The politics of workers' control

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The National Workers' Control Conference in Newcastle was in many ways a milepost in the history of working class struggle in Australia, and it is the clear duty of the revolutionary left to support the new militancy and self-confidence displayed there. But, in itself, that support is insufficient. Gramsci described the revolutionary party as "the general staff of the working class". By that he meant that the party must familiarise itself with every relevant aspect of the class struggle -- the historical conjuncture, the strength and the strategies of the enemy and the fighting strength of the working class itself. Using this knowledge, it must produce a clear strategy for the class whose instrument it is, and it must do everything in its power to popularise and implement that strategy.

This was the way in which the CPA perceived its role when it first raised the demand for workers' control. In an article based on the report he delivered to the national executive meeting which adopted the demand, Bernie Taft said:

The demand for workers' control has only real significance if it fits into and is part of a wider revolutionary strategy. It will only get accepted and succeed in its aims if it is seen in this light. (1)

Unfortunately, there was little evidence of the CPA's "wider revolutionary strategy" at the Newcastle conference. Consequently, the
conference suffered from a real lack of political direction and debate about the relation of workers' control to other forms of activism.

In this article we will suggest some of the issues which ought to have been raised then, and which ought to be raised now. In the first part we will criticise four ideas which figure prominently in the current literature on workers' control. In the second part, we will present a viewpoint on an historical fact of great importance -- the ALP Government. In the third part, we will look at various forms of working class activism, including workers' control. Our aim throughout is to combat two tendencies -- the reduction of workers' control to an abstraction, and its euphoric celebration as "the answer". In this way, we hope to give it revolutionary concreteness.

I. INADEQUATE IDEAS -- OR OLD TRUTHS REVISITED

We are not arguing for the rejection of the four concepts discussed in this section, but we are insisting on their clarification.

a. Alienation. The essence of capitalism is the generalised production of commodities and the extraction of surplus value from the working class. Capitalism is not a relation between things; it is a relation between people. The relationships in capitalist society are the relations of production, that is, they are class relations. Capitalism is maintained and defended by the capitalist class which derives its class power from its ownership of the means of production. The project of overthrowing capitalism is therefore the struggle to break that class power. It would be entirely false to pose the project as the attempt to eliminate alienation.

Alienation is not fundamental to the capitalist system; it is a necessary by-product of that system. Its importance in revolutionary theory is due to its being seen as a lever (2) in the process of developing revolutionary consciousness within the working class. Because it arises from the relations of production, it is a social rather than a psychological phenomenon, and thus cannot be eliminated at the level of the individual or that of the individual enterprise. It is misleading for revolutionaries to claim that workers' control -- or anything else short of socialist revolution -- can "cure" alienation. That would be to confuse the symptom with the disease in the same way as bourgeois apologists do for workers' participation schemes.

b. "The boss is the enemy: Challenge Authoritarian Control in the Factory!"

The capitalist system works as a totality, and the capitalist class acts as a totality, organised around an indivisible class interest. To suggest that the individual boss is the enemy is to suggest that the capitalist class is no more than a collection of individuals and that its social power is no more than the sum of these individuals' power. Individual bosses do not lay off workers, conspire to worsen the conditions of their workers, or contrive to go out of business out of personal spite! They are merely the appendages of capital, and their actions merely reflect the contradictions of the system as a whole.

Authority relations in the factory are just one aspect of bourgeois class power. The state and social hegemony are the more significant expressions of that power, but these are simply overlooked in the formulation we are criticising.

c. "Through their experience of work-ins etc. the workers will achieve a higher consciousness"

The successful management of a factory by workers demonstrates to them that it is their skill and labour alone which produces social wealth, and that "entrepreneurship" is just another word for parasitism. Besides, if the particular struggle they are waging is successful, it will add to their self-confidence and organising ability. (Of course, if it is not successful, it could be profoundly demoralising, which is why the work-in must only be used if it is suitable in the particular circumstances).

But this higher consciousness must not be confused with socialist consciousness. The struggle for socialism entails much more than the seizure of individual productive units, and socialism itself entails much more than self-management by the workers in those units. Socialist consciousness must include insights into the nature of class power in general and its exercise through the state, and these insights do not arise spontaneously out of experiences in the factory. Rather, they are a product of the dialectic between experiences in the factory and the historical and international experiences of workers, distilled and projected -- as theory -- by the
d. Hegemony.

Workers’ control is often posed as a “counter-hegemonic demand” which challenges the ideas -- or the ideological system -- which justify bourgeois rule. Gramsci, who inspired this idea, posed the problem of hegemony with a static analogy. According to him, bourgeois power is like a fortress surrounded by many forward trenches, and these trenches must all be captured before the fortress itself can be stormed. But the ruling class does not simply defend its territory; it, too, must manoeuvre, to adapt and modify capitalism so as to preserve it from its own self-destructive contradictions. Moreover, there is no such thing as a sufficient rate of exploitation: capital is constantly on the offensive to squeeze the working population for all it can get. In the next section, we will discuss its present plans to do just that. In elaborating our strategic perspectives, we must not fail to recognise the fluidity of class struggle.

Nor must we forget, in the fray of “the battle of ideas”, that the working class is constantly engaged in a struggle against the naked class power of the bourgeoisie: it must incessantly fight to preserve its own share of the social product and the conditions it has already won, and it must struggle for every inch that it encroaches on the privileges of its adversary. Workers’ control must be a weapon in this arena as well.

In his essay “Americanism and Fordism” in *The Prison Notebooks*, Gramsci presents a very important analysis of new techniques of “industrial relations” introduced into large-scale US industry in the ‘20s and ‘30s.

The introduction of these techniques, he said, represented the descent of bourgeois hegemony from the realm of the ideological superstructure down into the structure -- into the factory itself. The fact of class power was to be disguised at the point where it was most directly articulated. Now that “industrial relations” has been elevated to the status of a bourgeois “science”, its fruits -- productivity deals, workers’ participation schemes, etc. -- are gaining wide acceptance by the ruling classes of advanced capitalist societies. They must not be seen as reforms, but as the dangerous extension of bourgeois hegemony into the production process. In the next section, we will make this point more concretely.

II. THE ALP IN POWER -- OR WHAT’S THE RULING CLASS UP TO NOW?

As we have seen, the ruling class is always on the offensive, and its goal is invariably the lowering of wages and conditions, the minimising of production costs in order to maximise profits. Its attempts to crush, contain or subvert working class organisations -- parties and trade unions -- only serve this fundamental goal. Independent working class institutions, and those which project the revolutionary overthrow of capitalism, are special dangers to the ruling class, and every effort is made to combat their influence by injecting reformist ideas into the labor movement. Lenin insisted that there are only two kinds of ideas: bourgeois ideas and socialist ones. They are irreconcilable and there is no middle way. They are irreconcilable because the class interests they articulate directly contradict each other in the capitalist relations of production. *The working class and the bourgeoisie have no interests in common.* With the aid of these simple but fundamental precepts, let us have a look at what the ALP, as caretaker of the capitalist state, has in store for us.

In a forthcoming article (3), Bob Catley and Bruce McFarlane analyse the specific proposals of the ALP government, their genesis in the Organisation for Economic Co-operation and Development (OECD) (4) and the practice of social democratic regimes in western Europe. They show clearly that current ALP proposals were not conceived in a piecemeal fashion, but are interlocking components of a *plan* to achieve a higher economic growth rate without encroaching on the traditional prerogatives of capital. In December last year, the OECD made specific recommendations for the furtherance of capitalist development in Australia (5), one of its member states, and these accord with the standard model of contemporary capitalist planning as described by Bill Warren (6), of the Communist Party of Great Britain. The similarity between this general model and ALP policies could not be more striking.

Three particular proposals deserve attention.

Incomes policy.

Whitlam has often stated his desire to implement an incomes policy, and its increasing acceptance by the state governments makes it an immediate possibility. It is a cornerstone of OECD-type planning (7) and it is peddled as a cure for inflation. The mir-
aculous curative effects of wage-pegging are justified by both the OECD and the ALP on the basis of a particular mystification known as the “wage-push” theory of inflation: the cause of inflation is none other than rising wages (8). The real thrust of an incomes policy is not against inflation but against the possibility of a redistribution of income in favour of the working class. Better still, under conditions of accelerated economic growth, the capitalist class stands to increase its proportion of the national income by this method.

The OECD stresses the need to gain the cooperation of the trade union movement in the acceptance and implementation of an incomes policy. Further, it states that an incomes policy ought to go hand in hand with the integration of the trade unionist rank and file at the point of production, by means of productivity deals (known more politely as “job enrichment schemes”) and worker participation schemes. It therefore comes as no surprise to find that these are the main recommendations just made to the South Australian government by Dunstan’s committee on workers’ participation (9), recommendations which met with high praise from Federal ALP and Liberal Party leaders alike.

Productivity bargaining.

The English experience of productivity deals is well summarised in the British Institute for Workers’ Control pamphlet, Productivity Bargaining and Workers’ Control. Here, Tony Topham points to the actual deterioration of earnings where productivity bargaining occurs, even though wage rates are increased. It also exacerbates division in the working class, contributes to unemployment, and most importantly, it undermines the authority of trade unions and shop stewards. The aim is “to use productivity bargaining to destroy workers’ control on the shop floor, to limit or reduce wage-costs in the interests of higher profitability, and to establish greater managerial authority over the use of labour.” In the Australian context, Professor E.A. Russell has calculated that if wages here had been pegged to productivity rather than the rise in the cost of living between 1946 and 1964, the proportion of the national income going to the working class would have dropped sharply (10).

Workers’ participation is the other tactic recommended for consolidating the bourgeois hegemony in the sphere of production itself, and it is the more topical in Australia today. It rests most heavily on the myth that “there is more to unite us than divide us”; or, in the words of the Dunstan committee, “each side gains and learns from the other’s point of view and is more willing to find joint solutions”. Also, the old “might is right” philosophy has been dropped, and the bourgeoisie has taken to parading around a new-found humanitarianism which likes to talk about unhappiness, alienation and human relations in the workplace as being the fundamental problem of “industrial relations” (11).

In absorbing workers and their representatives into pseudo-managerial functions, it is hoped to undermine their class identity and the legitimacy of their class institutions without any real sacrifice of the decision-making power of management. Perhaps more immediate objectives of the workers’ participation ploy are to divert workers away from economic and workers’ control demands, to counteract the increasing proportion of industrial stoppages over questions of job organisation and to cut down absenteeism, industrial sabotage and other manifestations of “job dissatisfaction”. In case some elements of the ruling class get scared off by the humanitarian rhetoric or begin to wonder what workers’ participation has to do with profits, the Dunstan committee assures them that the net effect will be “increased stability, decreased absenteeism, increased quality of workmanship, better service to customers, the elimination of production bottlenecks and increased productivity”.

This new threat to the Australian working class goes hand-in-hand with a much older one: the integration of the trade unions into the state apparatus via two institutions -- the ALP itself (as the political arm of the trade union movement) and the arbitration system. The ALP is not only constrained by its presiding over the bourgeois state to advance the instruments of capital. There is ample evidence of an anti-trade union stance by ALP leaders on “industrial relations” questions and other issues. A glaring example of this was the recent move to reduce trade union representation at the recent state ALP conference in Adelaide.

In light of the above, we must seriously re-examine the thrust of fashionable left critiques of the ALP in government and its plans for the supposed improvement in the workers’ lot. These critiques are usually to the
effect that ALP policies are "merely" reformist and therefore won't work. It is plain that these policies are not reformist, but positively detrimental to the position of the working class. And they can work -- for capital! Secondly, most critiques have approached ALP policies as if they were piecemeal, and have therefore failed to perceive their essential unity. A third error prevalent in communist circles is the belief that it is "sectarian" to vigorously criticise the ALP. Avoiding sectarianism, and observing the usual constraints on realistic political propaganda can never limit our duty to advance a socialist perspective and combat bourgeois ideas at all times. To fail in that duty is to collaborate in the project of delivering up the workers bound hand and foot to the juggernaut of capital.

III. WORKERS' CONTROL IN PERSPECTIVE

The CPA established its general approach to industrial questions at its 22nd Congress (1970) in these words:

The new unionism based on wider aims, would recognise that the workers' movement faces a more powerful adversary than the individual capitalist -- a close-knit monopoly-arbitration-government structure which works on general strategy. The essential aim must be to meet this with an overall strategy for social change, which involves a total challenge in all domains to the influence, domination, power and authority of the owner, controller and manipulator of our society.

Topham adopts the same project for the British Institute for Workers' Control:

Our aim should be nothing less than a coherent and co-ordinated counter strategy to the techniques of management and the state. (14).

We agree wholeheartedly with these formulations, which implicitly warn against the raising of a single demand or advocacy of a single tactic in an abstract manner, to the exclusion of other options. Workers' control is thus neither a universal panacea nor a substitute for strategic clarity. In looking at tactical options, we must avoid seeing them as mutually exclusive. Further, a tactic is not in its elf revolutionary or non-revolutionary: that test can only be applied at the level of strategy and of the structural significance to the system of specific strategies.
theory of organisation. And it is around the shop committee that the CPA's concept of "unity at the bottom" must take shape.

Present thinking on the Left about economists issues is also inadequate, and often does not go much further than the reiteration of two truisms: a) militancy around purely economic issues can never of itself bring working class consciousness to a point where it challenges the foundations of capitalism itself, but (b) economic struggles must be waged to defend ground already won. The inference is often drawn that revolutionaries ought to get involved in economic struggles, but in so doing they should attempt to "raise" the consciousness of workers by leading the struggle into non-economic issues.

Ernest Mandel states the assumption that underpins such a policy: wage increases are always absorbable by the capitalist system. We believe that this assumption should not go unchallenged or unqualified. Hyman states that: "It is reasonable to argue that the integration of trade unions within capitalism is possible only where the available margin (for concessions in a given economic context) is sufficient to absorb the minimum concessions acceptable to organised workers." How great these "minimum concessions" will be depends on the workers' combativity. In contemporary Britain, Hyman notes: "The economic context is such as to minimise the margin of trade union reforms. First, virtual stagnation entails that improved wages cannot be financed painlessly out of economic growth. Second, redistribution of income towards labor is unacceptable: the requirements of accelerated investment and the pressures of international capital mobility point rather to the need for an increase in the share of profits. And third, problems of external balance limit the opportunity to finance money wage increases out of price inflation. Thus it is arguable that even the traditionally limited activities of trade unions are no longer tolerable within British capitalism." (18)

While we ought not get carried away by comparisons between the condition of British capitalism and our own, it is nevertheless true that Australia's growth rate is also sluggish and that Australian capitalism already bears the burden of relatively high wage rates. Moreover, Whitlam's promise to achieve a 7% growth rate is incompatible with any rise in real wages. Finally, the kind of economic issues and struggles that are called for in Australia now go much further than "the traditionally limited activities of trade unions." They extend to a determined campaign against an incomes policy as such, and this, we feel, will demand and develop political consciousness and organisation in advance of traditional trade unionism. The same must also be said about the related phenomena of shop committees and "wage drift" if and when the ALP introduces its incomes policy. Revolutionaries would thus be making a grave mistake if they under-estimated the importance of economic struggles today.

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In discussing Workers' Control, we adopt Bernie Taft's definition: "Workers' control does not mean workers running industry under capitalism. It does not even mean workers controlling industry. It means workers having some say over the way in which capitalists run industry, over their decisions and having a growing measure of control, which encroaches more and more on the sacred domain of the ruling class. It means controlling the controllers." (19) We agree with Taft and Mandel that the demand for workers' control is necessarily antagonistic to capital ("invasion not admission") and that it ought to be seen as part of a program of anti-capitalist structural reforms which "cannot be carried out in a normally functioning capitalist system; it rips the system apart; it creates a situation of dual power." (20) The theoretical setting for this idea is not gradualism but social revolution seen as an antagonistic process whereby the working class builds up an independent power base and at the same time denies the bourgeoisie the necessary room to manoeuvre in defence of capitalism. Workers' control is part of the process of eroding the bases of capitalism rather than the projection of future socialist relations of production. For workers' self-management under socialism is only conceivable in the context of rational economic planning and the initial exercise of class power by the whole proletariat through a new form of state.

So much for the theoretical importance of workers' control. What of its importance here and now? Agitation around this demand, in expressing the real interests of the working class (which must always be antagonistic to
those of capital), exposes the falsity of all arguments for class collaboration. (The whole thrust of ALP policy is towards class collaboration, the liquidation of proletarian interests into those of capital. Its ideology assumes, and therefore reinforces, the lie that there is one “we” in Australia: “we” are all in it together, “we” will all be happier under a regime of workers’ participation, “we” will all be better off if “we” produce more!)

Workers’ control stresses invasion of the prerogatives of capital, rather than admission to the least consequential of these prerogatives under workers’ participation. The antagonism between capital and labor must also be expressed in the slogan, “No responsibility for capitalist enterprises!” for to take responsibility for productivity, profitability, etc., is to support the rhetoric about the “common good” and to admit the rationality of capitalist production.

The demand for workers’ control must not be confused with the work-in tactic. There is a widespread tendency to see work-ins as conscious revolutionary actions, whereas they are really responses to lay-offs, reduction of overtime, etc., by an individual employer, and are in furtherance of a traditional trade union demand, the right to work. The work-in, in itself, contains no challenge to capitalist organisation of production. It is, of course, important as a defensive tactic, and in Australia at the present time its frequency represents a significant upswing in worker militancy.

We believe that the vigorous pursuit of both economist and workers’ control demands through the institution of shop committees is an essential part of a strategy for labor at the present time. This would not only rip the misleading packaging off the ALP’s package deal, but it would also be instrumental in the working class’ seizing more advanced positions in the fight for socialism.

CONCLUSION

The Australian working class at the present time is facing a grave threat to its standard of living, its working conditions and the fighting capacity of its class organisations. Paradoxically, this threat comes at a time of intensified militancy and the forging of more varied and effective modes of struggle on the part of the class. The elaboration of a strategy to defeat that threat and to channel the new militancy in a truly revolutionary direction is the first duty of the revolutionary Left.

With few exceptions, (21) it is not simply failing to fulfil this duty ... it is failing to perceive it.

Notes

1. Australian Left Review, no. 6/69, p. 24
2. See Bernie Taft, ibid., p. 25
3. To be published in Intervention, no. 3
4. The OECD is an international agency to which a number of capitalist countries belong. Most of them are advanced western-type economies. The OECD studies the problems of economic stability and growth, and elaborates strategies, based on state planning, for the benefit of the ruling class in each of the member states. Australia joined last year.
5. OECD, Economic Surveys, “Australia”
7. See the OECD publication, “Inflation: The Present Problem”
8. The absurdity of this argument is revealed in the analysis of production costs in Gerry Harant, “Unproductive Consumption,” 40 A LR. The “wage-push” theory works on the well-tried bourgeois formula of “always blame the victim.”
9. See the Report of the Committee for Worker Participation (Private Sector)
10. Quoted by Catley and McFarlane, op. cit.
11. In this context, see E. Mandel, “The Debate on Workers’ Control,” Direct Action, June 9, 1972, and better still, a pamphlet entitled “Workers’ Control” produced by rank and file members of the Queensland Branch. AEU.
12. Ibid., p. 8
20. Mandel, op. cit., p. 8
21. The Communist League is the only exception that comes to mind. “The Militant” despite occasional lapses into sectarianism, has gone a long way towards correctly posing the problem of “programmatic clarity.”