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Britain

Trade union struggles and disaster capitalism in Tory Britain

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British Prime Minister Boris Johnson resigned at the beginning of July in the wake of the "Partygate" scandal concerning his multiple breaches of the health constraints decided by his own government, as well as other breaches.

If Johnson seems an embarrassment today, he will nevertheless have fully fulfilled his mission by embodying the national-racist and – very ironically – "anti-establishment" posture, which the most right-wing version of Brexit made necessary, in particular to avoid an electoral haemorrhage in favour of the more officially far-right current represented by Nigel Farage (until the parliamentary elections of 2019). But the big question now is who could succeed him.

The "party" that hid a capitalist binge

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The French national commentariat has seemed to willingly take on a fit of the vapours faced with this delectable moment of "scandals" and political intrigues against a backdrop of adventures in the palace. In this, the subject "Boris Johnson" induces several opportune optical effects. First, the Partygate affair is apparently more serious than the years of austerity that have decimated entire sectors of British society with the spread of the syndrome of "death by despair", life expectancy ceasing to rise and declining in some regions, and in-work poverty and inequality reaching unprecedented proportions; "Partygate" somehow deserves more indignant attention than the shameless clientelism concerning the distribution of the gigantic contracts in the name of the government's anti-Covid strategy. And now, this atmosphere of drama at court would almost make us forget the main and immediate problem: how to pursue the same policy of extreme "normal" social brutalization, in the service of a ruling class that, like in France, has been able to massively benefit from two years of health crisis?

For the Conservatives, in power for twelve years, the question of how to pursue this same policy has a particular urgency now that there is a genuine class opposition with a revival of trade union struggles not only of exceptional magnitude, but also supported by a majority of public opinion.

An unbearable situation

A set of trade union initiatives converged during the month of June which was punctuated (on the 18th) by the national demonstration organized by the Trade Union Congress (TUC). The main demands concerned, among others, increased wages, the end of zero-hour contracts and employers' practices of "fire and rehire" (dismissals followed by rehires in degraded conditions), a tax on the profits of energy companies, the increase of social minima (grouped in a system of "universal credit"), the fight against racism at work, and the strengthening of the rights of trade union organisations.

While none of these priorities is new, all have taken on an unprecedented urgency at the end of the past two years: for many companies, the state of emergency induced by the health crisis has allowed a general intensification of the offensive against employment, wages, those pay and trade union rights which still exist, while opening a rapid path to state aid, with so many direct and massive subsidies to employers (direct aid or "Covid contracts" in hundreds of

Trade union struggles and disaster capitalism in Tory Britain

millions to companies close to the Tories, or to companies opportunely created just two months before). In other words, in the UK, the Covid conjuncture typically illustrated the logic of "disaster capitalism" so well described a few years ago by Naomi Klein.

However, an additional decisive factor has come to play a key role in the current situation: against a backdrop of wage contraction since 2008 (a situation unprecedented for two centuries according to some analyses), the rise in retail prices reached 11.7% in July. Energy costs have exploded with a 54% increase in the cap set by the regulator Ofgem in April (with a further increase being prepared for this autumn). Such levels of inflation have not been seen since 1982. According to the Office for National Statistics, between late June and early July, 49% of people said they had cut back on food.

An avalanche of mobilizations

Under these conditions, the trade union struggles that were already underway in a wide variety of sectors over the past two years have gained new strength and visibility on the eve of summer. A few illustrations should give you an idea.

British Airways, for example, announced in April 2020 the elimination of 12,000 jobs (including 6,000 "voluntary" departures) and wage cuts for the remaining 30,000 staff – without delay, thus ending the wage subsidy programme to safeguard employment. At the end of June, 95% of Heathrow Airport check-in staff in the GMB and Unite unions voted to strike if BA did not restore the 10% wage cut made during the pandemic. To avoid the strike, BA finally agreed to make a proposal deemed "amply improved."

The Communication Workers Union (CWU) called on employees of the British Telecom group (privatized in 1984) and its subsidiaries Openreach and EE to vote on strike action. The CWU thus responded to the offer of an increase (not negotiated) of £1500 (1,770 euros) for 58,000 employees of the company, i.e., between + 3 and + 8% in a context of inflation of more than 11%. The pay cut came as BT announced more than £1.3 billion in profits (for the fiscal year ended March 31) and £700 million had been distributed to the company's shareholders. BT boss Philip Jansen's annual income has risen by 32% to £3.5 (£4.1 million).

On 30 June, after a vote in which 74.8% of the 30,000 CWU members of BT's Openreach subsidiary participated, strike action was approved by 95.8% of the vote. Among BT's 9,000 CWU members, the vote in favour was 91.5% with a turnout of 58.2%. The CWU union members of EE (a mobile network operator and internet service provider) also voted to strike by 95%, a result that was however invalidated, the participation rate having been only 49.7% when the last anti-union laws of 2016 imposed a minimum participation of 50%. If no negotiations can satisfy the workers' demands, then the strike will be the first for the BT Group since 1987.

At Royal Mail, the 2,400 unionized executives at Unite voted to strike by 86% (and 89% in Northern Ireland). The company (privatized between 2013 and 2015) intends to cut 700 jobs (after the 1,200 jobs destroyed in 2021) and impose wage cuts of up to £7,000 per year. The same company distributed £400 million to its shareholders in 2021 and announced profits of £311 million. And Simon Thompson, the boss of Royal Mail, took £753,000 from this. On 19 May 2022, the Royal Mail Group announced a profit of £758 million for the 2021-22 fiscal year (up almost £60 million from the previous year). A work to rule was planned for 15-19 July, followed by a strike from 20 -22 July.

Against a proposal for a 3% wage "increase" for 2022-23, the 115,000 employees of the Post Office can vote for the strike advocated by the CWU, from June 28 to July 19. The 450,000 teachers who are members of the NUE and the other 280,000 members of the NASUWT are expected to vote in the autumn (after much procrastination) to challenge

Trade union struggles and disaster capitalism in Tory Britain

an identical proposal as the profession has seen its salary levels fall by 20% since 2010 and two out of three teachers are now considering abandoning it. And the situation remains broadly the same if we turn to the union of government administration employees (PCS), again, promised both an accelerated drop in wages compared to inflation with a derisory "catch-up" set at 2% and a cut of 91,000 jobs announced by Johnson in May. The PCS has announced a vote on strike action in September.

But it is perhaps enough to start from here: a recent study commissioned by Unite showed that the profit margins of the main British companies listed on the FTSE 350 index of the London Stock Exchange were 73% higher than their pre-health crisis level. Should we look further?

Mobilization in transport

In this context, the small union of rail and maritime transport workers (RMT) and its national secretary, Mick Lynch, have come to occupy a decisive place in galvanizing a large part of the trade union movement. The situation in the sector is certainly comparable to the above examples: on the pretext of the cyclical decline in train use, Network Rail, the railway infrastructure management company, plans to cut 2,500 maintenance jobs in order to reduce expenditure by £100 million. The government is targeting a saving of £2 billion in the rail sector with the likely loss of 10,000 jobs. But while rail workers are promised wage freezes and job losses, railway companies make more than £500 million in profits a year and Network Rail's top 73 executives share a combined total of £15 million a year. With a turnout of 71%, RMT members voted to strike by 89%.

The RMT action met with a significant echo for several reasons: the simple fact that the RMT was already on strike on 21, 23 and 25 June when the other organizations were still in the consultation phase; because the impact of strikes in the railway sector (affecting the activity of no less than thirteen operators) is more immediately visible and felt; but even more perhaps, following the interventions of the leader of the RMT, Mick Lynch, faced with an openly hostile media. For many observers, it was the efficacy and quiet frankness of Lynch's remarks and his unambiguous class struggle position that contributed, in the space of a few days, to changing the perception of a strike soon considered as "justified" by 58% of a public that was initially unfavourable to it8. Meanwhile the train drivers' union, ASLEF, also voted for strike action in July.

Obstacles to overcome

Enormous obstacles remain against organized workers' action and against all the forms of solidarity indispensable to it. The first is the ruthless mechanism of legislative tightening in place since the 1980s and further strengthened up until 2016. As can be seen from the above, the slightest strike project must, among other things, go through long postal voting procedures which, in order to be valid, must now obtain the participation of more than 50% of the members of the organizations. Since the 2016 law, in many sectors (including health, education or transport), the strike must be supported by at least 40% of all members of the organizations concerned. If the same provisions were to apply to elected members of Parliament, how many would be able to sit? Also, there is the customary hostility of a political commentariat aligned with this, fundamentally convinced of the "chaos" promised by any expression of trades unionism that would not be limited to begging. There are also the limitations set by much of the British trade union tradition itself and its reformist loyalism.

Finally, there is another quite considerable obstacle, namely the Labour Party itself, now in the hands of a leadership whose reactionary bigotry is nothing less than a tragedy. Not content with having purged everything that could resemble the left in Labour, party leader Keir Starmer forbade members of his shadow cabinet from joining strikers

Trade union struggles and disaster capitalism in Tory Britain

on the picket lines, while completely ignoring the ongoing struggles in his speech on 11 July, intended to set out his vision of a "new beginning" for the country. Elsewhere, his shadow foreign secretary vigorously declared his "categorical" refusal to support the demands of the British Airways employees. In March, the city of Coventry's Labour council called in temporary workers to try to break the strike of seventy bin workers fighting for better wages (a few days ago the strike ended with a !2.9% pay rise for the workers). Starmer could end up as discredited as Johnson. A kind of achievement, it could be said.

Clearly, current and future strike movements can only rely on their own strength. In a context of such deep social and political crisis, they remain – beyond the immediate and indispensable improvements – the first condition for the emergence of any new possibility that still has to take shape and is worthy of being hoped for.

Translated by International Viewpoint from <u>l'Anticapitaliste la revue</u>.

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