which has got quite used to the idea that they are accountable to group other than shareholders. Though we have some way to go in developing democratic planning the framework for retaining it does exist in the public sector.

It is thus no longer true to suppose that salaried management must always be hostile to this movement for industrial democracy if the case is properly argued and put across, including its relevance to productivity.

Industrial democracy must necessarily be political and social to enlarge democratic control and create the opportunity for more satisfying work. Experiments in the control of the work process by workers suggest that this is possible.

But there is some evidence to suggest that if it is real it can unlock a considerable productive potential that cannot be released by the present authoritarian system of management and which is actually wasted as a result of the present relationship between professional management and organised labour.

Few professional managers or trade union leaders would dissent from the view that this country could – with the same plant and equipment – produce a great deal more on a continuing basis if energy now wasted could be released, to permit higher real incomes. If this could be achieved new jobs would need to be created on a far larger scale, together with greatly expanded manpower training schemes. Since no major shift of power can be achieved quickly, one way of testing the productive value of industrial democracy would be by a conscious decision to support some experiments and study them most carefully. The need to redistribute income in favour of workers arising out of these developments; and the need to create new jobs strengthen the case for public ownership.

### **Industrial democracy and inflation**

Given the fact that inflation is one of our main problems, the role of industrial democracy in combatting it also merits consideration.

If production can be increased through industrial democracy and supply more goods at a lower unit cost it would help to reduce inflation.

Moreover if workers' demands were to focus more precisely on the transfer of power these demands would not of themselves be inflationary, and would be more likely to achieve consent.

Finally, workers having won wider responsibilities would certainly press their managements for higher investment in order to secure their jobs in the future. This new impetus for higher investment is more likely to achieve it than the short run market forces have in the past.

None of these factors should, of course, be used to lower real living standards or to create unemployment or enforce work-sharing.

### **The relevance of the Social Contract**

The demand for industrial democracy must also be seen in its relationship to the Social Contract which involves a commitment by the Government and the trade union movement to a joint programme of social, economic and political reform jointly agreed and jointly to be implemented.

In opposition, the TUC-Labour Party Liaison Committee on a tripartite basis, was the main instrument for formulating that joint programme and launching it into the manifesto.



This Liaison Committee, which remains in being, is now supplemented by the normal methods of consultation linking Government and industry embracing the special relationship between a Labour Government and the TUC.

In this forum the pressure for advances of industrial democracy is bound to be reflected increasingly and will come to the Government's attention in that way, as well as through mounting shop floor demands.

Consultative arrangements between the Government and the trade unions will need to be developed between all departments and at all levels. In many departments, including the Department of Industry, this has already begun.

The success of the Social Contract will to a large extent depend on the extent to which this consultation can be made real in meeting the needs of working people by carrying through the manifesto reforms.

The responsibility for accepting and meeting the pressure for industrial democracy falls to many departments of Government and cannot be achieved through a single legislative change, nor by some master blue-print to be imposed from above.

By definition all democratic advance begins with a demand from below from those who wish to acquire democratic rights and these demands should be encouraged.

Thus the pace of change will inevitably be conditional on the nature and timing of the pressure and the exact formulation of the demands.

### Action points

Below are listed some of the means by which this transfer of real power can be achieved:

1. By maintaining and developing genuine consultation with the trade unions about industrial policy and the implementation of the manifesto.
2. By adopting really open methods of Government disclosing all the policy options for the Government, before the decisions are made, so as to make this consultation real.
3. By providing for much fuller disclosure of company information to the employees of each firm.
4. By the development of employees and trade union rights through measures like the Protection of Employment Bill which is due to come forward.

5. By the implementation of planning agreements with leading companies under our industrial policy proposals. These are seen by the Trade Unions as a major advance.
6. By the democratisation of the public sector and the public services in response to the needs of those who work in it.
7. By the establishment of new, and real, democratic procedures within the industries to be nationalised and within firms to be acquired by the National Enterprise Board.
8. By the encouragement of other forms of social ownership — especially the co-operative model where this arises out of the extension of the co-operative movement or through the response of workers to an immediate industrial crisis.
9. By the provision of consultancy services to and proper training facilities for employees to help them to develop their own strategy and tactics for the industry or firm in which they work, to use the information that will become available to them, and to cope with sudden industrial crises. They must be as well equipped as management in this respect.
10. By the provisions of a new Industry Democracy Act yet to be evolved in discussions with the TUC.
11. By the extension of public ownership as and when it seems relevant to the Government, and necessary to workers in a particular firm or industry. But the act of nationalisation will be incomplete unless it is accompanied by democratic structures which allow a real identification of workers with the work they do.

Each and all of these methods of advance should be accepted as part of Labour's more urgent approach to the problem of industrial democracy and should be actively encouraged in consultation with the trade union movement, which itself will need more resources to achieve it.

### Conclusion

The Labour movement should discuss these matters further and take the necessary follow-up action as part of a conscious and rigorous policy for promoting industrial democracy during our term of office.

*Mike Cooley* (Lucas Aerospace)

Now we start from the very simple premise that a direct conflict of interests exists between the employers and workforce; we take that to be true of any workforce throughout Britain. We think unless that is understood and unless workers build organisations powerful enough, meet force with force at the point of production, then they are simply creating illusions.

We set about building a combine shop-stewards' committee which now covers everyone of the 17 sites in the UK, and organises all the staff both manual and so-called intellectual workers. We produce our own newspaper, we've got our own science and technology service and we exist in spite of management and not because of it. Because right from the outset, when the company saw it was not going to be a collaborationist organisation, they sought to intimidate and actually sack some of our leading members including the secretary of our combine shop stewards' committee here tonight. And in our view that sort of relationship will always exist between that sort of organisation which is doing a real job on behalf of its members and that of the employers.

Now the company accept, that having tried to sack some of us, that we are here to stay. So the new tactic is to embody us in managerial decisions. They said that in keeping with our new authority we could now manage sackings. Then they said, "if you want you can look at our books", and indeed, if one talks about the right for information, we are all quite clear that British capitalism in crisis is only too delighted for the books show that they have a law of diminishing returns, which as socialists we have been talking about for 200 years. We're not interested in looking at their books, we've been telling them this for years.

Now it's said we've got a crisis: *we've got no crisis. They've got a crisis*; it's their system that's in crisis and we should be no part of it. I think that our role, far from providing them with an escape route is actually to deepen that crisis. We want to be very careful how our combine operates in these circumstances, because we don't want to be a party to a decaying outmoded system. We want to be very careful that control doesn't degenerate into participation and then degenerate into collaboration as in West Germany, where the so-called Trade Union representatives are hated and despised by those they are supposed to represent. It is also said that management has lost its nerve, but it's not our job to give management back its nerve; I've spent 5 years trying to break its nerve.

We now hold the view that management in Britain and the whole class they represent have forfeited historically the right to manage. We have no illusions that we need any great managerial expertise, to show us how to run industry. The people who designed the aircraft, the skilled workers on the shop floor who build them, are well able to run this industry. Now we think that workers' control is only relevant if it has as its objective the end of the system which is creating these problems for us. Let us be clear about nationalisation; there is nothing automatically socialist about it. James Connolly used to say, "If something were nationalised and it were automatically socialist, then the hangman would be socialist." And so would MI5 and the Americans in Vietnam, because they are nationalised also. The brother from Rolls Royce was absolutely correct, things are exactly the same. So what we've got to have is socialisation. There can be no illusion about us gradually sneaking up on management and then realising that we have taken over; because it won't be the case that we get one bloke on the board, then two, then three, we have a vote and say we're the majority . . . you're out; because it doesn't work like that. The system would use physical force against us if we ever tried to do that.

Now is the time to move forward, they have a crisis and we should exploit it. Let us have no illusion about the way this government is behaving; there may be a sympathetic Minister of State; but we've got to judge objectively what this government is doing and we have just seen a Budget launched on the working class of this country which is one of the most vicious and most subtle I have ever seen; which is in fact saying that private enterprise can earn money in this way. Now we want the Minister to tell us how with this organisation we've built we can really use that power and be very careful that in fact we are digging the grave for this system and not resuscitating a decrepit old patient.

### *Hoover*

The situation at Hoover Ltd at this time is that at the Perivale factory there is an industrial dispute and as a result of this 2,000 people are being laid off. I would like to put to you the background of this dispute because it is in no way unique and I am sure that many of you, especially our brothers from Rolls Royce would see much that is relevant; the question is that of capitalism which is strictly in contrast with interests of the workers.

Hoover Ltd is a multi-national company; controlled from America.

In the 1930's they established the plant in Perivale, and this plant was so successful from the capitalist point of view, that it became a national company with three large, highly productive factories and then managed to expand its organisation to 126 countries. The vast profits of this Aladdin's cave stems from the UK enterprise, and it would be true to say Hoover Ltd was the one company in Europe that earned more profit per head of manual employee than any similar industry.

Up until the time of legislation on wages, the freeze, a situation existed where annually, profits of the company were being surpassed year by year. When you consider that the manual workers of the three factories was somewhere in the region of about 11,000 people, the profit of the company was running at the rate of £22,000,000 per annum, the great amount of this being exported to America. Of course, one of the difficulties of opening the books is that you can look at them when things are bad, but you can't when good. But even examining the books, as I've found when getting in touch with research officers, can never tell the whole story because there are so many ways you can export capital without it going through the books. The situation was that we were working for a company which was highly successful making fantastic profits.

Now all of a sudden they get a freeze and legislation, that gives them the perfect excuse not to pay wages commensurate with the profitability of the company and obviously the profitability of the people who work there. Now it is past history to say that we at Perivale conducted for some four months an industrial campaign, seeking to get pledges. Whilst we couldn't get the money we wanted we certainly wanted pledges that once the freeze was over, the wages that they owed us would be paid. Eventually we got a pledge, but now of course, we have this situation that once the legislation was repealed they found they had a liquidity problem; although we never looked at the books they gave us some wonderful little picture slides that convinced us of nothing other than that we were dealing with a load of crooks. There's been a conspiracy of silence as the brother from Rolls Royce mentioned. The one at Hoover is conducted over the fact that at one time the dispute covered three factories. Production was at a total standstill, coverage from the national point of view was absolutely nil. There has still been no coverage of the Perivale dispute; and I would contrast this with the situation some years ago when the general manager of Hoover, Felix Mansager, came over to this country and announced an expansion programme. Remember

he was wined, dined and decorated by Ted Heath and at this dinner they discussed the question of government money being put into the development programme. The publicity this man got through the financial and social columns was fantastic; unless you happened to be a shop steward at Hoovers; because so high did he hold us in his regard and so open were all the doors we have never been able to go through, that anyone listening to us telling people what it is like in industry would obviously believe that we don't know what we are talking about. They believed the Daily Mail then, now the situation is altered, the Daily Mail no longer wishes to discuss, nor do any of the other national papers, the present situation of lockout; few on strike, many locked out. The company is still in receipt, so I believe, of government money, and it is on a question like this that one must call for public accountability of State money, our money, the money of the people locked out, being paid to a management like this. They have proved in the last three months that their ineptitude is such that we should be asking not only the question as to who they are responsible to, but we should be asking should public money go to people when they are so inept, and take the situation of what was once a vast and productive empire and has turned it into something that now, although it has the facade of a large Egyptian building dedicated to sweeping up dirt, although there's another word for it, is producing nothing.

### *Jack Spriggs (IPD)*

... I won't make long speeches, I haven't had the time with the closures over the past two or three years. Having said that, I would like to take up Tony Benn's points as to whether we've got a blueprint for workers' control or workers' cooperatives or workers' participation. Because in 1972, at the first sit-in at Fisher Bendix, we were going into the unknown. It was at that time contemplated that we might, if nothing came our way in the way of employment, possibly embark on the question of taking the factory over. At that time we had a Conservative Government and we had to think twice about taking on not only management but the Tories, at that time known as the Butchers of Clydeside. But after the successful occupation we have been able to learn from experiences which have held us in good stead when we had the second occupation in 1974.

Although sceptical at times about our own involvement and our own ability to organise a cooperative, I've been thankful at least to see

the development of the workers over this period of time. Development in as much as, after the initial excitement has died down of Tony Benn's £4 m grant, every worker does not see himself as managing director in pin-striped trousers overnight. We have reached the point now, where workers have analysed themselves, and have come to the conclusion that they have got a wonderful opportunity, not only of making this factory right for a secure future, to enable those public monies to be used to the best advantage of work people, but have seen that they have a role to play. The shop stewards are grateful for this because at least once in their lives they are now able to see that they can offload some of the burdens of negotiation and communication to the people on the shop floor. On Merseyside we've got a history of casual work. Over the years we've been known only for our Dock labour, our building workers and the casual situation, so in order to fight and overcome the fact that sackings and unemployment were an everyday occurrence on the Merseyside scene; we had to set a pattern where people would not accept that they can be pushed out on the street. Also, from the experiences of Fisher Bendix and IPD, they will no longer accept the fact that they will just look for a fresh employer but will do the very same things as previously.

I will expand on what we call "management". In 1972 the management at that time, the working management, went with the owners of the factory in order to secure their little patch for the time when the workers were defeated. But since then, I am glad to say, they have become educated and seen their job position as open to dismissal even more so than the man on the shop floor. Because the worker on the shop floor has at least got a trade union around him. We believe we have established this situation. It is not without its problems, not without its jealousies, because the people earned several thousand pounds a year more than the lads on the shop floor but that position is now being eroded. It is our opinion that irrespective of what position the work people are in, everybody must be paid the rate for the job. The only thing that we are claiming is that that job must be carried out to the satisfaction of the organisation. And I believe that the management that we've got now, and that excludes the owners of the establishment, are knuckling down to the task and are today in London putting up an exhibition so that everyone can see what the cooperative attempts to do.

Now the Trade Union movement in this particular situation. Present company apart, I am convinced that the TU leadership in this country are terrified of workers' control. And I don't know why, because in the fundamental conception of trade unionism was the

conception of workers' control. But we have got this continual attack from the TU movement, an attack on politicians and their politics. I am not here to defend politicians because there are some who rarely need protecting. But some deserve it. We say this, that throughout our campaign, although our TU has made the disputes official, that's as far as they've gone. They have not once come along to assist us in our struggle at national level. This is a condemnation of the TU movement at national level, when we have gone along to the politicians and put our case. And then, having done that, to get a letter from my executive council asking me what the hell Harold Wilson was involved in our dispute for. I would like to see the TU movement and the rank and file of the labour movement in general advise the politicians. We must be vigilant and advise our Union leaders how to play their part in the question of workers' control.

We want them in the system, not out of the system and I feel that this is paramount to complete solidarity over the bosses, because I do not want to see us fighting the bosses and fighting our Union at the same time. I must stress that I am generalising.

Merseyside has in fact achieved a workers' cooperative. We will make sure that no outside interference whatsoever will come and injure the cooperative. We will also make sure that we will create a self discipline that will be second to none in order to create a cooperative that will be a shining example to any worker in this country and the rest of the world.

*Lew Gray* (British Aircraft Corporation)

In drawing up our plans for BAC, we discussed the document that was produced by the TUC and the Labour Party. We differ on a few main points from that particular document. They are talking about appointing representatives to the boards; we believe in a full elective system. They talk about fifty per cent representation; we're talking about a hundred per cent. The other point where we differ very strongly is over the amount of nationalisation in the industry itself . . . Our difference here is with the Labour government's proposals. They only propose BAC and Hawker Siddeley to go into the nationalised industry; we say that the whole of the aircraft industry, both aeroplanes and engines, and quite a considerable number of the larger sub-contractors, should go into public ownership, organis-



ed along the lines of the system we have put forward.

Our main proposals are for what we call a workers' council, which is elected by the trade unionists in the industry . . . this controlling council will appoint professional management to run the industry. This professional management will be answerable to the controlling council, and of course the members of the council will be answerable to the membership which elected them . . . There is a recall procedure which some of you have been talking about at the Labour Party conference today, concerning the question of how to recall your MPs — we've tried to spell out how to recall the members of the workers' controlling council if they are not doing the job they were elected for . . .

I know that it's not the answer to all the problems of the workers. They will be electing people who will then be appointing managers to manage them, and they will still be fighting this particular management about wages. But the important thing is that the workers will be in control all the time of their workers' council; we felt that there should be involvement right down to the shop floor, with joint committees bringing up and discussing problems before they reach the controlling council.

*Allister Mackie* (Scottish Daily News)

These past months we have been fighting in total isolation because we cannot rely on national leadership or unions to give us support when it is most needed. We were advised by more than one union leader that: "you know it's time to give way lads", but the trouble is they never told us where to go to. There are no jobs in the west of Scotland to go to. So we had to stay and fight this battle out; we did it by choice anyway, and we would have done it even if there had been jobs there. We talk about management cooperation between unions and management. You know if we talk about nuts and bolts, then it's possible for unions and management to get together to talk about cooperation, but when you are in a "factory" that is producing ideas, opinions and points of view and philosophies of life then you will never in a hundred years get management to cooperate with the workers. I'm referring to the newspaper industry. If ever you are to have workers' participation in the newspaper industry, it can only be by complete control by the workers, so that your working class point of view can be put across.

We are all agreed that democracy is a frail child that can easily be

snuffed out, and indeed democracy at this very moment in Britain is very threatened by the fact that there are too many papers owned by too few people. 90% of the national popular newspapers are controlled by three interests, and perhaps in 18 months by two interests. And we will find that the dissemination of news is in too few hands, and democracy is a casualty. We must alert ourselves to this real danger that is in our midst. We are the majority of the people in Great Britain, and have a right to have our points of view fairly represented. Yet this seems to be an argument that is not recognised by the TU movement, and it is to me shameful that they have not wakened up to their position in society at whole.

So when I talk about workers sharing industry, I talk about absolute control, because there can be no sharing of ideas, or philosophy. Either it's their philosophy or ours, and we as a labour movement must face up to this, challenge and fight it out. The TU movement must alert itself to the situation it is in, and help us to finance this newspaper.

When UCS took over, they had a couple of boats to build. They could carry on. But when there's no newsprint and no news coming in, all you can do is sit in until meeting with management to purchase it. It's not a correct way to fight a battle, it's not right that workers should put up their savings as we have put up a quarter of a million pounds among ourselves; wrong that workers should put up their savings to demand the right to work. This is our situation in Glasgow. We must put up our savings, otherwise there is no job for us because we are in the newspaper industry, which is the sick child of British industry at the moment. We are forced to use this weapon, much against our will, and much against our philosophy. But the reason we are in this cleft stick is that no one has yet had the courage to nationalise this industry, and this is a thing the government must look at very quickly.

We did not come to a sudden realisation of our position. The situation arose out of opposition and expediency. We were forced into a situation and we were in difficulty. We could either walk into difficulties or walk away. We chose to walk right into this one and create our own newspaper. Right from the beginning we were advised not to by one authority after another. But we are the experts in our industry, we are the workers, and we are not persuaded by a group of dusty academics at the open university that we were not viable. We did not accept their advice because we knew our industry, just as you

all know yours. We were certain there was a market so we stuck by our fight and we have been fighting for eight months. . . Eight months' unemployment, but we still have the workforce there ready to take up the paper. We didn't waste one ounce of sweat fighting the Beaverbrook management. We could say plenty about our bad management in the industry, it would be the easiest thing in the world as time and again we can instance bad management at Beaverbrook.

We set up a works council, not to aid profitability but to safeguard our jobs. We didn't want their kind of cooperation; and it really comes to this, if you want security, although it is not right that we should involve ourselves financially, then it must be left in the hands of the workers, to safeguard workers' savings and employment.

We started off as a form of protest against the operations in Scotland, but from there we decided that the only way to go ahead was a cooperative; there was no alternative. The will of all cooperatives at the moment arises from expediency rather than ideology. We must accept this. One of the first problems as an Action Committee was that we sat as Shop Stewards. I've been a Shop Steward all my working life, since I finished my apprenticeship and I've been conditioned in thinking in terms of them and us. We had to think exclusively in terms of setting up a valuable cooperative that could produce a newspaper, and the most important aspect was that it had to be viable. So I, along with my fellow stewards, had to start from scratch and rethink an entirely new philosophy that was alien to almost all we had ever done.

This is what the TUC should be engaged on at the moment; educating their workers for the day when they will take over industry. They must waken up to it. If they believe in workers' control, then they must educate workers to take over. We engaged accountants and lawyers and are now at the stage to appeal to the public for money. Even now there is this indifference by the TU movement to invest in us, and some have indicated that they are happier to invest their money in South African mines than in the creation of 500 jobs and a cooperative vitally needed by the TU movement in Britain. To believe in these things is to support all that a socialist and TU movement stands for. We have had good grass roots support; Shop Stewards in Fleet Street have rallied round tremendously and we have support more or less throughout the TU movement.

The real returns to be gained are those of cooperation and solidarity and a Free Press. To ask for anything else is to be untrue to what we as Socialists stand for.

## *Tony Benn Replies*

I want to take up what Allister Mackie said at the end and say this; one of the most remarkable things about this meeting is that we never hear discussions like this in the Press, on television or radio, and yet you and I know that in every factory in Britain discussions of this kind are in progress on an issue like this. This is a major issue for the whole of British industry both in the public and private sectors, and therefore I think that Allister Mackie's contribution is a significant one, not just because he has been a right to work campaigner, his is a workers' control cooperative, but because of what he said at the end of its relationship to the whole problem, and how we can get this discussion more widely spread.

Now for two and a half years the Labour Party had a working group which published a booklet in the summer called 'The People and the Media'; it is about the development of industrial democracy, and yesterday the Executive agreed to send it to the Royal Commission on the press.

The second point I want to take up comes from what Andy Bevan and others have said; all the real progress in this area arises out of experience of people at work. All the very limited achievements we have been able to encourage have come out of the working situation. Let me give you some examples; Fisher Bendix has been owned by some 6 different firms over the last 14 years. As Jack said, many owners have come to this place and carried some cash with them, but none of it sticks with the people who actually work there. And that by making this IPD cooperative work they are not just engaging in a protest about unemployment to get a new employer, but taking the responsibility with fellow workers for the destiny of the plant. If you take what was said about UCS: it was a right to work campaign that ended with a new employer, and yet out of that came a commitment by the union and labour movement to public ownership, and the discussion now going on about public ownership of shipbuilding, which shows a clear determination that when the British shipbuilding industry is brought into public ownership, it will be democratically controlled; it will not follow the pattern of some of our older nationalised industries.

When I look at BAC and see their solution that arises out of the needs of people who work in that industry — as with shipbuilding so with aircraft — beginning with the determination to get industrial democracy we come to public ownership. Both those industries will be nationalised under the present session of parliament.

Now Denis Johnson from Meriden is not here, at least he didn't speak. But if you look at the British motor cycle industry, first under Sir Bernard Docker then under Lord Shawcross, you see a destruction of productive capacity which we intend to reinstate through some processes which are not yet complete. Now it is important that we should approach public ownership via democracy and not, as far as we can, regard public ownership or nationalisation by itself as meeting these deep felt needs.

Our friends from Cardiff raised the question of the development of the BSC. That has been going on; discussions have taken place, not only with the Corporation but with the various Stewards committees of course, and the local authorities, as well as the Trade Union movement nationally. We are now engaged in examining the outcome of that review. Whatever else may be said about the public sector, one could say that the degree of accountability that we are able to achieve through public ownership is a great deal better than we could achieve with Honeywell for example, when 1,100 people were sacked in Lanarkshire without notice to the trade union or to Government. Undoubtedly the development of industrial democracy within the nationalised industries has to be applied, and in this connection I have invited the workers in the publicly-owned industries that are responsible to the Department of Industry to put up their own plans.

Now I come to the general question of the role of the Trade Union movement itself in developing industrial democracy. With reference to the TUC document debated at the TUC congress this year it is absolutely essential for a labour movement to attain a close working relationship with the Trade Union movement at National level; that is the basis of our manifesto commitment; that is what as Minister I have got to make work in my own department. I accept that the links through the powerful shop floor movement as represented here tonight, links between that movement and the TU movement at national level, really need to be strengthened and developed. I am absolutely certain that what we have talked about tonight contains a message for which there is a huge audience throughout the whole of our country.

What stands out for me at any rate is the contrast between the confidence expressed at a meeting like this and the very widespread defeatism which is encouraged in our society. I might mention the Hudson Institute report predicting that Britain is about to decline and decline. What that is, is a judgement on a system which as a Party and movement we are committed to change. And what comes out of the speeches is that within the Trade Union and Labour movement

up and down the country the confidence to carry out that transformation is here, and if we achieve nothing else tonight we will exchange our experiences and reinforce our belief in that what we think is shared by others. *If I may finish with a tribute to the Institute for Workers' Control, of which I am a member and have come to through my experience: the strange experience of being a Labour Minister makes me see in this organisation something that has a real contribution to make to the debate within the movement as a whole and I would wish you luck in your future work.*

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