

‘Going for the Jugular’: The *Steelworkers’ Banner* and the 1980 national steelworkers’ strike in Britain.

Charles McGuire

During the 1970s and 1980s, the ongoing process of deindustrialization in Britain began to bite into the steel industry. In 1975, the nationalized British Steel Corporation (BSC) employed 228,000 people; by 1986 this figure had shrunk to 54,000.¹ Output of crude steel declined from 26.5 million tonnes in 1972 to 13.7 million tonnes nine years later.² During the 1970s, British Steel was lampooned as the weakest of the lame-duck sectors, an industry mired in astronomical levels of debt, artificially kept afloat by huge subventions from the taxpayer, hopelessly uncompetitive and overstaffed. There were a number of key ‘crisis’ points during this period, when much national political and media focus was placed on these supposed shortcomings. These included the much-publicized and protracted negotiations between British Steel and the steel unions, December 1975–January 1976, when British Steel’s tactless chief executive, Bob Scholey, described as ‘just for starters’ press speculation that 44,000 jobs were to be axed in the industry;³ the early closure of the first of the so-called ‘Beswick ‘plants’⁴ in 1977, several years earlier than promised; and the three-month long national steelworkers strike of January–April 1980, the first the industry had experienced since the General Strike of 1926.

The steelworkers’ strike was a major social and political, as well as industrial, event. Involving over 100,000 workers, it resulted in almost nine-million striker

¹ G. F. Dudley and J. J. Richardson, *Politics and Steel in Britain 1967–1988: The Life and Times of the British Steel Corporation* (Dartmouth, Aldershot: 1990), p. 7.

² *Steel Statistical Yearbook 1983* (International Iron and Steel Institute, Brussels: 1983), p. 2.

³ *The Times*, 31 December 1975.

⁴ This was a review of the planned closure of eighteen steel plants by BSC, as part of its *Ten Year Development Strategy*, published in 1973. After Labour was elected in February 1974, the new Secretary of State for Industry, Tony Benn, ordered a review of the closures, under the chairmanship of Minister of State for Industry, Lord Beswick. The Beswick Review resulted in most of the closure dates being extended by a short period, with three being saved. BSC had planned to close Clyde Iron during 1978–79, but Beswick deferred the closure until 1980 at the earliest. However, during the latter part of 1977, BSC concluded a deal with the unions for the early closure of the plant. This was followed by the premature end of steelmaking at Hartlepool in December of that year.

days.⁵ It was, at the time, the longest national strike in the post-1945 era and the first major conflict between the trade-union movement and the new Thatcher government, elected in May 1979. Called in response to a 2% pay offer by British Steel at a time when inflation was 17%, pay was only the nominal issue. The dispute highlighted some of the deeper problems that confronted the industry and generated and brought into focus a number of competing discourses concerning the causes of, and possible solutions to, these difficulties. In keeping with the popular, saloon-bar narratives that blamed trade unions for British decline, the hegemonic view that emerged during this era was that British Steel was overstaffed, uncompetitive, hobbled through low productivity of labour, and in need of severe rationalization. It was a consensus accepted by virtually all politicians, and the media, and one that set the parameters for much of the public discussion on the strike. This discourse was contested, however, first by a group of academics, who were involved in the unsuccessful campaign to save Corby steelworks in 1979, and second by a group of trade-unionists employed in the research office of the main steelworkers' union, the Iron and Steel Trades Confederation (ISTC).

During the dispute, the ISTC researchers produced a weekly newspaper, the *Steelworkers Banner*. In some respects, the *Banner* followed a traditional pattern of strike journals, in that it provided a rationale for the industrial action; supplied rank-and-file union members with information about strike activities and the latest news on negotiations; and hurled humorous invective in the direction of British Steel. But the aims of the *Banner* went far further than an exposure of the shortcomings of the pay offer. Much of its focus was on the deeper problems facing the industry. The target was the consensus, constructed in the 1970s, on the causes of this decline. Refusing to accept the case for job cuts and plant closures made by the government and British Steel, the *Banner* constructed and disseminated an alternative programme for the steel industry. This not only challenged the assumptions made by journalists, politicians and British Steel officials alike, but moved the debate well beyond the limited parameters that these had established for debate. Despite the

⁵ J. Hartley, J. Kelly and N. Nicholson, *Steel Strike: A Case study in Industrial Relations* (Batsford: 1983), p. 9.

steel unions never having adopted this programme as a basis for their strategy, it was significant because it represented both a rare challenge to managerial prerogatives concerning company strategy, and provided an alternative discourse on the industrial decline and associated conflicts that are seen to have characterized this period.

The iron and steel industry in context

The iron and steel industry had been crucial to Britain's emergence as a leading global manufacturer, but after 1945 its deficiencies became evident. Although the 1950s saw growth and profit for the handful of huge private companies that dominated the industry, structural problems caused primarily through lack of investment and a reliance on outdated technology lay unresolved.⁶ Exports were sluggish in comparison with rival nations.⁷ The renationalization of the industry in 1967 did not resolve the problems. Not only was the new British Steel Corporation saddled with a huge debt caused by paying private shareholders an over-inflated price,⁸ the industry was adversely affected by the decision to keep key parts under private ownership. Firms producing much of the high-value alloy and stainless steel, re-rollers, and stockholders remained in private hands, as did those using the smaller, electric-arc furnaces, that used scrap to make steel. Overall, the private steel industry had around 18% of the British market, but was worth comparatively more – £600 million per annum to British Steel £1500 million.⁹ An opportunity to build a fully-integrated steel sector had been lost.¹⁰

⁶ A. Blair, The British Iron and Steel Industry Since 1945, *Economic History Review* 26:3 (1997), p. 573.

⁷ E. Cottrell, *The Giant with the Feet of Clay: The British Steel Industry, 1945–1981* (Centre for Policy Studies: 1981), p. 11.

⁸ Bryer, Brignall and Maunders estimated that shareholders were compensated to the tune of £342 million, whereas liabilities were undervalued by £352 million. See R. A. Bryer, T. J. Brignall, and A. R. Maunders, *Accounting for British Steel* (Gower, Aldershot: 1982), pp. 12–19.

⁹ For an overview of the private sector, see Jane McLoughlin, 'How Private Steel Outstrips BSC', *the Guardian*, 31 December 1979.

¹⁰ Bryer *et al*, *Accounting*, pp. 49–69.

The newly nationalized industry was immediately subject to a process of labour rationalization – over 32,000 steelworkers lost their jobs, during 1967–1972.¹¹ By the end of this period, British Steel had scrapped its ‘heritage strategy’ of maintaining and developing existing plants in favour of the far more ambitious *Ten Year Development Strategy*, which envisaged an industry based on large plants,¹² inspired by the huge coastal plants in Japan. The thinking was that while demand for steel would continue to rise, this could be met with fewer steelworkers, achieved by closing smaller plants and concentrating much of a planned £3 billion investment programme at five major works – Llanwern, Port Talbot, Ravenscraig, Teesside, and Scunthorpe.¹³ The corporation believed that this would facilitate a significant rise in capacity, from 27 million tonnes in 1971 to 36–38 million tonnes by the early 1980s. But the social costs of this would be high and would result in the closure of at least eighteen plants and 50,000 redundancies.¹⁴

The election of the Labour government in February 1974 resulted in a review of the closures and a temporary stay of execution for the threatened plants. But the new expansionist strategy was undermined by the worldwide recession, which had begun in late 1973 following the 400% increase in oil prices after the Arab–Israeli war. By 1975, global steel production had fallen by 8%, but for British Steel, the drop was higher, at almost 11%.¹⁵ As Blyton pointed out, the corporation’s difficulties were not solely the result of the recession but also because of the increased importation of steel.¹⁶ British Steel’s share of the market for crude steel had fallen from 91% to 82%, but it was in the market for finished-steel products that the drop was starkest. Here, corporation share of the British market for steel had fallen from

¹¹ *Ibid.*, *Accounting*, p. 243.

¹² British Steel Corporation, *Ten Year Development Strategy*, Cmnd 5226 (HMSO: 1973).

¹³ H. Beynon, R. Hudson and D. Sadler, *A Place Called Teesside: A Locality in a Global Economy* (Edinburgh University Press: 1994), p. 76.

¹⁴ Young Fabian Steel Group, *Crisis in Steel* (Fabian Society: 1974), p. 21.

¹⁵ N. Pandit, ‘British Steel Corporation: Probably the Biggest Turnaround Story in UK industrial history’, *Strategic Change* 7 (1998,) p. 68.

¹⁶ P. Blyton, ‘Steel: A Classic Case of Industrial Relations Change in Britain’ *Journal of Management Studies* 29:5 (1992), p. 639.

70.4% in 1970 to just 54.1% by 1975, while imported steel rose from 5.5% in 1970 to 20.7% in 1975.¹⁷

The *Ten Year* plan had the twin objectives of increased production and less labour. In the new environment of global economic decline, the first goal was shelved, while the second was intensified. In 1975, British Steel chair, Sir Monty Finniston, expressed the hope that the company would have an eventual employment level of 50,000, concentrated at a handful of production centres.¹⁸ The scale of what Finniston was suggesting can be appreciated when it is considered that British Steel employed over 180,000 workers at this time. By 1977, the Labour government was buckling under the pressure and, by means of high redundancy payments, began to close the Beswick plants earlier than had been pledged, beginning with Clyde Iron Works.

The crisis facing steelworkers worsened in 1979. After the Conservative election victory in May of that year, the new Secretary of State for Industry, Keith Joseph, made clear his intention that there would be no subsidy for British Steel's losses beyond March 1980. Given that these had apparently totalled £444 million in 1977–78 and £309 million in 1978–79,¹⁹ steelworkers saw this as a hostile act that presaged even more job losses. In November, Scholey announced his plan to reduce steel production from 21 million tonnes to 15 million tonnes. British Steel employment levels were to be slashed from 152,000 to just 100,000. Shortly after this, the derisory pay offer was made to the ISTC and National Union of Blastfurnacemen (NUB). It was this step which provoked the strike. On 8 December, after floods of telegrams from activists in the regions, the ISTC executive met and decided that a national strike would begin on 2 January 1980.²⁰

Discourses of Decline

¹⁷ Dudley and Richardson, *Politics and Steel*, p. 80.

¹⁸ *Ibid.*, *Politics and Steel*, p. 82.

¹⁹ Bryer, Brignall, Maunders, *Accounting*, p. 163.

²⁰ B. Sirs, *Hard Labour* (Sidgwick and Jackson: 1985), p. 90.

Accompanying this process of deindustrialization was the construction and popularization of a hegemonic narrative that there was no feasible alternative to the rationalization programme. In January 1973, as the Heath government had prepared to publicize the detail of its steel strategy, the Minister for Industry, Tom Boardman, commented that:

Any conceivable strategy must mean a large reduction in the British Steel Corporation's employment ... Many existing plants have no commercial future and there is no way in which they could be kept alive. Modernisation, however much we may regret it, means fewer jobs. But without it all the jobs in the industry would ultimately be at risk because it could not stand up to competition.²¹

During the crisis of 1975–76, following Scholey's 'just for starters' threat, the national press weighed in with its own common sense offering:

British steel is currently losing money at a rate of £400 million per year. Some of these losses are due to the worldwide economic recession, which ... will be corrected by recovery. What will not go away of its own accord is overmanning within the steel industry. Under the leadership of Sir Monty Finniston and his Chief Executive, Mr Bob Scholey, the corporation has consistently and creditably drawn attention to the need to reduce its labour force and increase its productivity. It is acutely aware that its most efficient works produce no more than 350 tons of steel per man per year against Japan's best of 750 tons. But so far its efforts to remedy the situation have been balked ... what the BSC must not do—and what the Government must not let it do—is to give up its efforts to reduce its labour force to an effective level.²²

²¹ Parliamentary Debates (Hansard), Vol. 849, 25 January 1973, col. 697.

²² *The Times*, 6 January 1976.

Neither was this discourse limited to British Steel, the Conservative Party and the establishment press. By the mid-1970s, neoliberal ideas were beginning to gain an audience among Labour politicians.²³ This was rooted in Labour's internalization of capitalist ideology more generally. For much of the post-war era, a time of unprecedented economic growth and a limited social-democratic consensus, Labour's acceptance of this ideology had been less damaging to working-class interests. However, in the new scenario that was unfolding in the 1970s, one where capitalism was in crisis and Keynesianism undermined, it resulted in the party leaders accepting as inevitable the prescriptions of those who were advocating a very different, and much harsher, method of restoring economic stability and profitability. This approach was not new. Its main proponents had been active since the 1940s in their efforts to overturn the post-war consensus and destroy the economic and political power of organized labour, but, in this changing and more chaotic context of a global recession, their ideas were now gaining traction. In 1974, Friedrich Hayek won the Nobel Prize for economics; two years later, the recipient was Milton Friedman.²⁴

The year 1976 was the point when the Callaghan government would accept the diktat of the International Monetary Fund as a means of restoring economic stability and growth.²⁵ But the damaging consequences of Labour's acceptance of capitalist ideology had already become evident to steelworkers. In 1975 the Secretary of State for Employment and Ebbw Vale MP, Michael Foot, delivered a speech to his own constituents that was remarkable for the degree to which it was laced with this type of thinking. Rejecting the criticisms of those campaigning to

²³ J. Mcllroy, 'A Brief History of British Trade unions and Neoliberalism: From the Earliest Days to the Birth of New Labour', in G. Daniels and J. Mcllroy, *Trade Unions in a Neo-Liberal world: British Trade Unions Under New Labour* (Routledge, Abingdon: 2010), p. 31.

²⁴ *Ibid.*, *A Brief History*, p. 30.

²⁵ Shortly after Harold Wilson's retirement in March 1976, James Callaghan was elected Labour Party leader, and was appointed Prime Minister. The fiscal crisis developed throughout 1976, reaching highpoints in June, when the government agreed to public spending cuts of £1 billion in return for £3.5 billion of loans from the Group of Ten central banks; September, when an application for a loan was made to the International Monetary Fund; and December, when the deal was concluded, on the basis of a further £2.5 billion in public expenditure cuts and the sale of £0.5 billion of the government's shares in British Petroleum. See P. Addison, *No Turning Back: The Peacetime Revolutions of Post-War Britain* (Oxford University Press: 2010), pp. 269–71.

keep the local plant open, Foot stated there was no viable alternative to the British Steel plan to end steelmaking at Ebbw Vale – a decision which would eventually result in the loss of 1300 jobs. ‘The BSC’s case is that they can manufacture steel more cheaply elsewhere than they can here at Ebbw Vale. The facts on this are incontestable’, Foot maintained.²⁶ In 1978, the Department of Industry produced a pessimistic, twelve-page White Paper, entitled *The Road to Viability*. Among its main provisions was an acceptance that steel was in permanent decline; that some markets had been lost forever; that productivity of labour was low; that there should be no more blueprints for the future of the industry; and that none of the Beswick plants had a future.²⁷

True, Labour governments did display concern over the social consequences of economic restructuring. For example, in the 1960s the Wilson governments had attempted to offset the rapid decline in mining employment with policies that sought to attract investment for light industries and consumer goods in the affected regions. As Phillips points out, this, the ‘moral economy of deindustrialisation’, was accepted by miners partly because their economic security was protected, and partly because they were involved in the decision-making process.²⁸ Similar objectives appeared in *The Road to Viability*, which highlighted the negative social impact of plant closures in a number of areas, including Ebbw Vale and Hartlepool, and pledged the maximum degree of regional assistance to create new jobs.²⁹ But there was little time to put these commitments to the test as the party lost power soon afterwards in the 1979 general election.

With the election of a Conservative government, and the appointment of Keith Joseph as Secretary of State for Industry, a new and very different dynamic entered the process. Unlike Labour ministers, Joseph was an enthusiastic advocate of neoliberal values and policies and appeared to care little for the social

²⁶ Bryer *et al*, *Accounting*, pp. 255–6.

²⁷ Department of Industry *British Steel Corporation: The Road to Viability*, Cmnd 7149 (1977).

²⁸ J. Philips, ‘The Moral Economy of Deindustrialization in Post-1945 Scotland’, p. 4 published online at www.ehs.org.uk/dotAsset/55d36e84-5e9c-b42d-a0ad0c1ead9c.pdf. Accessed 10 June 2016. See also, J. Philips, *Collieries and Communities: The Miners Strike in Scotland, 1984–85* (Manchester University Press: 2012).

²⁹ Department of Industry, *Road to Viability*, pp. 5–6.

consequences. As a guiding intellectual influence in Thatcher's Conservative Party and founder of the influential neoliberal policy institute, the Centre for Policy Studies, Joseph saw economic salvation as bound up with job cuts, pay restraint, and a weakened trade-union movement. That this was the ideology now in the ascendancy within the Tory party had been seen two years earlier in the infamous 'Ridley Report.' Here, the party's Nationalised Industries Policy Group had outlined the steps by which state-owned industries could be subjected to marketization and fragmentation in order to facilitate their eventual return to the private sector. Resistance from the unions was expected, but among the measures suggested was the provoking of a strike in a 'non-vulnerable' industry on the basis that a 'victory on ground of our choosing would discourage an attack on more vulnerable ground'.³⁰ The fact that steel had been identified in this report as one such non-vulnerable industry did not augur well for the British Steel workforce.

Following the unions' decision to call a national strike, the promotion of the view that plant closures, redundancies and pay cuts were inevitable components of any solution dominated public discourse. Between the three-week gap that followed the announcement of the strike and its proposed starting date, steelworkers came under heavy pressure from press, British Steel management and politicians alike. An early example of was an *Economist* article entitled 'Bloated, Broke and Beleaguered'. Here it was argued that the only way British Steel could improve productivity and competitiveness was to cut jobs: 'BSC's productivity is so far below its foreign competitors that it needs a big rise to hold onto its share of the world markets, i.e. fewer jobs, not higher output.'³¹ Shortly after, in 'Slimming Back to Solvency', the *Daily Telegraph* expressed the hope that Joseph would soon 'grasp the nettle' of the 'armies of underemployed' that were apparently hiding away in the nationalised

³⁰ Conservative Research Department, (Ridley) *Final Report of the Nationalised Industries Policy Group* (Conservative Party: 1977), p. 24. See *HSIR 34* (2013), pp. 196–214, at p. 213; P. Dorey, ' "It Was Just Like Arming to Face the Threat of Hitler in the Late 1930s.' The Ridley Report and the Conservative Party's Preparations for the 1984–85 Miners' Strike', *HSIR 34* (2013), pp. 173–214.

³¹ *Economist*, 8 December 1979.

industries.³² *The Times* also entered the debate, arguing that such was the depth of the crisis in British Steel, British Steel should not have offered any pay rise at all.³³

This type of commentary was not confined to the traditional Conservative press. In its editorial of 18 December 1979 the *Guardian* argued that the steel industry was 'grossly overmanned', with productivity per worker 'appallingly low'. It proposed a period of negotiation to allow the unions and British Steel to agree an alternative to the mass redundancies but that if this yielded no results by the end of January, 'BSC should be free to go ahead, unilaterally, with its own economy programme'. The local press was no different. Even in those areas heavily dependent on steel for employment, similar arguments were being made. For example, the Teesside-based *Evening Gazette* condemned the planned strike, arguing in its 10 December editorial that it 'would cripple the industry' and pointing out that 'a steel corporation which is still at the bottom of the productivity league and pays its workers more than they earn is in no position to win [exports]'. It concluded that a 2% pay offer was 'a necessary starting point on the road to recovery' and repeatedly attempted to make a case that the strike-call lacked support.

Joseph affirmed the government's position in a speech described by one journalist as 'compassionless'. Here, he made clear there would be 'no intervention, no state subsidies' and 'precious little else to soften the shock of the closures in the steel-making communities'.³⁴ Joseph also reiterated his pledge not to fund British Steel losses after March 1980.³⁵ Four days later, during a speech delivered at a Christmas lunch for Fleet Street industrial correspondents, he repeated an argument that Hayek had been propagating for most of the post-war era: the trade-union movement was the biggest threat to the jobs of workers everywhere, Britain included. 'If they do not heed the danger of pricing themselves and their mates out of jobs, that is what is going to happen'.³⁶

There was no effective opposition to any of this by the industry's union leaders. Steelworkers were split into eighteen trade unions: the largest was the ISTC,

³² *Daily Telegraph*, 20 December 1979.

³³ *The Times*, 5 December 1979.

³⁴ *Ibid.*, 14 December 1979.

³⁵ *Guardian*, 18 December 1979.

³⁶ *The Times*, 18 December 1979.

which had over 100,000 members, with the NUB next in importance with around 18,000 members. There were also the general unions, including the Transport and General Workers' Union (TGWU) and the National Union of General and Municipal Workers (NUGMW), and a National Craftsmen's Co-ordinating Committee (NCCC) comprised of the numerous crafts, such as the electricians, boilermakers, and construction workers. After the 1967 nationalization, all of these unions became part of a newly formed TUC steel committee. Each union conducted pay negotiations separately, with the steel committee supposedly there to help develop 'common attitudes and an agreed approach to the problems and opportunities that nationalisation was supposed to bring'.³⁷ However, when it came to overcoming the biggest problem of all—plant closures—it proved to be a 'weak and ineffective' organization³⁸, which offered little resistance to rationalization.

The union leaders, like their Labour Party counterparts, seemed to operate on the assumption that there was no real alternative to British Steel strategy. There were over 30,000 redundancies in the new corporation from 1967–1972, with the threat of tens of thousands more to come because of the new *Ten Year* strategy. However, the response of the committee, headed by the ISTC general secretary, Dai Davies, was not to question the rationale behind the closures, only the atmosphere in which they were happening. In a reference to their exclusion from the joint steering group set up by the government to examine British Steel's new strategy – an exclusion made possible, ironically, by their own 'general passivity'³⁹ – the steel unions' representatives suggested a number of measures that might improve the situation. These included a request for earlier and further consultations over closures, and for government-supported surveys of the towns and areas that would be affected by closures, with the aim of identifying what industries might be attracted to provide alternative jobs.

³⁷ C. Docherty, *Steel and Steelworkers: The Sons of Vulcan* (Heinemann: 1983), p. 84.

³⁸ M. Rhodes and V. Wright, 'The European Steel Unions and the Steel Crisis, 1974–1984: A Study in the Demise of Traditional Trade Unionism', *British Journal of Political Science* 18:2 (1988), p. 177.

³⁹ Dudley and Richardson, *Politics and Steel*, p. 47.

No critique or analysis of the *Ten Year* plan was ever conducted by the unions, notwithstanding the dreadful implications that it had for steel workers.⁴⁰ The thinking behind the closures was never challenged, nor did the unions put an alternative forward. Davies laid out the unions' position at a special conference in March 1973, when he stated that 'before a plant is closed, adequate employment opportunities must be provided ... it is not a policy of opposition to change but of insisting that change is phased so that as jobs are lost in steel, other jobs are created in new industries'.⁴¹ Davies's successor as ISTC general secretary, Bill Sirs, adopted a similar approach. In mid-1975, the union executive endorsed his statement accepting voluntary redundancies 'where overmanning could be shown to exist'.⁴² Shortly afterwards, both the ISTC and the TUC steel committee accepted an agreement stipulating that employees with less than twelve months' service 'would be made redundant selectively on a works-by-works basis'; that employees aged over sixty 'will be considered for redundancy on a voluntary and selective basis'; and that the question of jobs which were 'surplus to requirements' could be agreed following 'negotiations with the appropriate unions'.⁴³ In January 1976, after a marathon series of negotiations with British Steel, the steel unions accepted that 'necessary reductions in manpower must take place'.⁴⁴

Throughout this period, the union leaders fought a rearguard action against compulsory redundancies, but the acceptance in principle that job reductions were necessary was arguably more significant. In his evidence to the House of Commons Second Select Committee on Steel two years later, Sirs conceded that if the unions were kept informed early about closures and involved in the process, tens of thousands of jobs could be negotiated away without any 'general upheaval'.⁴⁵ When Labour began closing the Beswick plants in 1977, the unions limited their role to that

⁴⁰ R. Bryer, R. Brignall and A. Maunders, 'Accounting for Steel Closures' in H. Levie, D. Gregory and N. Lorentzen, *Fighting Closures* (Spokesman, Nottingham: 1984), p. 124.

⁴¹ Dudley and Richardson, *Politics and Steel*, p. 72. See also H. Beynon, R. Hudson and D. Sadler, *A Tale of Two Industries: The Contraction of Coal and Steel in the North East of England* (Open University Press: Buckingham: 1991), pp. 4–6.

⁴² Sirs, *Hard Labour*, p. 60.

⁴³ *Ibid.*, p. 61.

⁴⁴ *Times*, 24 January 1976

⁴⁵ House of Commons Select Committee on Nationalised Industries (Wainwright) *First Report, Session 1977–78*, HC26-II (1978), p. 224.

of negotiating high redundancy payments. In his autobiography, and elsewhere, Bill Sirs criticized workers for accepting redundancy payments, as opposed to fighting to defend jobs,⁴⁶ but as Upham has pointed out, many of these plants had been earmarked for closure since 1973, and were being run down. No radical union strategy for saving them appeared to be at hand. In this scenario, it was perhaps understandable why many workers would feel that they had little option but to seek the best redundancy terms possible.⁴⁷

In 1979, a challenge to this ideological juggernaut was made by two groups of academics, who had been approached by campaigners in Corby where, despite being viable, the Corby Heavy End plant, which employed over 5000 workers, was threatened with closure as a consequence of the *Ten Year* strategy. It was expected that its order book would be given to Redcar, where expensive new plant, including the largest blastfurnace in Europe, would soon be operational. In mid-1978, a campaigning organization titled Retention of Steelmaking at Corby (ROSAC) was established, and a few months later its members made contact with a group of economists at Cambridge University and accountants at Warwick University.⁴⁸

The Cambridge group produced reports that condemned the closure on wider economic and social grounds, while the Warwick group examined British Steel's accounting figures and produced a detailed rebuttal of the strategy. This concluded that the corporation had overestimated the savings to be made from the closure of Corby; underestimated the costs of transferring Corby's production to Redcar; and failed to appreciate that Corby could be made profitable and more competitive with an investment of £34 million over five years. In addition, it reviewed British Steel's commercial practices. The Warwick report challenged British Steel on its own ground but the corporation management summarily dismissed it at a meeting in November 1979. Steelmaking at Corby ended soon after. In his detailed, participatory account of the Corby campaign, Maunders showed that although the TUC steel committee, and in particular the ISTC, wanted to keep Corby open, they

⁴⁶ Sirs, *Hard Labour*, pp. 68–9.

⁴⁷ Martin Upham quoted in R. Bryer *et al*, A. Maunders, *Accounting*, p. 258.

⁴⁸ Bob Rowthorne, Terry Ward, and Frank Wilkinson constituted the Cambridge Group; Rob Bryer and Terry 'Stan' Brignall constituted the Warwick group. Allen Maunders, then a WEA tutor, was another important academic advisor and participant in this campaign.

were unwilling to support the research and the conclusions of the Warwick advisers to do so. This was because the union leaders possessed no independent plans as to how the industry should be run and had largely accepted British Steel's managerial strategy, which prioritized the five main centres of production to the detriment of all others, including Corby.⁴⁹

Given the nature of the crisis facing steelworkers in the late 1970s, it is difficult to understand why the ISTC was so unwilling to challenge the managerial prerogative. However, this was a long-standing feature of the organization. From its early days, the union had forged a close relationship with the iron masters and seemed to possess a 'deeply held conviction ... that they were good employers and conflict with them should be avoided at all costs'.⁵⁰ This unwillingness to support an independent workers' perspective on the organization and control of the industry was also evident during the planning stages of the renationalization process in the mid-1960s. As part of its preparations, the Wilson government had solicited the suggestions of various parties in the industry, including the unions, but found the ISTC unwilling to offer any proposals of its own. According to Ovenden, the reason for this was twofold: the ISTC did not believe that it should 'engage in management', and was also of the view that any restructuring of the industry must result in job losses, for which it would be blamed if it offered advice or suggestions.⁵¹ Reflecting on the subsequent failures of leadership in the 1970s and 1980s, Maunders went further, arguing that the union believed that British Steel had 'basically got it right' in terms of strategy but did not want to be implicated in the job losses that were a consequence.⁵²

The ISTC's stance was of course reflective of a more widespread acceptance by trade unions of managerial authority and the right of managers to interpret, and make decisions based upon company financial data. For Phelan, this acceptance by

⁴⁹ A. Maunders, *A Process of Struggle: The Campaign for Corby Steelmaking in 1979* (Gower, Aldershot: 1987), p. 156-157. See also Bryer, Brignall, Maunders, 'Accounting for Steel Plant Closures' in H. Levie, D. Gregory and N. Lorentzen, *Fighting Closures*, (Spokesman: Nottingham: 1983), pp 115-131.

⁵⁰ Docherty, *Steel and Steelworkers*, p. 47.

⁵¹ K. Ovenden, *The Politics of Steel* (Macmillan, Basingstoke: 1978), p. 90.

⁵² A. Maunders, *A Process of Struggle: The Campaign for Corby Steelmaking in 1979* (Gower, Aldershot: 1987), p. 156.

trade unions of the managerial prerogative was part of the wider post-1945 consensus: in return for the unions accepting managerial control over questions of investment and the organization of production, employers and government recognized that unions had an important role to play in matters of wages, hours, and working conditions.⁵³ For Campbell *et al*, this was as true of nationalized industries as it was private-sector companies. The boards of the state-owned industries were dominated by directors from the former private enterprises, civil servants, and retired military officers; union representatives tended to be there for no real purpose. Management structures were designed to eschew workers' participation, let alone control.⁵⁴ Hyman has explained how trade-unionists are under constant and intense ideological pressure to act as though capitalist relations of production are fundamentally 'unalterable'. This often results in even committed trade-unionists viewing the world 'through a set of ideas and beliefs that reflect values antagonistic to their interests'. It also means that even when they 'act collectively in ways incompatible with the aims and interests of those dominant in capitalist society', the opposition 'is rarely sustained by a coherent counter-ideology'.⁵⁵

Lukes's theory of power offers similar key insights into the question of why trade unions routinely accept and endorse policies that protect the interests of elites, and are hostile to the interests of their own members. He argued that power could not simply be understood or measured as the outcome of conflict between two groups, or in the ability of ruling groups to manipulate the public agenda, excluding from it issues that could potentially threaten their dominance. Instead, Lukes posited the idea of a much deeper, more fundamental, third dimension of power. This was an ideological hegemony, which did not rely on force, or the excluding of contentious issues from the realm of politics, but

⁵³ C. Phelan, *Trade Unionism since 1945, Vol. 1: Western Europe, Eastern Europe, African and the Middle East*, (Peter Lang: Berne: 2009), p. IX.

⁵⁴ A. Campbell, N. Fishman, J. McIlroy, 'The Post-War Compromise: Mapping Industrial Politics, 1945–1964,' in Campbell, Fishman and McIlroy, *The Post-War Compromise: British Trade Unions and Industrial Politics 1945–1964* (Merlin, Monmouth: 2009), p. 75.

⁵⁵ Hyman, *Strikes* (Macmillan, Basingstoke: 1991), pp. 215–16.

the shaping of perceptions, cognitions and preferences in such a way that they accept their role in the existing order of things, either because they cannot see or imagine an alternative to it, or because they see it as natural and unchangeable, or because they value it as divinely ordained and beneficial.⁵⁶

As applied to industrial relations generally, this ‘manipulated consensus’ is based on an acceptance by unions of the fundamentals of capitalism, including the primacy of market forces and concepts such as ‘profitability’ and ‘productivity’. As applied to the steel industry, this consensus would result in British Steel’s large-scale redundancy programme being effectively unchallenged.

Offe and Wiesenthal’s explanation of the historic development of opportunism within the trade union movement—by which they meant the separation of economic from political struggle and the submission and assimilation of the working class movement to liberal-bourgeois political forms—is also relevant to this question.⁵⁷ In order to explain this process, they proposed a model that traced the historic development of unions, beginning with their origins as small, militant organisations, based upon the dialogical logic of collective action. This is understood as a process of collective discussion and decision making that allows for the development of a class-based coherence within the organisation. However, as unions become larger, more bureaucratic, stronger, better established and more widely accepted, their power comes to be considered to lie more in their *potential* to disrupt production, as opposed to their *actual involvement* in such disruption. Strikes, militancy and pressure from the membership are now seen as posing a threat to the union’s survival and its chances of success, generating an internal

⁵⁶ S. Lukes, *Power, A Radical View*, 2nd edn (Palgrave, Basingstoke: 2005), p. 28.

⁵⁷ Offe and Wiesenthal, ‘Two Logics of Collective Action: Theoretical Notes on Social Class and Organisational Form’, *Political Power and Social Theory*, Vol. 1, 1980, pp 103-110. For a discussion on this work and other theoretical analyses of trade unionism and unionization, see P. Smith, *Unionization and Union Leadership, the Road Haulage Industry*, (Continuum: London: 2001), pp7-30.

tension, which is only overcome when the union abandons the dialogical logic of collective action in favour of an individualistic, monological pattern, which accepts the values, prerogatives and assumptions of capitalism. This is part of a structural transformation, which makes unions less dependent for their survival on the 'motivation, solidarity and willingness to act of their members', and far more dependent on 'external support and institutional recognition' from capitalists and the state.⁵⁸

Muller-Jentsch also explored some of these themes in his analysis of trade-unionism in capitalist society. He argued that the institutionalization of collective bargaining and the development of welfare state capitalism in the post-1945 period created the conditions for the rise of what he described as 'intermediary trade unionism', where unions were pushed 'almost inevitably into the role of a mediating agency between capital and labour'.⁵⁹ Class antagonism meant that trade unions could not be completely integrated into capitalist society, but they were for the most part pragmatic organizations that advocated restraint among their members and compromise and consensus with capital. The term 'intermediate' referred to a broad category of organizations that spanned the divide between 'yellow' (company-dominated) unions on the one hand and revolutionary unions on the other, and could be further split into three sub-groups, the most compliant of which was the 'co-operative' union.

This analysis helps to inform an understanding of the ISTC and its inability to challenge employers over industrial strategy. The union possessed many of the characteristics of Muller-Jentsch's 'co-operative' category in that it incorporated its bargaining functioning into the requirements of the capitalist system, as represented by the two pillars of 'external support' as Offe and Wiesenhal might have termed them: British Steel and the government. The union valued its involvement in the TUC steel committee, and throughout the 1970s was consistently keen to reach a consensus with British Steel over the latter's business strategy, which, as noted, was simplistic and based principally on large-scale redundancies and plant closures. The

⁵⁸ Offe and Wiesenhal, p107

⁵⁹ W. Müller-Jentsch, 'Trade Unions as Intermediary Organisations', *Economic and Industrial Democracy* 6:1 (1985), p. 5.

ISTC's insistence that it be kept informed about these plans indicated that it was the process of consultation and the smooth functioning of the collective-bargaining machinery, rather than the rationale of the decisions taken by British Steel that it considered to be of the greatest importance.

This ISTC's acceptance of capitalist prerogatives and its fundamental inability to distinguish the class interests of its members from those represented by British Steel management found its clearest expression in the worker directors. These were union-approved employees, appointed to the divisional British Steel boards, with one representative on the national board. A concession to industrial democracy, it was designed to maintain positive industrial relations and provide a union voice in the boardroom. In practice, the worker directors often subordinated the interests of trade unions to those of the corporation management. As such, many were compliant in the corporation's policy of 'slash-and-burn'. As one reflected in 1976:

I had the bitter experience of being in a division that decided to close down two plants ... I found this difficult, but not insurmountable. In our case, we were provided with all the information necessary in order to make a decision on the closures. I was party to the decisions. I was challenged by the trade unions as to my position. I told them I supported the closures simply *because that was the only way I saw it, in the long term. I had an obligation to the industry.*⁶⁰ (Emphasis added)

The inability of the steel unions' leaders to mount any defence of jobs and their deference to British Steel on matters of industrial strategy would continue throughout the strike and shape its outcome and aftermath. In the period prior to the action, Sirs went to great lengths to separate out the issues of pay and job losses, making it clear that there would be no industrial action over the latter. This was despite the TUC warning that around 200,000 related jobs could be lost because of the British Steel cuts.⁶¹ Sirs's policy may have been pursued to allow him the possibility of agreeing a deal with the corporation on the pay claim before 2 January

⁶⁰ J. Bank and K. Jones, *Workers Directors Speak* (Farnborough: 1977), p. 55.

⁶¹ *Daily Telegraph*, 13 December 1979.

– something that would not have been possible had the issue of the closures been connected to it.⁶² Alternatively, he may have felt the unity of the union would have been threatened had a strike been called on the issue of redundancies.⁶³ One unfortunate upshot of the unions’ long-standing failure to formulate a national strategy for the defence of jobs was the continued fragmentation of the workforce. As a result, different regions were pitted against each other in the struggle to avoid closures. Whatever the reason, it did not bode well for the future of the 50,000 or so British Steel workers whose jobs were under threat.

The Steelworkers’ Banner

The strike began on 2 January, with the ISTC and NUB claiming 100% support for the action by their members. The ISTC central office in London was the strike’s national headquarters; day-to-day organization was the responsibility of the seven regional offices in Glasgow, Middlesbrough, Rotherham, Sutton Coldfield, Newport, Swansea, and Knutsford. With the strategy based around the prevention of the movement of steel, flying picketing soon became ubiquitous, co-ordinated by local committees. On 14 January, busloads of pickets from Sheffield toured the south-coast ports,⁶⁴ and pickets from Corby travelled to the east-coast ports of Boston and Kings Lynn.⁶⁵ At this stage, the strike did not officially include the private-sector plants, but many were picketed nonetheless. Four days after its start, the TGWU joined the strike, to be followed by the NUGMW and craft unions. By 9 January, all unions involved in the steel industry were on strike, with just one exception, the middle-management Steel and Iron Managers Association (SIMA).

⁶² Interview with Paul O’Neill, Teesside strike activist, 27 November 2014.

⁶³ Interview with Martin Upham, former ISTC research officer and *Steelworkers’ Banner* editor, 13 August 2015.

⁶⁴ *The Times*, 15 January 1980.

⁶⁵ *Ibid.*, 2 January 1980.

This was the context in which the *Steelworker's Banner* made its appearance. Before that, the ISTC had produced *Man and Metal*,⁶⁶ a glossy monthly that was sometimes informative but dull and certainly bereft of the vim and verve required of any national strike journal. A team of three produced the new journal: ISTC research staff, Martin Upham and Len Powell, and union's press officer, Keith Dill. Upham, the union's senior research officer, was the force behind and chief contributor to the *Banner*. In 1979, as a member of the Organisation for Economic Cooperation and Development's (OECD) working party on steel, he had obtained access to extensive sources of statistics that challenged British Steel policy and the argument for rationalization of the industry. Crucially, Upham had also been in contact with Rob Bryer and Stan Brignall⁶⁷ – the two Warwick academics who had produced the critique of the closure of Corby. Their proposals for the future of the industry would also be reflected in the *Banner*. Upham recalled that although the ISTC leaders had previously accepted British Steel's analysis of the industry, the breakdown in relations caused by the strike opened up space between the two, resulting in an opportunity to use this material and to 'go for the jugular' of the corporation.⁶⁸

Under Upham's editorship, the *Banner* in its first edition attacked British Steel on three fronts – the pay claim; the corporation's past management of the industry; and its current business strategy. (These would be recurring themes in the *Banner's* fourteen-week existence.) It ridiculed British Steel's claim that employees earning £80 per week would be £1.20 per week better off, noting the impact of high inflation, which would, it claimed, reduce the value of such a workers' wage by £14.50 per week. Ruinous managerial incompetence was laid out in an article entitled 'BSC's £300 Million Loss: A Steelworkers' Balance Sheet'. It began by noting how the 'whole weight of the Corporation's losses was being laid across the back of the steelworkers', but that the real blame lay elsewhere. It was claimed that the *Ten Year Strategy* had resulted in wasted investment, possibly as much as £188 million. Overtime payments were said to have cost over £80 million 'in spite of frequent

⁶⁶ This was a title that obviously overlooked the relatively high numbers of women who worked in the industry.

⁶⁷ Maunders, *Process of Struggle*, p. 114.

⁶⁸ Interview, Martin Upham.

claims by BSC that overmanning is widespread and in spite of trade union opposition to the use of unnecessary working.’ The high cost of unsubsidized British coking coal was also highlighted; it was claimed that unlike other European countries, the British government did not subsidize such coal, and that as a result, British Steel was losing another £135 million. The planned reduction in capacity to 15 million tonnes was also scrutinized. The *Banner* rejected the corporation’s argument that there had been a decline in demand across several British industrial sectors, contending in response that the corporation’s decision to abandon two million tonnes per year of export trade would only serve to strengthen its competitors at home and abroad. The article concluded that both British Steel and the Conservative government were deliberately stigmatizing steelworkers in order to deflect blame from their own incompetence and conceal the ongoing run-down of British industry:

In order to cover up their own mistakes, evade their own responsibilities and avoid any public criticism, both government and BSC are trying to show that steelworkers alone are to blame for the crisis the industry is in. The British public, the media, all steelworkers and the TU movement should be made aware of this plot to undermine the industrial base of the UK economy; a ploy to shift all blame onto the shoulders of BSC’s employees, their families, and steelmaking communities.⁶⁹

In its next edition, the *Banner* continued the attack. One target was the right-wing columnist, Woodrow Wyatt, who in a recent article in the *Sunday Mirror* had dismissed the strike as ‘sheer suicide’, and argued that while German workers produced 240 tonnes of steel per worker per annum, British output was a much lower 141 tonnes per worker per annum. The supposed disparity between the productivity of British steelworkers and those from other countries was a defining feature of the dominant narrative and one that strikers were keen to challenge. ‘Figures like those are angering steelworkers everywhere’, the *Banner* countered, ‘They know that BSC and the government invent them by excluding catering, coke

⁶⁹ *Steelworkers’ Banner* 1 (SB1), none of the editions were dated, but the journal was published weekly, from the first week of the strike onwards.

oven, and contract labour workers from the foreign labour figures'. When this was factored into the comparison, the real figure was much closer. German workers were slightly ahead, but only by 200 tonnes to 192 tonnes. And with the European Commission's figures showing that British labour costs were lower than any other EEC nation, this meant it was cheaper to produce steel in Britain than in Germany.⁷⁰

The connection between the strike and British Steel managerial incompetence was reinforced in the third edition. Examples of mismanagement included the equipment for a second giant blastfurnace at Redcar, which had been purchased at an eye-watering cost of £110 million, and incurred interest payments of £11 million per year, but which had never been assembled and was now gathering rust in a nearby field; the construction of 'Finniston's Follies' – two direct reduction plants at Hunterston, which had been commissioned by the former corporation chairman at a cost of £65 million three years earlier, but which remained mothballed, with interest payments of £6.5 million; and the decision to cut production levels at Scunthorpe Anchor to 45,000 tonnes per week. This was especially short sighted, as the plant had not only cost £240 million to build but was capable of producing around 108,000 tonnes per week of the most cost-effective steel in Britain. For the *Banner*, all of these 'managerial blunders' highlighted the need for a full public inquiry into the running of the industry:

Such an inquiry will clearly show that it is not the steelworkers who are wasting millions of pounds of public money. The real culprits have forced a strike in the hope that they will evade public criticism and re-direct it onto the striking steelworkers...if there have to be cutbacks to avoid further losses

⁷⁰ SB2; *Sunday Mirror*, 30 December 1979. Soon after his article was published, Wyatt met Sirs to discuss the strike. Sirs revealed that this led to Wyatt retracting his earlier criticisms and offering support to the steelworkers: Sirs, *Hard Labour*, p. 91. Wyatt was a former Labour MP (Aston, 1945–1955; Bosworth, 1959–1970), journalist and broadcaster, but one whose political views moved steadily to the right from the 1960s onwards. In one obituary he was described as having an 'idolatrous' admiration for Thatcher and was said to be the only journalist who could phone 10 Downing Street and be put through to her immediately. Thatcher eventually made Wyatt a life peer in 1987. Wyatt died on 7 December 1997, aged 79: Obituary, *Independent*, 9 December 1997.

then the best place to start would be with those responsible for the current losses.⁷¹

Edition four saw the Conservative government come under attack, with the front-page feature accusing Thatcher of failing to support industries vital to manufacturing. Drawing on figures produced by the National Coal Board, unfavourable comparisons were made with other European states. For example, it was noted that whereas the coal industry in Britain was subsidized to the tune of just £1 per tonne produced, some European governments were more supportive – Belgium (£24.10), France (£14.70) and West Germany (£11.90). Other forms of assistance included subsidies for freight, improved grants, and loans. For example, the Arbed steel company in Luxemburg was provided with government loans that only became repayable if the company moved into profit. Sacilor had a £60 million debt wiped out by the French government, and had been granted low-interest loans, all of which had resulted in its costs being reduced from £42 to £18 per tonne of steel produced.⁷²

The *Banner* also examined the Japanese steel industry. From 1970, when it was visited by the then British Steel chair and chief executive, respectively Lord Melchett and Monty Finniston, Japan became the routine comparison of choice for those who wished to denigrate British steel workers. Tales of how Japanese steel workers were twice or three times as productive as their British colleagues were woven into popular discourse. Shortly after the strike began, the government and media had again invoked the supposed super-productivity of the Japanese steel workers as a means of discrediting their British counterparts and reducing any sympathy or support they might receive. On 8 January, *The Times* ran an article titled ‘BSC 141 Tonnes per man, but in Japan it is 866’. Using figures supplied by the National Economic Development Council (NEDC), it selected two Japanese plants and compared them to the British Steel national average. One of the two Japanese plants had a stated average of just over 400 tonnes per year, but the second plant, the Oita steelworks apparently had reached 866. The article, written by industrial editor,

⁷¹ SB3

⁷² SB4

Peter Hill, also outlined British Steel hopes that 'de-manning' would soon raise British productivity to 174 tonnes per year, and as much as 250 tonnes at bigger plants such as Ravenscraig and Teesside, a figure 'that would be much closer to current output in West Germany and France'.

The *Banner's* response began by noting how, in the aftermath of a joint British Steel–TUC steel committee delegation to five Japanese plants in 1975, it had been reported that production figures were approximately 422 tonnes per worker, per year—around two to three times higher than British steel workers. Unconvinced, the article then quoted recent research conducted by Matsuzaki Tadashi, an academic who had published extensively on the Japanese steel industry, and whose findings had suggested that Japan might not be quite so far ahead. Rather than focusing on five plants, Tadashi examined the five major combines, sixteen plants in all, which constituted around 77% of total production. He found that when other categories of worker were included, such as clerical workers, and sub-contractors, the real figure was 233 tonnes of steel per worker, per annum. The *Banner* pointed out that this figure—well below that routinely quoted in the British press—would have been lower still if it had included head-office staff and construction workers. This was proof that British Steel had not seen a representative cross-section of the Japanese industry in 1975 and that the negative comparisons between British and Japanese steel workers were deliberately inaccurate:

What the BSC has been attempting to do is to use comparisons between some of the newest and most capital-intensive steel plants in Japan with the *whole* of the BSC. The only conclusion that can be drawn is that BSC's attempts to falsely portray their workers as far less productive than their foreign competitors is meant to draw attention away from those areas where the responsibility for any lack of profitability should properly be laid: BSC management.⁷³

⁷³ SB6

In the initial period, the strike was limited to British Steel plants. Sirs had opposed moves to include private companies and had given a commitment that they would not be picketed.⁷⁴ He argued that some were struggling financially and might close if included in the strike. However, they were important suppliers, and with the success or failure of the strike hinging on the ability of the unions to stop the movement of steel to British industry, Sirs' instructions were ignored by growing numbers of activists. By 5 January, the 20,000-strong Yorkshire –Humberside division of the union was picketing the private plants.⁷⁵ Indeed, private steelworks and stockholders were everywhere the focus of such attention. At some plants, such as Darlington and Simpson in Teesside, Hadfield in Sheffield, and Sheerness on the Isle of Sheppey in Kent, the action was intense and involved hundreds of flying pickets. Finally, on 16 January at a joint ISTC–NUB executive meeting, it was decided to extend the strike to the private sector, with the action delayed for eleven days, at Sirs' insistence. During this time, a number of large private firms took out an injunction against the strike, on the basis there was no trade dispute between them and the steel unions. Two days of high-level legal activity followed, which saw the injunction dismissed before being upheld on appeal by Lord Denning. A few days later, the Law Lords finally threw it out, reluctantly.⁷⁶ By the first week of February the private-sector plants were part of the official dispute but later, ISTC executive member, Tony Cook, would reflect that the legal action, and the Denning judgment in particular, 'took a lot of momentum' out of the strike.⁷⁷

The *Banner* team had supported the decision to involve the private sector and sought to expose the weaknesses of an argument that had been repeated throughout the press, namely that as the private plants were not in dispute with the unions, they should not have been included in the strike. In a lengthy rebuttal, it was argued that the Conservatives had drawn the steelworkers into a political battle which should not be confined to the nationalized sector. The protestations of the

⁷⁴ Sirs, *Hard Labour*, p. 90.

⁷⁵ *The Times*, 5 January 1980.

⁷⁶ *Duport Steels Ltd v Sirs* [1980] 1 All E. R. 525 (HL); see Lord Wedderburn, *The Worker and the Law*, 3rd edn (Penguin, Harmondsworth: 1986), pp. 560–1, 569–70; P. Davies and M. Freedland, *Labour Legislation and Public Policy: A Contemporary History* (Clarendon Press, Oxford: 1993), pp. 464–6.

⁷⁷ Interview, Tony Cook, former ISTC executive council member, Middlesbrough, 1 May 2014.

private companies were brushed aside, with reference to the considerable sums of money they were paying to the Conservative Party and other right-wing organizations. For example, GKN donated £25,000 to the Conservative Party and another £3000 to the blacklisting body, the Economic League.⁷⁸ 'Can these companies honestly believe that we consider them to be neutral in this present dispute? The answer is as simple as it is obvious. They ARE involved and they too stand to gain if the ISTC is defeated in this struggle.'⁷⁹

In early February a series of negotiations took place to end the strike but these collapsed when the ISTC and NUB walked out of a meeting after just twenty minutes, accusing British Steel of misleading them over the details of a new offer. They claimed that the latter had indicated an offer of 9% on the basic pay, plus a 4% guaranteed local productivity bonus, but that when the meeting started it transpired the bonus was conditional on local negotiations that would inevitably include job losses.⁸⁰ Shortly after this, in an attempt to test the resilience of the unions' united front, British Steel made an offer of 14.4% to the craft unions, made up of a 10% increase on the basic rate and a 4.4% local productivity bonus. Accepted by the negotiators, it was subsequently rejected by a majority of their members. For the remainder of the month there would be little progress towards a resolution.

With attitudes hardening, the propaganda war took on an even greater importance. British Steel possessed far more resources than the steel unions but was proving to be a ponderous opponent. *The Times* labour correspondent, Paul Routledge, highlighted this when comparing the 'aggressively propagandist' *Steelworkers Banner* with British Steel's mediocre effort, which, consisting of a few half-page newspaper advertisements, was dismissed as 'sparse, unsure and aimed more at its dwindling band of allies in the media than at the men on strike'. Routledge was impressed that the *Banner* now had a print run of 40,000 copies and concluded that the ISTC had clearly grasped 'the key role played in a dispute by a

⁷⁸ For an overview of the blacklisting activities of this organization see M. Hollingsworth and C. Tremayne, *The Economic League: The Silent McCarthyism*, Civil Liberties Trust (London: 1989). For its role in the construction industry, see D. Smith and P. Chamberlain, *Blacklisted: The Secret War Between Big Business and Union Activists* (New Internationalist Publications: 2015)

⁷⁹ SB5

⁸⁰ *Evening Gazette*, 8 February 1980.

forceful communication'.⁸¹ A government interdepartmental contingency group had earlier urged the corporation to make more of an effort to promote its case.

Although promising that government ministers and officials and Confederation of British Industry (CBI) leaders would keep 'doing what they can to encourage and help in this respect', the group reminded British Steel that the issue of relations with its own workforce was a matter for the corporation itself. The main point it needed to make was that there was no such thing as free money and that the taxpayer would not shoulder the burden of any increased pay. The Cabinet agreed with much of this. Anxious to maintain the fiction of non-interference, it offered help but warned it 'could not be seen to be taking over the negotiations' and instructed British Steel to do more to get 'the facts' as it saw them out to the general public.⁸²

However, if the government was not overly happy at British Steel's lethargic public relations performance, matters were about to worsen. In February, ITV's *World in Action* team was handed a cache of internal, sensitive British Steel documents, which it then broadcast in a documentary titled *The Steel Papers*. The programme had an explosive impact, offering substantial evidence not only of British Steel's incompetence, but, more damningly, of the central role played by the Conservative government in fomenting the strike itself.

The Steel Papers was a propaganda gift for the *Banner* and it reproduced long, verbatim extracts of the programme. Clips of Keith Joseph chiding British steelworkers for their low productivity – 'it takes two British steelworkers now, despite the most modern plant, to produce one ton of steel compared to our rivals in Western Europe let alone Japan' – were juxtaposed with comments by workers highlighting some extraordinary examples of waste at this or that plant. An example of this was a desulphurization unit built at one British Steel works, which then lay unused and was eventually torn down five years later. The programme also suggested that British Steel was privately aware that labour costs were low in Britain and that the high exchange-rate of the pound sterling was a major factor behind the slump in exports. It highlighted how internal corporation documents made little reference to low productivity but carried plenty of examples of production records

⁸¹ *The Times*, 11 February 1980.

⁸² National Archives, CAB 128/67/1, Conclusions of a meeting of the Cabinet, 10 January 1980.

being broken at several plants. Bungling in the processing and dispatching of orders had also been identified by the corporation as a problem, and was said to be costing much money – around £5 per tonne. British Steel’s market projections were noted as consistently wrong, with a ‘steady move away from reality’ being in evidence. One particularly sensitive British Steel document, titled ‘A Business Proposal’, estimated that over £380 million was to be written off under the heading of ‘abortive expenditure’.⁸³

The Steel Papers exposed the role that Keith Joseph had played in causing the strike. Shortly after the Conservative victory, Joseph had requested that British Steel report on how it would adapt to the tighter cash limit he was planning but concluded that the corporation’s response – which had included further reductions in output and even more closures – had not gone far enough and needed revision. One casualty was the proposed wage deal for 1980–81. The corporation had originally budgeted for a 10.5% settlement in 1980, followed by 13% in 1981, but this was abandoned during the revision process. An unnamed British Steel personnel director warned that what his fellow officers had taken to describing as the ‘zero offer’ carried with it ‘quite serious risks of industrial action, especially if trade unions perceive it as reflecting upon government’s influence upon the corporation’. The programme also made it clear that Joseph was willing to relax his tight controls over British Steel spending, but only to fund redundancy schemes.⁸⁴ In the aftermath of the programme, the government took out an injunction against *World in Action*, preventing the programme from being repeated and any further disclosure of papers.⁸⁵

In the period after the *World in Action* investigation, disgruntled corporation employees also provided the *Banner* itself with more sensitive information. This included a document that compared financial costs per employee across the industrialized world and showed these were lower in Britain than anywhere else. ‘It is noteworthy’, *Banner* remarked, ‘that the only steel producer with labour costs remotely near ours is Ensidesa in Spain, which country has only recently emerged

⁸³ SB7.

⁸⁴ *Ibid.*

⁸⁵ SB8. *The Steel Papers* has never been re-broadcast since then.

from 35 years of fascism'. It commented that steel cost just £31 per tonne to produce in Britain compared to £44 in Germany, before completing with a rhetorical flourish: 'What can one say about a management which cannot succeed with a staggering cost advantage like this? What can one say of management that knows these facts and deliberately conceals them?'⁸⁶

The consequences of British Steel's mismanagement and the need for a new business strategy remained a prime concern for the *Steelworkers Banner*. Its work drew upon earlier reports made by the Warwick group. An example of this was the article 'Where BSC Went Wrong', which pointed out that while its European competitors invested more in finishing, the corporation tended to direct investment towards 'facilities for handling raw materials and the production of hot metal (molten Iron).' It suggested that 66% of British Steel investment during 1974–78 was allocated here, compared to an average of 23% among the six founding members of the EEC – West Germany, France, Italy, Belgium, the Netherlands and Luxemburg. By way of contrast, British Steel devoted just 10% to steel production, compared to 28% among the six. The corporation's investment in hot-rolled coil was also lower, but it was the finishing processes that saw the biggest difference, with British Steel's figure of 16% comparing unfavourably to the European figure of 38%. The article argued that at each stage of the steel-production process, wastage was incurred. Scrap steel could be reused, but it seemed obvious that the value of the steel increased at each stage, meaning 'the potential for increasing the yield and thereby cutting costs is much greater at the end rather than at the beginning of the steelmaking process'. It also pointed out how production based on continuous casting was lower in Britain than elsewhere. Britain had led the field in this respect in 1961, but now British Steel made just 16% of steel this way, whereas the figure for France was 24%; Germany, 31%; and Italy, 43%.⁸⁷

As the strike passed the two-month mark, it was becoming clear that it had not succeeded in crippling British industry. This was partly because of pre-strike

⁸⁶ *Ibid.*

⁸⁷ *Ibid.* In 1982, Rob Bryer, Stan Brignall and Allen Maunders published *Accounting for British Steel*, which was a lengthy financial analysis of BSC since 1967. Here, the trio also laid out in detail the alternative steel strategy that they had been working on since 1979. Some of the *Banner* suggestions for the restructuring of the industry were clearly drawn from the work of this group.

stockpiling but also because it had proved impossible to picket every works, business or stockholder connected to the industry. The action remained solid in the British Steel plants but it was a different story in the private sector. Workers in the private plants had been willing to strike in support of their British Steel colleagues, but in the absence of any real direction by the union leaders, and a growing sense that British industry was coping with the strike, their action began to crumble. At its height, the strike in the private sector had involved forty-three of the forty-four plants, with the sole exception being Sheerness. The situation had begun to change towards the end of February. On 24 February, workers at Hadfield in Sheffield voted to return to work. Mass meetings had also taken place at the East Hecla and Leeds Road plants in Sheffield, where ISTC members had been warned of the possibility of significant job losses in the event of a lengthy strike.⁸⁸ On 29 February, the ISTC executive met to discuss the strike in the private sector; delegates from over twenty private companies reported that in some plants there had been a general return to work, but that union officials had remained on strike and as a consequence were 'left in a very exposed position'. Sirs applied further pressure by pointing out how the annual agreement with the Independent Steel Employers Association was due to expire soon, and that problems in the negotiations with the Midlands Wages Board could not be resolved until the strike ended.⁸⁹ After a lengthy discussion, the ISTC executive instructed its branch officials to return to work at those plants where the workforce had drifted back.⁹⁰

The negative impact of this directive was seen at the Darlington and Simpson plant. In mid-February, just seven of the ISTC's 730 members at the plant had voted against the strike;⁹¹ by 3 March, this had been reversed with a 'huge majority' now voting for a return to work.⁹² The ISTC representative at the branch, Morris Hutchinson, stated that it had been the union directive that had been responsible for

⁸⁸ *North East Echo*, 25 February 1980.

⁸⁹ After the end of the strike, the Midland Wages Board agreements were suspended altogether by the employers, and were replaced with individual agreements between unions and companies. Many union representatives were also sacked. For more see C. Docherty, *Steel and Steelworkers*, p. 223.

⁹⁰ Modern Records Centre, ISTC Executive Council meeting minutes, 29 February, 1980

⁹¹ *North East Echo*, 13 February 1980.

⁹² *Ibid.*, 4 March 1980.

this, as it gave members in the private works the option of returning to work without being accused of strikebreaking.⁹³ At this stage, the ISTC estimated that around 9000 of its 20,000 members in the private sector had returned to work.⁹⁴ A significant section of the membership continued to support the strike, but this was weakening.

The *Banner* attempted to shore up morale. The paper claimed to have been given a document which revealed that the CBI, the British Iron and Steel Producers Association (BISPA) and British Steel management, agreed at a meeting on 22 January that the CBI would 'leak' news to the press that steel users still had good supplies of stocks. The *Banner* presented this as part of a deliberate conspiracy designed to make it appear as though the strike was having little impact.⁹⁵ It produced a list of forty-four companies, including branches of firms such as GKN and Metal Box, which, it claimed, were either closing down, working reduced hours, or laying off considerable numbers of workers as a result of the strike. Through the form of a made-up letter from a fictional plant, the *Banner* also tried to remind workers what was at stake here. The letter noted the short-term attractions of high redundancy payments but made clear that for those who wished to stay in a job, conditions were deteriorating: 'we must work harder, accept rigid disciplines, surrender traditional practices, sell-out colleagues and still have the threat of future closures hanging over us. And for what? – A continuing reduction in living standards'.⁹⁶

As the strike came under more pressure, some of the constraints on the *Banner* became more evident. As an official union journal, it was not independent of the ISTC's leaders and could not publish articles critical of them. As long as the leaders were happy to accept and use the *Banner* arguments against British Steel, these constraints were hidden. But as the ISTC's leaders began to shift their position

⁹³ Ibid.

⁹⁴ *Financial Times*, 1 March 1980.

⁹⁵ SB11. Several months later, the *Sunday Times* revealed that BSC and the CBI had met regularly during the strike and agreed to leak such misleading information to the press, downplaying the impact of the strike on industry: *Sunday Times*, 17 August 1980.

⁹⁶ SB9. The fictional plant was 'Port Lackenscraig', an amalgam of Port Talbot, Lackenby and Ravenscraig.

in order to end the strike, the reality of the relationship between it and the *Banner* team became more evident. Edition ten of the newspaper showed this clearly. Published in early March, the front page article was, for the first time, written by Sirs himself. Although presented as ‘a reasonable compromise to end the deadlock’, the article indicated that the ISTC was preparing to accept British Steel’s prescription for restructuring the industry. Among the concessions offered was union acceptance of the principle of locally negotiated productivity deals; an understanding that these should be ‘self-financing’ so as to fund a significant portion of the national award; and a commitment that ‘international manning levels’ – which meant job cuts – should be provided within the next twelve months. Sirs spelt it out: ‘it will not be easy for us. It will require revolutionary changes in traditional beliefs and practices. It will mean surrendering many customs and habits. It will mean negotiating away many jobs.’ He outlined what he expected in return: a rise in the basic rate of 15%, a bonus scheme of 5%, a minimum wage of £65, and a shorter working week from 1981. The outlines of an agreement were here: union acceptance of rationalization in return for a higher wage for those fortunate enough to keep their jobs.

These were substantial concessions by Sirs, and, in hindsight, constituted the beginning of the end of the strike. Picketing remained strong, but by mid-March, the ISTC was calling on the government to set up a committee of inquiry as a means of ending the dispute. The Advisory, Conciliation and Arbitration Service (ACAS) convened one under the chairmanship of Lord Lever.⁹⁷ Meeting over the Easter weekend, the inquiry recommended an 11% rise on the basic rate; in return, the unions were to agree to a joint document on changed working practices, job ‘flexibility’ and local productivity bargaining. The inquiry also recommended that British Steel pay a guaranteed additional 4.5% for three months, until the local productivity agreements were negotiated. On 1 April, the joint ISTC–NUB executives

⁹⁷ This was Harold Lever, the former Labour MP. The other two members of the inquiry panel were Bill Keys, the general secretary of SOGAT, and Richard Marsh. Marsh was a former Labour MP, but by 1979 had become a supporter of the Conservative Party and was made a life peer by Margaret Thatcher in 1981. He was the chair of the British Iron and Steel Consumers Council and the employers’ representative on the Lever Inquiry.

and negotiating teams voted by a majority of 41–27 to accept the proposals. After thirteen weeks, the steel strike was over.

Although the unions had gained a far higher pay increase, the local productivity agreements tied them into a process that made substantial job losses inevitable. For example, in Teesside the new multi-union committee soon negotiated an agreement with British Steel that included 3800 local redundancies. In south Wales, over 12,000 jobs were immediately lost from the two main plants. The final edition of the *Banner* was published after the end of the strike, but made no assessment of the details of the deal or its implications. Instead, it led with an attack on British Steel, describing its plan to implement 52,000 redundancies and close productive plants such as Consett as ‘criminal’. The *Banner* concluded, as it had begun, with a demand for a public inquiry into the running of British Steel since nationalization.⁹⁸

After the strike’s end, the ISTC research team continued to argue that the industry was viable and had a future. Later in 1980, it published *New Deal for Steel*, a book that followed the lines of argument set out in the *Banner*. British Steel was challenged on a number of fronts, including its arguments that there had been a slump in demand; that the British steel industry was suffering from overcapacity; and that lower prices around the world were responsible for British Steel losing two-thirds of its export market. *New Deal* pointed out that no other country in the EEC had cut its output by as much as British Steel and contended, presciently as it has transpired, that world steel consumption would rise throughout the 1980s as a whole. Quoting the OECD, it argued that although developing countries would be producing steel, there would still be a global shortfall of almost 100 million tonnes.

A new strategy was advanced, which included greater subsidies for coking coal, rail freight, investment capital, and training costs; an aggressive commercial strategy, conducted by better sales strategies and staff; greater diversification into continuous-casting production; and more investment in the finishing end. Here, *New Deal* pointed out that whereas basic hot-metal production was worth £90 per tonne,

⁹⁸ SB14.

galvanized steel sold for £260 per tonne and tin plate for £451.⁹⁹ It was a ‘recurring complaint’ that British Steel was too large and inflexible. For example, it could expand electric-arc production, which would provide the ‘greatest flexibility’.¹⁰⁰

In his preface to *New Deal* Sirs outlined a future ‘in which customers can have cheaper steel, taxpayers can be saved money, BSC can prosper and steelworkers’ jobs can be safeguarded’. But British Steel was never likely to take the *New Deal* strategy seriously. Neither did an ISTC leadership that had already abandoned tens of thousands of jobs make much of an argument that it should do so. Instead, the corporation, now headed by Ian MacGregor,¹⁰¹ embarked upon a sudden acceleration of the programme of plant closures and redundancies. Already ‘politically weak’ after the strike, the steel unions were further ‘excluded from the policy making process’, and watched on from the sidelines as the industry was re-structured from regional divisions into self-contained product-based ‘profit centres’, pending its eventual privatization.¹⁰² In his retirement, Sirs would take satisfaction that during MacGregor’s three-year tenure, British Steel would never actually make a profit,¹⁰³ something of a cold comfort for the 90,000 steelworkers who would lose their jobs during his attempt to do so.

Conclusion: the neoliberal moment

In his essay on trade-unionism and politics, McIlroy identified the late 1970s as ‘the moment of neo-liberalism’; the point at which

the prolonged crisis of planning, the faltering corporatist experiment, the periodic challenges to the state, the pressure on profits, the resilience,

⁹⁹ ISTC, *New Deal for Steel*, (London: 1980), p. 72.

¹⁰⁰ *Ibid.*, p. 74. In the UK, electric-arc production had risen from 2.697 mn tonnes to 3.625 mn tonnes in 5 years from 1973–78.

¹⁰¹ M. W. Kirby, ‘MacGregor, Sir Ian Kinloch (1912–1998)’, in H. Matthew and B. Harrison (eds), *Oxford Dictionary of National Biography* (Oxford University Press: 2004), pp. 433–5.

¹⁰² Dudley and Richardson, *Politics and Steel*, pp. 152–3.

¹⁰³ Sirs, *Hard Labour*, p. 117.

unpredictability and economic consequences of fragmented collective bargaining, recurring stagflation...in the context of Britain's decline in a changing world economy, made strong trade unionism appear a liability'.¹⁰⁴

It was a moment long in preparation. Right-wing policy institutes had been producing such propaganda for many years,¹⁰⁵ helping to shape the parameters of political discourse. Hyman has shown how, prior to the 1979 election, Conservatives focused on 'trade union power' as the most important political issue, and blamed 'a minority of extremists' for causing Britain's economic decline.¹⁰⁶

The 1980 steelworkers' strike should be located in this context. During the preceding decade, a consensus had emerged that British Steel was overstaffed, uncompetitive, and in need of rationalization. After its election, the Conservative government immediately adopted a hostile stance to the steel unions, seeing the workforce as an archetypal example of everything that was wrong with British industry. If Joseph's pledge that company losses would not be funded after March 1980 was an open declaration of war, then his secret refusal of British Steel plans to pay a double-digit wage increase underlined the determination to score an early victory over organized labour. The principal steelworkers' union, the ISTC, seemed the ideal opponent. It had no tradition of militancy. Sirs himself would become a leading figure in the secretive, 'St Ermin's' group of right-wing trade union leaders set up to prevent the Bennites from gaining a decisive influence in the Labour Party.¹⁰⁷ But at the same time, the ISTC remained a workers' organization and had to defend the interests of its members. As such, it could not accept indefinitely savage cuts and low pay. It might have done so for a while under a Labour government, but in the face of this attack by the Conservatives, the pressure from below to respond eventually outweighed and overwhelmed the cautious politics of the leaders. The

¹⁰⁴ J. McIlroy, 'Reflections on British Trade Unions and Industrial Politics', in J. McIlroy, N. Fishman, and A. Campbell, *The High Tide of British Trade Unionism, Trade Unions and Industrial Politics, 1964–1979* (Merlin, Monmouth: 2007), p. XXV.

¹⁰⁵ B. Jackson, 'The Think-Tank Archipelago: Thatcherism and Neo-Liberalism', in B. Jackson and R. Saunders, *Making Thatcher's Britain* (Cambridge University Press: 2012), pp.

¹⁰⁶ Hyman, *Strike*, p. 222.

¹⁰⁷ For more, see Sirs, *Hard Labour*, pp. 125–7.

result was a strike that would prove far more resilient than the authors of the Ridley Report had ever thought possible.

McIlroy also argued that even during this period of 'high tide', trade unions in Britain wielded only a restricted, fragmented, and largely negative power over the market 'which they were unable to co-ordinate and develop into positive power over the state'.¹⁰⁸ This was apparent in the steelworkers' strike. Although steelworkers received varying degrees of support from other sections of the trade-union movement, including some of the lorry drivers and dockers within the TGWU, it was a strike they largely fought on their own and one that failed to cripple British industry. Neither did the ambitions of the union leaders move beyond the pay claim. The ISTC was careful not to present the strike as a challenge to British Steel and the Thatcher government's steel strategy. Notwithstanding the fact that their organizations now faced an existential crisis, leaders of the steel unions refused to popularize an alternative that might challenge the pro-rationalization hegemony.¹⁰⁹ Sirs had stated previously that the main reason for this was union unwillingness to be held responsible for the job losses he felt would inevitably result from any new strategy for the industry.¹¹⁰ Jukes has written of a third dimension of power, that of an ideological hegemony so strong that alternatives to it are unimaginable. Muller Jenstch has theorised the concept of the tame and unchallenging 'co-operative trade union, which positions its bargaining role within the requirements of capitalism. The negativity and the policies of the ISTC at this critical juncture in its history gives credence to both those theories. Certainly, the leadership of the union adopted a pessimistic perspective, one that displayed the extent to which it had accepted capitalist ideology and one that would leave steelworkers defenceless in the face of the ever-more aggressive closures and redundancy programme of the 1970s and 1980s.

It is this harsh context that makes the efforts of the *Steelworkers' Banner* during the next year all the more remarkable. With the limited resources at its disposal, it tried to challenge the discourse of decline that had become hegemonic

¹⁰⁸ J. McIlroy, 'Reflections', p. XXI.

¹⁰⁹ M. Rhodes and V. Wright, 'European Steel Unions', *Political Science*, pp. 180–85.

¹¹⁰ H. Beynon *et al*, *A Tale of Two Industries*, p. 6.

throughout the 1970s. Arguments aired in the *Banner* were later published as *the New Deal for Steel*. Some of its prescriptions proved to be valuable. Two in particular stand out: first, the suggestion that more investment be weighted towards the finishing-end of production; and, second, a greater use of continuous casting.¹¹¹ Whereas concast was responsible for just 17% of production in 1979, by 1990 this had risen to 90%.¹¹² There was also greater investment in value-added products, such as hot-rolled coil, which rose from 9% of the market in 1974 to 15% by 1988.¹¹³

The unwillingness of union leaders to support this strategy was unsurprising. It was only because of the space created by the extraordinary and temporary circumstances of a national strike that the *Banner's* arguments had been allowed such free reign. Steel-union leaders had accepted the rationalization process for many years before the strike, and it was always likely that they would do so again after the return to work. This was especially so, given the new, harsher context in which they then found themselves. The remit of incoming British Steel chair, MacGregor, was to return the company to profitability as soon as possible. To this end, he immediately cut tens of thousands of jobs. Supported by a Conservative government that was willing to accept mass unemployment in pursuit of its social and economic policies, conditions could hardly have been more favourable for him or more difficult for the steel unions.

Union challenges to the managerial prerogative are rare. Capitalism operates on the basis that managers have full access to company financial data and use this to construct business strategy. Any suggestion that organized labour be part of this process is regarded as a breach in the demarcated roles of managers and workers, and a subversion of the former's authority. The response of corporate America in the 1940s to demands made by the automobile workers during a pay dispute that General Motors 'open its books' offers a good historical example. In this instance, a ferocious, and ultimately successful ideological offensive was waged by employers' organizations, such as the American Management Association and the right-wing

¹¹¹ Suggestions that were also made by former steel industry researcher and then Liverpool University economist, Richard Pryke, the following year in his book, *The Nationalized Industries: Policies and Performance Since 1968* (Oxford University Press: 1981), p. 193.

¹¹² *Steel Statistical Yearbook* (Iron and Steel Institute: 1991), p. 11.

¹¹³ N. Pandit, 'British Steel Corporation', p. 74.

Free Enterprise Campaign, against the demand. Included among the propaganda was a sustained reworking of the concept of profit, in order that the American public be 'educated' away from the dangerous temptation to view these as sums of money created through unpaid labour, undeservedly pocketed by wealthy shareholders.¹¹⁴

However, if such challenges were always uncommon, then Britain in the 1980s was a place where they were likely to be even rarer still. As the political economy was moved further away from collectivism, it was the concepts and practices of industrial democracy that were increasingly targeted and ultimately defeated. Phillips has shown how a central, if often overlooked, aim of the Thatcher government during the 1984-85 miners strike was the defence of managerial prerogative and the destruction of the trade union voice 'on the high-order strategic issue of pit closures'.¹¹⁵ Four years earlier, a group of activists in the steel unions had also faced 'class struggle from above', but had managed to respond with a serious challenge to managerial prerogative within that industry. Inherent within the arguments of the *Steelworkers' Banner* was the belief that British Steel management was not simply incompetent but dishonest, its business model was wasteful, and its accounting figures manipulated to make the case for cuts. The paper called for a public inquiry into the management of British Steel and offered a new direction for the steel industry in Britain. Ultimately, the *Steelworkers' Banner* did not succeed, but there can be little doubt that had the leadership of the steel unions, and indeed the trade-union and labour movement more generally, been willing to mount this kind of challenge to the prerogatives of neoliberal capitalism, then Britain today would be a different place, and the litany of social misery¹¹⁶ created by that system over three decades would not have occurred.

¹¹⁴ For more on this see R. A. Bryer, 'Socialism, Accounting and the Creation of 'Consensus Capitalism' in America, circa. 1935', *Critical Perspectives in Accounting* 34:1 (2016), pp. ??

¹¹⁵ J. Phillips, 'Containing, Isolating and Defeating the Miners: The UK Cabinet Ministerial Group on Coal and the Three Phases of the 1984-85 Strike', *Historical Studies in Industrial Relations*, 35, 2014, pp140

¹¹⁶ During the 1980s, over two million manufacturing jobs were lost in Britain. Official unemployment figures were massaged downwards through changes in the method of calculation, but still reveal that unemployment reached three million in 1983 and stayed above that figure until 1987. In 1990, the Rowntree Foundation and the Institute of Fiscal Studies carried out a survey of over 200,000

households, which concluded that the increase in inequality witnessed during the 1980s dwarfed any fluctuations seen in previous decades. The incomes of the richest 10% of the population rose twice as fast as those of the poorest 10%. However, when housing costs were taken into consideration, it was estimated that the real incomes of this poorest 10% actually fell during the 1980s – from £71 per week to £63 (£110 to £92, using 1991 figures). New Labour governments under both Tony Blair and Gordon Brown as prime minister spent far more on the welfare state, but as with the Conservatives, believed in the rule of global market forces and the doctrines of economic liberalism. During their thirteen years in power, the social inequality that characterized Thatcher’s Britain was never reversed. For more, see P. Addison, *No Turning Back*, pp. 329, 408–409.