

Scotland: Jimmy Reid Foundation advocates suppression of the class struggle

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24 December 2013

In October, Unite the Union came to an agreement with refinery giant INEOS to keep the company's large petrochemical plant in Grangemouth, Scotland, open. The deal sacrificed 1,350 permanent workers' final salary pension scheme and imposed a pay freeze and loss of conditions, in return for a new gas import terminal. It sharply exposed Unite as an instrument of corporate management.

The Grangemouth agreement marked the beginning of a rout. Workers who voted by huge margins for strikes in schools, universities and colleges, the Royal Mail, the fire service and probation services, local authorities and many other workplaces across the UK saw every strike called off, or reduced to token events.

Seizing the moment, the Conservative/Liberal Democrat coalition's December "Autumn Statement" initiated a ferocious escalation of the assault on state pensions and welfare benefits. BAE management shed thousands of shipyard workers jobs in Portsmouth and Glasgow. Earlier this month, INEOS announced that a further 35-200 jobs would go at Grangemouth.

The response of the ex-left tendencies has been to obscure the roots of the unions' debacle while shifting sharply to the right.

A particularly open expression of this is a recent publication from the Jimmy Reid Foundation (JRF). Entitled "Working Together—a vision for industrial democracy in the 21st century", the report's authors include John Duffy, Strathclyde secretary of the Fire Brigade Union, and Gregor Gall, an academic and supporter of the Scottish Socialist Party. Research for the report was provided by Ben Wray of the International Socialist Group, a splinter from the Socialist Workers Party. Another co-author was Jim Mather, former enterprise, energy and tourism secretary for the Scottish government and a former Scottish

National Party (SNP) treasurer. All are supporters of a yes vote in the upcoming referendum on Scottish independence.

Speaking prior to the report's release, JRF director Robin McAlpine presented Grangemouth as a national humiliation. Writing in the *Daily Record*, McAlpine complained, referring to INEOS director Jim Ratcliffe, "Grangemouth workers, their union and the country have been humiliated and treated with contempt. By one man."

Ratcliffe is an obscenely rich individual, but the organisation of INEOS ownership, whether wholly owned by one individual or scattered amongst a clutch of corporate shareholders, is not the central issue.

INEOS was able to threaten to close the Grangemouth petrochemical plant because its international distribution operation in the global energy market gave the company resources to play workers in one country off against workers in another. In addition, the company was aided by the British authorities, which ensured fuel stocks were high. The government wanted to avoid a repeat of 2008, when INEOS was forced to retreat from an attack on pensions. In 2008, when Grangemouth workers struck to defend their pension rights, low fuel stocks and a threat to the North Sea oil supply threatened a national emergency.

Above all, the most crucial assistance came from the trade unions. INEOS relied on assurances from Unite that North Sea oil would continue to flow, along with the union's repeated delaying tactics, to undermine industrial action. When workers finally struck in defence of the site convenor Stephen Deans, INEOS was bolstered by the certain knowledge that, notwithstanding a loose word or two, Unite and the entire trade union apparatus in Britain would do nothing.

McAlpine's grumbling over Ratcliffe's personal wealth influence is just for show. The ex-lefts have no intention of limiting the Switzerland-based billionaire's personal wealth, any more than they seek to encroach on corporate profit and the layer of the super-rich whom they want to support Scottish independence.

The JRF's primary concern is to avoid future similar conflicts in Scotland by organising the deeper integration of the trade unions into corporate management. The JRF and the ex-lefts orbiting it also have an eye on winning support from broader sections of the union bureaucracy for Scottish independence, by offering the trade unions greater access to the top tables of corporate power.

The report's introduction takes the same tone as McAlpine: "We cannot allow the national failures in industrial relations that we have recently seen in Grangemouth repeated," it states. The "failure" is not that the strike was cruelly betrayed and that its collapse opened a further round of austerity measures. For the reports' authors, the failure was that the strike happened at all and threatened a lucrative national asset.

The report airily outlines "a vision of an economy with employees working with employers on the boards of companies, all sharing the aim of improving the business for all."

All workplaces should be legally obliged to offer collective bargaining rights to a union, regardless of the level of union membership, it insists. Workplaces with more than 35 workers would have to arrange a cooperation committee and allow an "employee delegated by the recognised trade union" to sit on the company board.

The model scenario is the situation in Denmark, where, according to the report, "they have got industrial democracy right."

Trade unions, we are advised, are "good for business, when they are integrated into the industrial relations process."

The report outlines an arrangement of works councils, cooperation committees and board-level representation, which will allow "mutuality and consensus to flourish."

What this means in practice can be gauged from the recent experience of Danish teachers. Earlier this year, in a dispute that the report sees fit to ignore, 70,000 teachers were locked out for a month to enforce longer

hours, contract flexibility and an end to part-time teaching by teachers over 60 years of age. The Danish unions isolated the teachers, prevented any support actions by other sections of workers and limited their efforts to "flashmob" stunts.

Germany, too, is cited. One remarkable example actually included in the report was the experience in Deutsche-Bahn, where, according to Christoph Danzer-Vanotti, who sits on the state-owned rail operator's supervisory board, *150,000 jobs were lost* with the agreement of the employee board members. Yet, the report muses, "Germany is one of the most dynamic and productive economies in the world and is looked upon as virtuous by many Scottish industry leaders: why not in industrial democracy too?"

Other favoured models include the Nordic "flexicurity" framework, within which workers can be easily hired and fired, while industries are restructured in line with global competition, but the retention of some level of social welfare means they can be quickly redeployed to new positions.

All three models rest on the legal recognition of the central role of the trade unions as instruments to suppress workers' struggle and sharply expand profit.

For the ex-lefts, official elevation of the unions into corporate management holds the prospect of a sprinkling of new, well-paid positions as advisers, bureaucrats, columnists and even government ministers, based on extracting a share of the deepening exploitation of the working class for the upper middle class layer they represent.



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