New Labour and Trade Unions - Collaborators in Neo-Liberalism Together?

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Abstract

This paper will examine the extent of trade union responses to the so-called current UK pension crisis via the use of empirical research. It argues that the jubilation felt by the left and by the trade union movement caused by the election of New Labour in 1997 was premature. As we shall see, the subsequent failure of trade unions to extract progressive welfare and pro-union reform in order to reverse what union leaders saw as the worst excesses of Thatcherism was a blow to their stated aspirations. New Labour’s refusal to act to repeal anti-trade union legislation that was so reviled by trade unionists has curtailed trade unions’ ability to engage in industrial action, and has increased and strengthened avenues open to employers to obstruct a union’s legitimate efforts to organise, and when necessary, engage in industrial action. As such the asymmetry of power within the employment relationship has increased further under the watch of New Labour.

Indeed, New Labour introduced a number reforms based not on the model of state capitalism, which union supporters would prefer, but rather based on the doctrine of neoliberalism. Worse still, and as we shall see, the trade unions, in their refusal to demure support from New Labour have, in fact, tacitly added the support of the majority of the trade union movement to the neoliberal project making government and unions unlikely collaborators in neoliberal reform. The aim of the empirical work was to understand how, and why, the union movement found itself as a collaborator in the neoliberal project. As such, reflections on what can be learned from this, and what implications this has for the future of the trade union movement in Britain will be presented in this paper.

The presentation of the data from the interviews provides a lively and much needed discussion of the state of British industrial relations and why the pension entitlements of labour have been allowed to significantly worsen. Initially pensions may seem to be a peripheral concern for the study of industrial relations. This paper will argue that they are important, not just because they function as a deferred wage, but because the erosion of pension entitlement is a fundamental renegotiation of the Labour Process ‘by the back door’.

Biography

Jo moved to Leicester from Lancaster University Management School in September 2009, and is enjoying the considerably drier climate of the East Midlands.