

# Britain: Livingstone's legal challenge to Labour government fails

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Following a week-long High Court hearing at the end of July, London Mayor Ken Livingstone's legal challenge to the Labour government's part-privatisation of the London Underground (LU) rail system, the Tube, ended in failure.

Livingstone had sought a judicial review on the grounds that Labour's plans for a Public Private Partnership (PPP) would prevent him from fulfilling his statutory obligation to run the transport system in a "safe and efficient" manner. He based his case on the Greater London Authority Act 1999, which transferred control of LU from central government to the Mayor.

Mr Justice Simmons acknowledged that the government had been less than frank about who would determine the future of LU during the passage of the legislation. But he stated, "Whatever Londoners' expectations may have been, the statutory code transfers full local democratic control to their mayor but only after the government has been able to introduce its version of PPP."

Livingstone announced that he would not appeal against the ruling, turning instead to yet another legal challenge. He mounted a more limited and successful effort to secure the publication of a report by accountants Deloitte & Touche into the economic efficiency of PPP. The report was initially blocked by a legal injunction obtained by London Underground.

To all intents and purposes, however, Livingstone's campaign against PPP is dead in the water and this should not go without comment. After all, he was elected as London Mayor last May, based upon a large protest vote against the government's plans for LU. Moreover, Livingstone won the endorsement of all of Britain's middle class radical groups, who presented him as a left alternative to the Blair Labour government.

Livingstone's identification as a major opponent of Blair is reminiscent of the famous scene from Charlie Chaplin's *Modern Times*. Chaplin's Little Tramp persona picks up a red flag that has fallen from the back of a lorry and chases after the vehicle to return it. Unbeknown to him a demonstration against unemployment has rounded the corner and he is at its head when the police attack it. The police misinterpret the hazard sign flag as a symbol of the Little Tramp's political affiliation and he is forced to serve a prison sentence as one of the ringleaders of the protest.

Livingstone's breech with Labour was similarly neither of his own design, nor intention. He fully supported PPP in the Labour Party's election manifesto for 1997 and was viewed as the favourite to stand for Mayor as the party's official candidate. However, as the date for the Mayoral elections drew nearer, his

differences over precisely how the private sector should play a role in financing the capital's underground rail system began to take on an unexpected significance.

One reason was the rising number of fatal disasters on the privatised national rail system that had increased public opposition to extending this to the Underground. The government's attempt to deflect criticism on the grounds that the running of the trains would remain within the public sector became futile. Their plan still involved divorcing the running of the trains from the maintenance of the track and placing the latter under the control of the private sector. The placing of profit before safety by the private companies in charge of the national railway's infrastructure was the main factor in the rise of rail accidents.

Most importantly, this took place against a backdrop of growing disaffection with the Labour government. The pro-business policies being implemented by Blair saw Labour losing control of major urban areas once considered as the party's heartlands.

Under these circumstances, the Labour leadership reacted with panic to any dissent within the party and Livingstone became their most high-profile victim. In order to prevent him from winning the nomination as official party candidate for Mayor, the Electoral College vote was rigged. In near hysterical terms, Blair justified the measures taken by the Labour leadership on the ground that they were warranted in order to prevent a return of the "loony-left."

These bureaucratic measures backfired, succeeding only in consolidating Livingstone popular support. In the Mayoral elections Livingstone, standing as an independent, won comfortably, while the official Labour candidate, Frank Dobson, trailed in third behind the Conservative Party.

Many workers voted for Livingstone in order to register their opposition to Labour, but Livingstone is organically incapable of opposing Blair's government from the standpoint of the independent interests of the working class. Politically, he was a known quantity. He owed his somewhat flimsy reputation as a left to his time as head of the Greater London Council (GLC), which was abolished by the Tory government in 1986. The Thatcher government was committed to reducing the public spending of the metropolitan councils that were under Labour control. Livingstone was demonised as "Red Ken", even though he limited his policies to the most tepid of social reforms such as cheap fares. Once the ability to finance these policies through local tax raising powers was removed by central government, Livingstone's

opposition melted away. From then on he pursued his career as a Labour MP supporting the right wing leadership of John Smith. He has described himself as the founder of “Blairism” and even his alternative plans for the Underground has been conditional upon injecting finance from big business.

The critical issue for any organisation seeking to provide an orientation for working people was to explain that the opposition to the Blair government could not be entrusted to Livingstone and that Labour’s rightward turn could not be countered by hankering after the old reformist policies of the Labour Party. The middle class radical groups did the opposite. They hailed Livingstone as the initial representative of a break by a section of the labour and trade union bureaucracy from Blair’s party. This, they insisted would provide the basis for the construction of a new reformist party which must be seen as the inevitable next stage in the class struggle.

The growing disenchantment amongst many workers to the government had forced the radicals to distance themselves from Blair’s party. But they were still offering themselves as political errand boys for whatever section of the labour bureaucracy would take up reformist demands in order to pre-empt any independent political development of the working class towards Marxism.

Support for Livingstone amongst these layers became an article of faith. He was proclaimed to be the only realistic alternative to Blair. To argue otherwise was deemed to be politically certifiable. Summing up the underlying conception of all these groups was the statement by the Socialist Workers Party: “The political argument in London is no longer Labour or Tories, but New Labour or Livingstone. And Livingstone is associated with the left despite his own disclaimers. The worst mistake for any socialist would be to stand back from this ferment on the grounds that Livingstone is afraid to put all-out socialist arguments.”

The middle class radicals formed a joint slate—the London Socialist Alliance (LSA)—to contest seats for the GLA. The initial proposals to stand a candidate for Mayor were withdrawn hastily in order to throw their weight behind Livingstone. They sought election on the back of Livingstone’s popularity and to establish a base within this newly created arm of local government, promoting the illusion that it could be used as a vehicle for, albeit limited, social reforms. As the Socialist Organiser proclaimed, “A new Livingstone administration in London, under the new mayoral structure, which does not even have one-tenth of the same sort of thing as the 1980s GLC did, would brighten up politics more than a Dobson regime representing the curious Blairite combination of censorious nanny, the manipulative management consultant, and nervous and humble clerk of the bourgeoisie.”

“Anyone with the sufficient interest and experience to remember the triumphs of the GLC in any detail also knows about the reneging... But reneging is common stock in Labour politics these days. What rallies support to Livingstone and his GLC heritage is the flashes of the difference.”

For his part Livingstone was not disposed to welcome the embrace of the radical groups. He refused to work with them in the election and, since gaining office last May, he has done his utmost to reassure the government that his fondest wish is to be readmitted to the party.

His continued attempts to frustrate the implementation of Labour’s proposals for the LU have never involved efforts to mobilise the working class, but to win the support of those sections of big business who are concerned that PPP in its present form is not viable.

Livingstone’s first major decision as Mayor was to appoint Bob Kiley as his new Commissioner for Transport for the capital. Kiley, a former CIA man, had overseen the implementation of a bond scheme to finance New York’s subway system. His appointment has had the desired effect. According to one survey last year, support for Livingstone amongst businessmen increased from 39 percent in April last year to 63 percent in September.

Writing in his regular column in the *Independent*, Livingstone stated, “Far from bringing the entrepreneurial skills of the private sector to bear on the public sector, the London Underground PPP is an obstacle to the best management available doing their job effectively.

“Bob Kiley proposes that the PPP be abandoned and that the tube be transferred to Transport for London without delay. He would then immediately set about delivering investment, with maximum private sector participation to put right years of neglect.”

The fact that the Mayor was winning support from big business caused the government to seek negotiation with Livingstone and his new transport chief. Since the end of last year and until recently, there were repeated efforts to secure a negotiated settlement of the dispute. At one stage Kiley was even put in charge of London Transport—the body through which central government exerts control over the tube—in order to try and renegotiate the terms of the contracts with the private sector. Livingstone even agreed to postpone his court case against the government in order to campaign for Labour during the General Elections this May, although he remains expelled from the party.

So far Livingstone’s attempt to find a compromise with Labour has failed. In the process, however, the bankruptcy of the perspective of the middle class radicals has been successfully demonstrated. Their flirtation with Livingstone confirms that the working class cannot defend its interests outside of the formation of its own independent political movement—one that is free from any illusions in the possibility of a progressive development emerging from within the ranks of the labour and trade union bureaucracy.



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