BEHIND THE NEWS 2

Adversity and Opportunity: towards Union renewal in Manufacturing, Science and Finance?

by Bob Carter

ONE FACILE RESPONSE to the prospect of unemployment has been the advice to individuals threatened by it to regard the experience as a chance to change direction, not a problem, but a challenge and an opportunity. By this measure there is no shortage of challenge and opportunity in Britain. Similarly, to say that the restructuring of employment relations and, in particular, the decentralisation of bargaining, offers the unions an opportunity to reinvigorate themselves, might be open to the same criticism: it underestimates the nature and scale of the problems faced. Confronted with a plethora of employer initiatives, within a context of high levels of unemployment and government hostility, both membership numbers and union density have fallen. According to one account, in the six years between 1989 and 1995, trade unions lost over 18% of their total membership, leaving them with a fewer members than anytime since 1945 (Cully and Woodland 1996). Moreover, the falls seem set to continue.

While there have been a number of attempts to accommodate themselves to the changed economic and political situation in which they find themselves (Martinez Lucio and Weston 1992) unions have found it difficult to respond positively to the challenges. In particular, changing employment patterns and the de-centralisation of bargaining throw into question the formal organisation of unions, developed in a very different economic and political context, and unions have shown little willingness to respond radically to this challenge. Even unions which have stood against the 'new realism', such as the TGWU, are now arguing for a new social partnership (*Observer* 28/7/96). Nevertheless, there is a credible case to be made for a perspective which argues against siren calls for a more managerial approach and, in effect, a more sophisticated accommodation to the changed circumstances and renewed confidence of capital (as exemplified by Heery 1996). Despite the poor responses of unions so far, there are, in short, opportunities to fashion a more democratic and accountable unionism because of the very failure of traditional models to protect trade union members.

This argument, that there is emerging the possibility of union renewal, is most closely associated with

Fairbrother (1996). His contention is that with the demise of national bargaining in the state sector, and the growth of more overt managerial control at local level, 'union members have taken tentative steps to generate more participative and active forms of unionism' (1996: 111). The locus of this activism is local and contrasts to 'a long history of remote, centralised and hierarchical forms of unionism' (1996: 112). In order for union renewal to be accomplished, there needs to take place a transformation of the relationships between national organisations and workplace activity. More particularly, renewal requires 'a reversing of the flow of the traditional relationships characteristic of most unions, particularly in the state sector, so that the national level resources and facilitates rather than represents and thus controls' (1996:143). Fairbrother's perspectives have grown out of a long-term concern and involvement with state sector unionism dominated by particular traditions of employment relations and conflict resolution. This article aims to add another dimension to this debate by focusing on the reactions of a union, Manufacturing, Science and Finance (MSF), with markedly different bargaining traditions in different sectors, and yet facing similar problems of adjusting to the straitened conditions of the 1990s. In particular, it will examine the opportunities and barriers to the union's restructuring following the union's adoption of an 'organising' model, a model radically different from its traditional practice.[1]

MSF—bigger, not better

The union, Manufacturing, Science and Finance (MSF), was formed in 1988 through the merger of the Association of Scientific, Technical and Managerial Staffs (ASTMS) and the Technical and Supervisory Staff (TASS), with its leaders holding out to the members of the combined union the promise of greater financial resources, an expansion of membership facilities and services, increased recruitment and greater bargaining power. It soon became clear that any such benefits were not to be realised, certainly in the short-term. Membership continued to fall, financial problems to mount and officer numbers diminished. More importantly, morale and the internal life of the organisation were poisoned by the manoeuvring for position between representatives of the two unions (TASS and ASTMS) which comprised the merger.[2]

Superficially, it is possible to draw a straight line from the problems immediately surrounding the merger to today. Within this perspective, little has changed and the same problems remain. Towards the end of 1995, for instance, all the component problems appeared unresolved. On the surface, the dominating problem was financial. With the union struggling with an £8.4 million debt, decisions were taken by the NEC to cut staff. Some estimates were that twenty senior officials and up to 120 administrative staff would be made redundant.[3] The scale of the losses was bad enough: that the implementation of the decision was seen by some to be politically biased against former TASS officials gave an added twist to the unease felt by certain sections of the membership. The barely latent conflicts within the organisation rose up again with the result that newspapers carried headlines such as: 'MSF staff cuts plan brings strike threat (*Guardian* 12/9/95) and 'Union chief accused of purging left wing' (*Observer*

16/9/95). The tensions within MSF between the remnants of its constituent unions showed every possibility of breaking into open warfare.

Despite this period of continuing internal tensions, continued loss of membership, the mounting financial deficit and the definite attempts to pull the union to the right and to align it more firmly to the post Clause IV, New Labour Party, it will be argued here that opportunities are opening for a fundamental transformation of the union, which if grasped will secure not only the future of the union but offer lessons to other wings of the beleaguered labour movement.

The Political Background

There was no doubt that the politics of ASTMS in general and, in particular, those of Roger Lyons, its senior representative, were to the right of TASS, its General Secretary, Ken Gill, and his prospective successor and candidate for the new unified post of General Secretary of MSF, Barbara Switzer. Both Gill and TASS had long been identified with the Communist Party and the left of the trade union movement. This caused some of the organised left, notably the Socialist Workers Party, to argue for a vote for Switzer. Nevertheless, and despite political labels, rather than because of them, a cross-section of the left inside ASTMS maintained that a vote for Lyons would provide the best opportunity for the promotion of a healthy trade unionism based on the development of members' organisation, activity and confidence.

This argument about the direction of votes was not solely based on good faith in Lyons and his ability to re-cast the union, although his commitment to a looser, decentralised organisation was genuine enough. Rather, it stemmed partly from a belief that Switzer would, like Gill before her, be more authoritarian and that, whatever progressive policies were adopted by the union nationally and paraded before the TUC, little work would be done to encourage independence of thought and the development of organisation at workplace level. It was argued that, while Lyons would not necessarily actively promote such policies, his political perspectives were not directly threatened by independent membership activity. in this view, the internal life of the new union would be better served by the election of Lyons and should take precedence over the formal and static political positions of the prospective leaders. Given the nature of the membership of the union, which contains numerous categories of people whose jobs are to a greater or lesser extent supervisory, and many others in areas where collective bargaining traditions are not strong, the reality of capturing the union for the left would be a hollow victory. In fact, neither the left nor the right in the controlling bodies of the union represent much of a constituency. Better therefore a perspective that was formally politically less ambitious but which offered a better chance of a longer-term transformation of the organisation into one based on much more developed membership consciousness and organisation.

The Spoils of Victory

The overwhelming victory of Roger Lyons as the first elected General Secretary of the merged unions was, in itself, however, no guarantee that the organisation would develop in this direction. It was certainly a sign of the ascendancy of the ASTMS wing which

was both larger and had a more extensive activist base. It also provided the opportunity to stabilise the union and begin the process of unifying the organisation. Almost a pre-requisite of unification was the dismantling of the sectarian electoral machines within the union. Supporting Lyons had been *MSF for Labour*, an organisation formed originally with the express intent of re-invigorating many of the processes in the union. But its very name and form were designed to give an organising space within the union protected from former Communist Party members and supporters, mostly full-time officers, organised in *Unity Left*. Whatever the wider intent of *MSF for Labour*, its exclusionary role dominated and it was quickly reduced to an electoral machine within the union, promoting former ASTMS members. Following Lyons' victory, the opportunity to wind it up was not seized; nor did it develop a programme relating to the problems of the union in order to attract members from its parallel and opposing organisation. *Unity Left* officials, used to machine politics, were understandably nervous of what the future held for them under a different regime.

The result of the above failing means that the old divisions still have institutional bases in *MSF for Labour* and *Unity Left* from which to conduct their electoral campaigns. But, despite the claimed importance of this schism in the determination of the selection for 1995 redundancies,[4] there is less evidence of the organisations' overall influence. The groups identified with either side are smaller today. On the National Executive Committee the division could be classified as 34 to 6 in favour of *MSF for Labour*, while representation at Conference is more even between supporters of the two organisations. However, the real significance of organisational affiliations is difficult to measure. *MSF for Labour* is a broad spectrum of people regarding themselves as of the left but from a non-Communist Party background. Similarly, while *Unity Left* did have close links with the Communist Party, it also contains members attracted by its seeming militancy and commitment to a wider working-class politics.

Clearly, as respective electoral machines it makes some sense to keep the organisations in place. However, their lack of a strategic programmes for the union makes political differences marginal and the organisations largely irrelevant to the positive development of the union. In the absence of strategic programmes, there is encouragement for those lacking everything but ambition to see these organisations as mechanisms to gain power. Indeed, so far as divisions are opening up in the union, they seem to be between full-time officers and the NEC, the former increasingly disenchanted with the lack of practical experience and representative weight of the latter. As such the continuance of the opposing political organisations masks other more significant developments in the union.

The ASTMS Way

The victory of Lyons was widely held to be a triumph of, and endorsement for, the ASTMS way of organising. This style may have provided a necessary space for renewed debate about the direction of the union, but it was not in itself sufficient or guarantied. *MSF for Labour*, the dominant organisational force, was an amalgam of people with widely differing perspectives. As a whole, however, it was satisfied to

mirror the organisation control it feared *Unity Left* wanted to achieve. Critical debate was not encouraged. In so far as a coherent perspective could be discerned, it was one which looked nostalgically backwards to ASTMS's more successful era and saw in it indications of future directions. The features of this era which they identified were, in particular, the greater internal democracy and the more effective use of the Labour Party and publicity. However, these features on their own were ill-suited to solve the problems faced by the union. All these processes had earlier been played out against the background of success and confidence produced by a very favourable economic and political conjuncture—they were not direct causes of success. While there was a high degree of formal democracy in ASTMS, for instance, with the circulation of detailed minutes, and conflicting positions within the union, only a small minority of members were ever involved in these processes and there was a sharp disjuncture between workplace groups and involvement in the formal organisation of representation in the union (branch, divisional council, NEC) (Carter 1986). The very structure of the union encouraged the isolation of workplace groups and structured a lack of interest in wider union affairs. It is the case that the NEC was frequently defeated at Conference but most often this was on issues which did not encroach on the day to day practice of the union. Similar internal debates, disagreements and defeats today would take place against a background of a loss of members, financial difficulties and loss of confidence—a background likely to encourage a further spiral of blame and demoralisation rather than reverse it.

Neither was ASTMS's support for the Labour Party a key to its success. It was opportunistic in nature and its effect exaggerated (Richter 1973). ASTMS had the largest number of union sponsored MPs, organised into a Parliamentary Committee, and advertised the fact prominently. ASTMS membership was open to a wide range of professionals, including managers and self employed businessmen and consultants, and potential and actual MPs calculated that, at a time of union influence inside the Party, it did isolated, middle class individuals no harm to pick up an ASTMS sponsorship to display before selection committees. For the union it was good public relations—delegations could be introduced to concerned MPs and Ministers, offering the possibility of Parliamentary solutions to problems that the union or membership felt too weak to prosecute industrially. An earlier study of the relationship between the largely Conservative-voting membership and the union's close identification with the governing Labour Party concluded that it was the members' lack of confidence in their own ability to deal with the power of capital that produced a hope that the government would intervene on their behalf: 'Rather than the action of the Parliamentary Committee being contradictory to the conservatism and passivity of the members it is therefore complementary to it' (Carter 1986: 151). This is not to deny, however, that the union was a source of ideas and had a vision of legislative support for trade unionism (Jenkins and Sherman 1977). But even with a stronger trade union movement and a more receptive Labour Party, the practical outcomes were small. Blair has, of course reduced union influence, distanced the Party

from its former base, and is now proposing the ending of union sponsorship of MPs. There is therefore no way of returning to past practice.

The use by ASTMS of the Labour Party fitted into the wider strategy of publicising the union. Much was made of how modern and progressive ASTMS was in comparison with manual trade unionism and this was as much to do with form—the fact it took out innovative advertising—as it was to do with content, the extension of bargaining issues to, for instance, pensions, and the provision of a wide range of membership services, including travel. In certain key respects, therefore, ASTMS was ahead of its time, but its practice overall was conservative saying much in its propaganda to make it abundantly clear that its model of trade unionism encroached little upon the individualistic aspirations of middle class employees. In many ways the union prefigured the arguments for unionism based on individual membership services—members as customers—which was to emerge more widely in the 1980s. This approach is illustrated by the following:

> The insurance industry recently advertised by using the slogan 'get the strength of the insurance companies around you'. In this modern capitalist world it would be remiss of the white-collar worker not to take that advice in industrial terms and join a trade union (Jenkins and Sherman 1979:11).[5]

The instinct to throw off the influence of TASS and go back to the ASTMS model could be seen in the appointment of a Communications Director and a Press Officer. Under Gill's leadership, the union had only the services of one part-time Press Officer, a reflection perhaps of a belief that leadership was more concerned with internal matters of control than external orientation. More concrete evidence that the union was concerned to return to the idea of members as passive recipients of professional services can be seen in some of its public statements. MSF members, Lyons claimed, 'have not acted out of traditional solidarity, but believe union membership offers them protection and rights at work' (*Financial Times* 18/10/93). This statement was a not altogether inaccurate description of sections of membership. The question which it raises, however, is whether the attitudes are accommodated and consolidated or whether strategies are devised to transform them into active members with a commitment to wider union aims. MSF initially chose the former approach. Signalling this renewed emphasis on supplying services to individual members, MSF adopted the strategy of seeking the quality kite-mark, BS5750. Elaborating on this strategy Lyons stated:

> We shall be highlighting individual representation as a priority for trade unionism. We have developed expertise in individual rights and representation. An increasing number of our members have individual contracts and profit or performance-related pay and they can turn to us for individual advice (cited in Bacon and Storey 1996: 57)

This orientation was enshrined in the proposal MSF 2000, which heavily committed the union to a customer/service nexus. The union would act as a mechanism for providing better pension products and financial services. The orientation was, however,

to be rejected by Conference in 1994. The rejection was not the result of a developed critique of the current practice, nor did it articulate a different model of unionism. Overt criticism of the performance of the union, in general, and of the General Secretary, in particular, from *Unity Left* representatives simply coalesced with general disenchantment. Sections of the membership were easily attracted by the argument that members had not been properly consulted, leaving the union without any semblance of a strategic vision at a time of mounting problems.

Unions have long been able to survive pragmatically and without strategic vision. But to do so, at the very least, they need a certain degree of efficiency in their administration. Perhaps too much internal politicking had distracted the union from putting procedures and systems in place, but, whatever the cause, the union faced administrative inefficiency and lack of integration of services at a time when falling membership and increased demands were placing increasing strain on finances and resources. There were no internal controls, no budgets operating within the union, nobody knew what was spent and why. Officers were not accountable and worked with a fire-fighting mentality, which pulled them around their areas according to immediate membership problems and to the exclusion of any strategic goals. Pay claims were not researched or properly formulated and few officers could interrogate company accounts. In the past the commitment and intelligence of officers had served the union well, but under growing demands from an increasingly fragmented membership, the model of a professional caste of officers servicing a passive membership was inadequate. The model had thus been defeated at Conference and was fraying in practice.

Falling into the Future

It was against this background that the MSF Strategic Plan (1995) was drawn up. Press comment and internal union concern concentrated on redundancies and cost-cutting proposals and it is the case that the document, running to 72 pages, is largely a reaction to the crisis in its finances. There is no larger analysis of the direction of industries in which MSF has members (cf. Jenkins 1964) and no strategic consideration of the various effects that current changes in employment might have on the union and its members. Much of the document can therefore be read within a framework of the development of more central control. The absence of budget centres and cost control is addressed, for instance, and full time officers will in future be subject to appraisal for the first time. There are proposals to change the union structure and representation within it, by reducing the size of annual conference and by making it shorter. There is even a proposal to make conference biennial. Similarly, there are proposals to reduce the size of the NEC, the number of regions and to merge branches. Such proposals from this source would have been unthinkable a few years earlier. The opposition to the form of the merger with TASS from ASTMS activists centred largely on the size of the conference and the demand for direct branch representation: the victory of the ASTMS wing of the new union is carrying forward policies which TASS would have found difficult to secure.

While there might therefore be legitimate democratic worries about

the measures and some of the motives of their proponents, to concentrate on these features alone would be a serious mis-reading of the possibilities inherent in the new strategy. At the heart of the crisis of the union is the inability to recruit and retain members. On the projection of past performance, and with continued redundancies in manufacturing industry and in the finance sector, the union estimated that its numbers would continue to decline by as much as 7.5% per annum. The necessity to re-run check-off re-authorisation in 1997 under TURER could further exacerbate the losses. Having seen its orientation towards a service organisation defeated and faced with immense membership and financial difficulties, the union has advanced a critique of its previous position. As one document argued (incidentally written by someone previously closely identified with the very position criticised):

> …there is a debate within the union about measuring and organising ourselves in line with the techniques applicable to commercial organisations. I certainly subscribe to the view that we can learn much from the techniques of selling and marketing and from recognising the need to give a good service to our members. However for some officers the debate has moved on to another plain. They see the union as a 'servicing' organisation, the members as clients and the 'product' as industrial relations services. This analysis is strengthened by the view that 'collective bargaining' is in decline and that we must adapt to the culture of servicing the individual. In the end this analysis leads us to abandon any substantial collective role and will lead to inevitable further decline (MSF 1995).

In contradistinction to this perspective, MSF has adopted and developed an 'organising' model, recognising that 'no union survives without a strong network of trained and motivated shop stewards'. This shift in perspective requires full-time officers to adopt different priorities by strengthening workplace organisation so that a higher level of case work is dealt with at point of origin, releasing the full-time officer for more strategic goals. The Strategic Plan envisages the strengthening of Regional Offices with staff within them taking more responsibilities for routine enquiries and using information on-line to answer them. Despite the expansion of the Regional offices, full-time officers will have a more industry specific focus returning to some of the emphasis first elaborated by the fore-runner of ASTMS in the 1960s.

Conclusion

Different traditions and expectations co-exist within MSF, varying horizontally across sections and vertically through the hierarchy of union representation and control. It is unlikely that the transition to a different model of unionism will be achieved without some disturbance and opposition. Indeed there are those who are cynical that the transition can be made at all. It is not clear, for instance, how widespread or deep is the commitment to change and to what extent the strategy is a pragmatic response which could be superseded by different policies should there be an upturn in the union's fortunes. There has been no significant debate about the consequences of the perspective at the NEC nor did one take place at the 1996 Annual Conference, making it unclear how the policy will be translated into action.

Some members of the NEC are reportedly more interested in the managerial possibilities opened up by the crisis of the union than competing philosophies of unionism. There is a tendency around those most closely identified with *MSF For Labour* that does not want a debate about the direction of the union, seeing in this the possibility of opening the organisation up to criticism from members of *Unity Left*. Their perspectives therefore become narrowed to business management of the union, dominated by closing offices and curtailing services to save money until income balances expenditure. With knowledge of this current, it is hardly surprising that full-time officers are wary of change, seeing it as the union equivalent of the management fads that periodically sweep the workforces they cover. Even the full-time officers comfortable with the changing emphasis of their roles are concerned about the union's willingness to deliver the resources needed to meet increased demands upon them.

Some aspects of the strategy emphasise self-activity and break sharply from traditions of the past. Some sections of membership were recruited with very different expectations to those the union is now formally committed to meet. These members may find the transition to the new model impossible. ASTMS was much concerned to distance itself from other sections of the trade union movement and to give trade unionism a middle class inflection. Both in its concentration on differentials, often formalised so that its members benefited from the action of lower grades, and in its structure which ensured that its supervisory and managerial members could not be subject to the control of other ASTMS members, the union accommodated employees who performed the function of capital (Carchedi 1977). As an article in its journal stated: 'It is not part of the function of a union representing managers to seek to control their operations as managers. We have always accepted that it is their job to manage. The Union cannot and does not wish to interfere with that managerial function' (*ASTMS Journal* July/August 1981). The conclusion was clear: where all or part of the function of its members was to resist or undermine trade union organisation, including that of ASTMS itself, then that function was respected by the union and not regarded as subject to union control. Members from these functions do not wish to be activists or be subject to collective control and the new orientation will hold little attraction for them.

Central to the success of the current strategy therefore will be the union's ability to embed itself in those growing sections of the membership whose relationship to the labour process is unambiguous. It is helped by the fact that the class and industrial base of the union is changing. In the current climate, recruits tend not to be from those in managerial and supervisory posts but those who are confident that their labour contributes to the creation of use values. Unlike the role of accountants, their labour makes a difference to the product or service provided. It is in the health and finance sectors where the strategy is receiving most support, the very areas where membership is expanding and which, if present trends continue, will in the not too distance future account for over half the membership.[6]

These expanding sections of membership have every reason to

welcome the new direction. If they successfully develop the strategy, resulting in a larger, stronger and more confident membership, they will shift the locus of power within the union. To the rest of the trade union movement they would demonstrate through practice that active and involved unionism is more effective. The choice therefore seems less between 'further sophistication in the development of bureaucratically effective forms of unionism' and a unionism in which 'workplace based structures are likely to become more prominent' (Fairbrother and Waddington (1990: 46), than between the very survival or otherwise of MSF as an independent union. It remains to be seen whether those more central in the formal organisation of MSF—both full-time officials and lay officials—will respond positively and incorporate the developments into new structures or whether, with vested interests in the present arrangements, they move to stifle this attempt at union renewal. If the latter course is taken, it is likely that the empty promises held out to members of the new union when it was formed would have to be recycled to encourage salvation through another merger but this time as a very junior partner.

Notes

1. The term originates from the United States and is particularly associated with the Midwest Center for Labor Research in Chicago. While the term is not as yet current within British trade union circles, its stress on activists and their relationship to members would be familiar to generations of British trade unionists.
2. For anyone interested in the process of the merger and its aftermath, there is an extended account (Carter 1991).
3. In the event 15 full-time officers were made redundant and 104 clerical and administrative staff.
4. There was, in fact, no attempt to document this bias and the claim simply melted away. The fact that the proposed redundancies generated the claim does indicate the strained relations within the union.
5. The organising model is directly counterpoised to this view in one of documents key to the internal debate. The organising model, it states, recognises that 'many workers believe that union officials are the union, not members, and that unions are like an insurance company, where fees are paid and services delivered' (MSF 1995). This is hardly surprising, given the General Secretary of ASTMS thought similarly and encouraged members to join on the same basis.
6. In 1975 the ASTMS comprised some 325,000 members, of which 150,000 were in engineering, 50,000 in insurance, 17,000 in banking, and 20,000 in the NHS. This compares with latest estimates of approximately 300,000 members, of which 65,000 are in health and 75,000 in finance. In addition, there has been a large membership growth in the voluntary sector.

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