

By John Yates

L O N D O N

ON AUGUST 2, KEN LIVINGSTONE stepped down as leader of the Greater London Council (GLC). Along with three other Labour councillors he resigned his seat in London's Paddington ward to fight a by-election on the government's proposals to abolish the GLC—London's democratically elected, city-wide government.

According to Livingstone, Labour has already won all the technical and factual arguments for retaining the GLC as the city's governing body. "The only argument the government now falls back on is that they have a mandate to abolish the GLC," Livingstone says.

That claim stems from the 1983 general election when the Tories' manifesto proclaimed, "The Metropolitan Counties and the Greater London Council have been shown to be a wasteful and unnecessary tier of government. We shall abolish them...."

Livingstone ridicules the mandate claim. "I don't believe that people voted in the last general election on the issue of the GLC. They voted on the economy, defense and what they thought about the party leaders," he says.

The by-elections, to be held September 20, will give Londoners a chance to say what they think of the Tory proposals. Livingstone predicts Labour victories will destroy the government's claim to a mandate.

A wider plan.

But the Tories' plan to abolish the GLC is more than just a manifesto commitment. It is part of a much wider strategy designed to centralize political control over local government expenditure. Also in line for abolition are the six Metropolitan counties created by the Conservatives under Ted Heath in 1972. Among these metropolitan counties are Merseyside, West Midlands, West Yorkshire and Greater Manchester, all won from the Tories in the last local elections in 1981, and at the heart of Labour's electoral support.

Along with abolition, the Thatcher administration has rushed through new legislation—the Rates Act of 1984—giving the Secretary of State for the Environment, Patrick Jenkin, the power to impose ceilings on local authority expenditure. This measure, known as "rate-capping," effectively puts an end to several centuries of freedom for local councils to determine their own expenditure and tax levels—a right won in 1601.

John Cunningham, Labour's shadow Environment spokesman, described the Rates Bill in its second reading as "a giant stride—the most serious and sinister yet—along the pathway to central control of all aspects of life in this country." Already Patrick Jenkin has named a hit list of 18 authorities due to be rate-capped in 1985. Sixteen of them are Labour controlled.

This Tory policy has forced many Labour authorities to implement drastic cuts in education and social services. But others, such as Liverpool, Sheffield and London, have refused to be intimidated. Many have successfully mobilized public support behind their campaigns to maintain services.

By focusing on the issues of "democracy" and "local choice," Labour councils have begun to win a reversal of public attitudes toward local government. In London an opinion poll commissioned by the GLC showed that two-thirds of Londoners were in favor of keeping the GLC. More recently in Sheffield the same polling agency found more than 55 percent opposed to rate capping.

For many on the left the fight against Thatcher has been coordinated not by the parliamentary Labour Party, hopelessly enfeebled by Thatcher's huge majority, but by local Labour authorities up and down the country. Ken Livingstone and the GLC are often at the leading edge of that resistance.

One of a new generation of Labour politicians, Livingstone came to power in

1981 when the Labour Party was undergoing a constitutional crisis. He identified with the Campaign for Labour Party Democracy to establish mandatory re-election for Members of Parliament (MPs) and a new electoral college for electing the leader.

In London he worked hard to ensure that if Labour won the GLC in 1981 a majority of its members would be on the party's left. Labour won 50 seats in the 1981 elections. Livingstone won the key marginal seat of Paddington. But he was not yet the leader of the GLC. The Labour Party had gone into the elections under the center right leadership of Andrew McIntosh. The day after the polls the victorious Labour group was due to meet at County Hall to elect its leader. McIntosh, unaware of behind-the-scenes moves to oust him, thought it would be a formality. In his pocket he had a letter of congratulations from Michael Foot. McIntosh gave a press conference: "I am going to win. The results of the election show that the people of London wanted Labour to win, but they also show they wanted a Labour Party of responsible and sensible people."

But Livingstone preempted the election meeting. He called together a group of the new left and center councillors: "We needed two hours for all the new incoming left people to sit down and argue what we were going to do." At the leadership elections the left swept the board.

Livingstone quickly showed himself to be a political maverick. He used the GLC as a platform to publicize radical left issues, including a call for a dialog with Sinn Fein, the political wing of the IRA, which earned him the sobriquet "the most odious man in Britain" from the *Sun* newspaper. Livingstone's love-hate relationship with the media caused many within the London Labour group to question his suitability for leadership. The press was presenting him as the real face of the Labour Party. His comments on Ireland undoubtedly cost Labour votes. But Livingstone wants to change society, and he believes that means raising the temperature of the debate and changing attitudes. As one commentator put it: "Livingstone may have the style of a populist, but he is at heart a radical evangelist who believes he can convert people to his way of thinking."

But raising the temperature of the debate offended many within the Labour group. Livingstone's high profile was obscuring a number of the party's major policies. It also offended the new group's emphasis on collectivity. By autumn 1981, Livingstone's leadership looked decidedly shaky.

The media attack on Livingstone was not the new administration's only worry. Another came in the shape of Michael Heseltine, then Secretary of State for the Environment.

The Conservative government had promised in its 1979 manifesto that "any future government which sets out honestly to reduce inflation and taxation will have to make substantial economies, and there should be no doubt of our intention to do so." As the Tories had promised to protect the National Health Service and the Social Security System, the bulk of the economies fell on housing, education and the social services, which were largely provided by local government.

When the Tories first came to power in 1979, local authorities planned to spend about 14 billion pounds—nearly a quarter of all United Kingdom public spending. The government funded 61 percent of this through grants. The remaining 39 percent was financed through locally levied "rates," a form of tax on domestic and business property ownership.

Constitutionally, the central government can reduce the amount of grants it pays to local authorities. Thus, if councils wish to maintain or expand their services the additional money has to come through raising the local rates—never a popular measure.

Two things prevented Heseltine from doing this. First, it would have been easy for Labour councils to blame the Tories for the increase in the rates. This would have seriously embarrassed Margaret Thatcher, who in 1974 and 1979 had pro-

mised to do away with the rates altogether. But second, cabinet ministers, notably Mark Carlisle at Education, felt that a generalized cut in expenditure would seriously weaken a number of local authorities to the point where they could no longer offer adequate service to their constituents.

So Heseltine devised a scheme to punish the "high spending" authorities, all of whom just happened to be Labour controlled. The Local Government Land and Planning Act 1980 was the first in a series of measures designed to tighten central control over local government expenditure. As John Carvel, local government editor for the *Guardian* said at the time, "It marks a radical shift by central government from concern with total levels of local spending toward detailed intervention in the affairs of local government." During the next four years the Act went through several toughening stages, culminating in this year's Rates Act.

Heseltine's proposals threatened almost every plank of the GLC's manifesto program. Most important, it jeopardized Labour's commitment to reduce fares on London Transport buses and Tubes by 25 percent and freeze them at that level.

Livingstone's response was unequivocal. "There is no way in which Labour can balance the books under the proposed system without either making impossible cuts or huge domestic rate increases. Labour councils must refuse to vote for cuts in services or rent and fare increases. But they must also refuse to vote for a rate increase under the Tories' new system."

Livingstone, writing in the *Labour Herald*, advocated an illegal budget. Such a measure opened councillors to the threat of surcharge and immediate disqualification from office. Few believed Livingstone could get support for such drastic action. But Livingstone's Fares Fair policy, as it became known, was under attack from another direction. Conservatives from the London Borough of Bromley had brought an action against the GLC's subsidized transport scheme in the Divisional Courts. Though they lost this action, they were advised that they would win an appeal. In November 1981, Lord Denning, the Master of the Rolls, and Lord Chief Justice Oliver declared the GLC's Fares Fair policy illegal.

According to Oliver, Section 7(3) of the Transport London Act 1969 committed the GLC to balance its books "as far as is practicable." The Fares Fair policy clearly breached this rule.

For a moment the Labour group fused together in a united condemnation of the Lords' decision. The Transport chairman, Dave Wetzel, called the Law Lords "Vandals in Ermine." They had, he said, done more damage to public and private transport than any vandal does when he smashes a light on a bus or snaps an aerial on a car. The Labour unity was short lived. On the right, councillors who feared personal surcharge urged Livingstone to jettison the transport policy, even if it meant a 200 percent increase in fares. On the left another argument was advanced. As the Labour group had been forced to implement Tory policies surely it would be better to resign *en masse* and go into majority opposition, leaving the Tory group to do their own dirty work.

Livingstone himself had advocated such a policy in fighting Heseltine. But now he changed tactics. He argued the Labour group should refuse to put up the fares, thus breaking the law and forcing the government to intervene.

He knew the policy could not succeed in the long term. The GLC's rate demand would have been declared illegal and the council would have quickly become bankrupt. GLC officers informed the leadership that doubling the fares, on the understanding that further increases of 50 percent to 100 percent would be needed later, would bring the GLC back into legality.

Livingstone allowed the group an open vote, but recommended councillors to vote against the proposed increases. At a packed council meeting the Tories went on the attack, hoping to show how bitterly divided the Labour ranks were. The Tories proposed an increase of 60 percent. They were then warned that such an increase would not bring the GLC back into legality, and that Tory members would face a surcharge of 125 million pounds. Eventually the Tories were forced to join with the Labour right in supporting 100 percent fares increases.

Tory disarray hid the extent of Livingstone's defeat. He was able to blame the Tories and Labour's right wing for destroying party policy, while keeping his left credentials intact. Under pressure he moved toward a compromise with political reality.

To the left, Livingstone had sold out. Livingstone disagrees: "Being defeated is not a betrayal. Carrying on fighting and using the County Hall to carry on that fight is what the Labour movement expects its representatives to do. What they can't ever forgive is when they give up without a fight."

PERSPECTIVES

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Chants Democratic. New York City and the Rise of the American Working Class, 1788-1850

Oxford University Press, 448 pp., \$35

By Steven Rosswurm

At least two major flaws have marred most histories of American working peoples. One has been the tendency to examine labor history through the lens of "American exceptionalism," which assumes that "normal" working-class history occurred elsewhere, probably in Europe, perhaps in Russia or China. Sombart's hoary question—"Why is there no socialism in America?"—often has framed this thesis.

The second obstacle—the construct of false consciousness—has been just as influential as exceptionalism. Advocates of the theory of false consciousness have assumed that at any given point in the development of the working class, there was an abstract set of demands and ideas—and even organizational forms—that working people should have espoused. Closely allied to both the theory of false consciousness and the stance of American exceptionalism has been a tendency toward viewing the electoral arena as inherently corrupting, republican institutions as a "bourgeois sham" and the real locus of class struggle as the workplace or, more recently, the community.

Because many labor historians, both inside and outside the academy, have adopted these positions, much of U.S. labor history has been irrelevant to building a mass socialist movement. The effort to write a "useable" past—one that subordinates everything to providing answers for contemporary political problems—has produced histories that have both obscured American labor history and impeded socialist organizing.

Ambitious goals.

Sean Wilentz' *Chants Democratic* joins Nick Salvatore's biography of Eugene Debs and Leon Fink's study of the Knights of Labor as one of the most fully realized recent works of American labor history.

Wilentz' goal is ambitious—to chart the formation of the New York City working class from 1788 to 1850. During that period, New York City became America's premier commercial and financial center and then its leading manufacturer. In 1825, its population stood at about 166,000; by 1850, partly because of heavy Irish and German immigration, it had grown to more than 500,000.

The key to Wilentz' success in tracing the formation of New York City's working class is his focus on the structure and ideology of what he calls the "artisan system of labor." He describes and analyzes that system as it existed and changed from 1788 to 1825, and then discusses "artisan republicanism"—an ideology that shared much with American republicanism, but was particular to skilled artisans, craftsmen and journeymen in content and vision. It was with this ideology—simultaneously individualist and collective—that New York artisans faced industrialization after 1825.

New York's rise to manufacturing prominence, which Wilentz calls "metropolitan industrialization," was an uneven so-

cial process and had little in common with the equation of industrialization with factories. Some trades, most notably the consumer finishing ones of clothing, shoe and furniture making, became "sweated" and "matrix[es] of unremitting exploitation," while others, such as shipbuilding and food preparation, retained their traditional work processes and patterns of distribution. Still another, printing, saw significant technological innovation that led to the kind of division of labor and skill dilution normally associated with a later period.

Two responses emerged out of the post-1825 confrontation between "artisan republicanism" and "metropolitan industrialization." One defended what Wilentz calls "capitalist entrepreneurship"; the other advocated "radical critiques of the emerging order." In a series of false starts and contradictory steps, New York working men—and they were men, as the developing labor movement excluded women—developed a critique of capitalism that equaled, in its "fusion of anticapitalist 'producerism' and the analysis of workshop exploitation," any created by the European working class in the 1830s.

In this same confrontation, New York wage-earners forged institutions to defend their interests against large masters and

manufacturers. First came the Working Men's Party in 1829, which was a tenuous and short-lived coalition of free thinkers, radical journeymen and discontented manufacturers, artisans and small merchants. The Working Men's Party made an auspicious debut in the city council elections of 1829, only to be taken over first by the Owenites and disgruntled employers and shopkeepers; and then, finally and completely by the latter group,

creasing employer and state opposition. Yet it was not "official repression nor political co-optation" that destroyed the union movement, but rather an economic downturn. When the Panic of 1837 hit, nearly one-half of the city's craft workers lost their jobs.

Union activity ceased almost entirely during the depression that followed from the Panic. Through 1850, divisions within the working class that had been

Much U.S. labor history has been irrelevant to building socialism. This book isn't.

who advocated an anti-monopolistic entrepreneurialism in tune with triumphant Jacksonianism.

The General Trades Union (GTU) of the City of New York was formed in 1833. The GTU, probably "the most democratic major institution founded in the United States in the 1830s," comprised more than 40 unions by 1837. It assisted in a series of conflicts that centered not just on wages but also on the "character of the wage relation." It excluded all employers, no matter how sympathetic to the labor movement. The GTU and its affiliated unions conducted 10 major strikes in 1836, and met with in-

apparent in the 1830s emerged and temporarily solidified. White, male, native-born New Yorkers lashed out against the foreign-born as the nativist American Republican Party swept into city government in 1844. Journeymen—skilled wage earners—moved closer to the previously master- and middle-class-dominated evangelical and temperance movements. At another level, masters and manufacturers saw the merging of their political economy—which included the proposition that capital and labor were allies—with their moralism in a combination that looked to "the fullest

expression of an American bourgeois ideal."

As Wilentz demonstrates, the 1840s weren't only a time of moving backward for the working class, it was also moving forward; along with the worst working-class "ethnic bigotry" came steps beyond that dead end, and that of middle-class evangelicalism. If some of the working class' "defensive strategies for dignified survival" were ugly, others were continually educating working people about their position in capitalism.

Wilentz' sophisticated analysis of the quiet years in the 1840s—which are some of the most significant and astute parts of the book—provides an understanding of the outburst of class conflict that followed in 1850, when the working class and reformers established the New York Industrial Congress (IC). Union men debated the issues of socialism and cooperationism; the IC moved its deliberations into City Hall, and the tailors, both English and German, took on their employers in the "bloodiest and most divisive strike" of "antebellum urban America."

Bloody repression, Democratic co-optation and internal splits ended the "labor crisis of 1850." But again, Wilentz warns not to see these events as just a defeat, for the working class had established itself and its presence in the city. The ongoing process of class formation after 1788 had produced both; neither was about to go away.

Questions.

Wilentz' work raises questions about working-class ideology and republicanism that are central to building a socialist movement in this country. What does it mean that artisans who became manufacturers and merchants led New York's "metropolitan industrialization" which was—in Marx' words—"the really revolutionary path"? Might not "entrepreneurialism" have been a vital part of "artisan republicanism" long before its full fleshing-out in the 1840s? One might argue, and Wilentz presents evidence that republican ideology was so elastic, so contradictory, so amorphous, that it quickly became a barrier to the development of working-class ideology. Even at its most class-conscious level of articulation, might not working-class republicanism have established one of the bases for co-optation by those Democrats most sensitive to working peoples' concerns? Was republican ideology a trap rather than a source of strength?

These questions lie at the heart of *Chants Democratic*, which is, in Wilentz' words, an "extended historical essay on capitalism and democracy." Socialism in America must be built upon American traditions and the existing culture and ideology of the working class. The critical question is: what are the strengths and weaknesses of those "existing resources"? Without a theoretical framework devoid of the thesis of exceptionalism and the theory of false consciousness, Wilentz could not have written a book that takes us so far into these questions. Without a commitment to a non-"useable" past, he could not have created a useable one. *Chants Democratic* deserves sustained and serious political discussion.

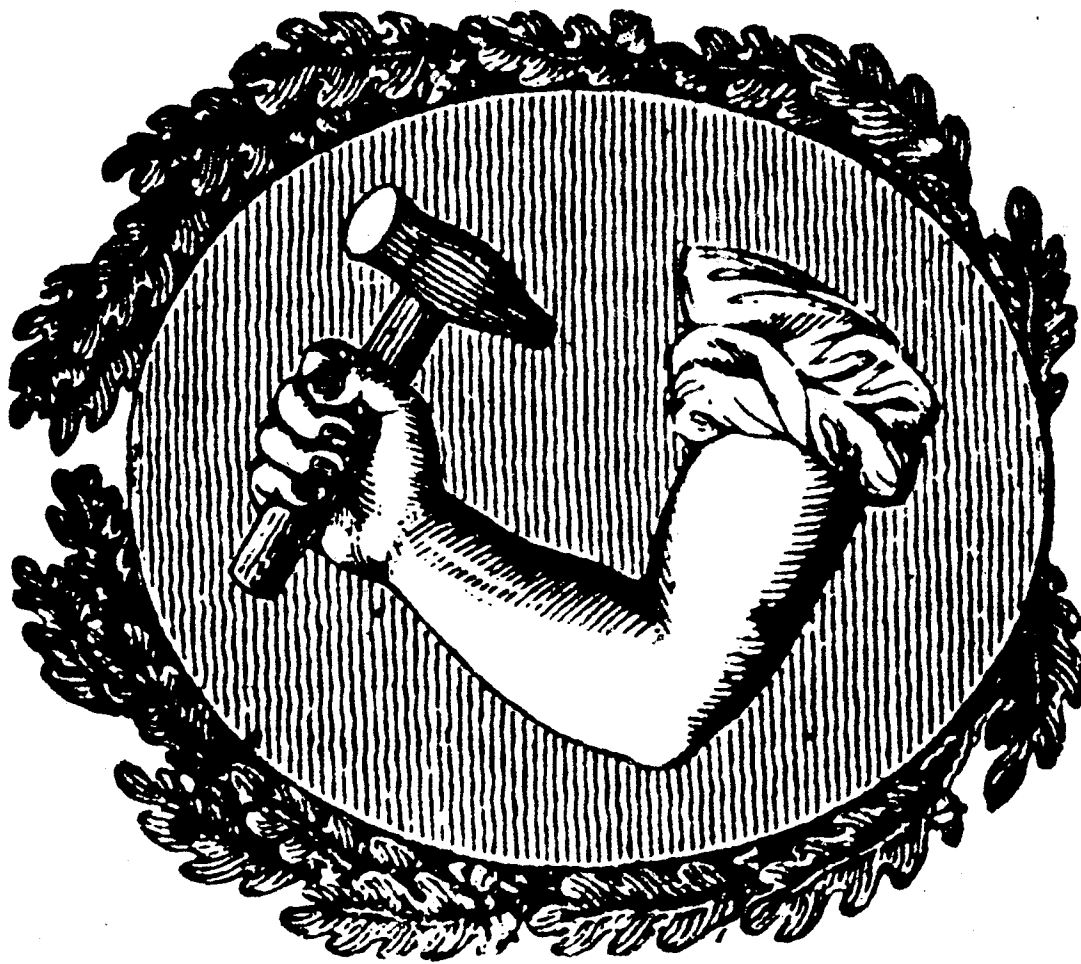
Steven Rosswurm teaches history at Lake Forest College and is working on a book on Philadelphia during the American Revolution.

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LABOR HISTORY

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