

A defence of nationalised industries

Against the background of discussions amongst Labour Party members about issues like the possible return of the rail industry to the public sector, the Independent Working-Class Education Network (IWCEN) has recently run two events (one residential for RMT members at the Bob Crow Centre in Doncaster and one day-school in London for a range of union members) on public ownership.

In this article, former rail and gas industry worker Dave Berry offers a personal view of the issues at stake, and includes a section on possible implications for vocational education and training.

A personal experience of two industries

Although there is a popular image of the British nationalised industries as monolithic bureaucracies that were hugely unpopular, I would argue that this is largely a right-wing created myth to discredit a system that, albeit with failings, managed to preserve vital national infrastructure deserted by private owners at the end of the Second World War, with little capital investment and with aged infrastructure. Where there was capital investment it was with a far greater long term vision than has been able to be mustered by the privatised industries that are currently leaving us with a chaotic railway system and an over-priced and poorly planned energy policy. Alongside this strategic view of delivery and investment, industrial relations, training and consumer participation were far more in tune with the democratic framework of the country than the current privatised regime. I would argue that not only did the nationalised industry provide a better economic result but that it also delivered a social return in terms of

employment, a national training agency and long term planning, much nearer the German industrial model than typical Anglo-Saxon laissez faire.

In a recent debate on the banking crisis on Newsnight between Owen Jones and a CEO from a major bank, the CEO was reduced to arguing 'at least we're better than the Gas Board was'. But I am still told by ex-colleagues in the gas industry that they are still greeted by members of the public as 'from the Gas Board' over 25 years after privatisation. Hardly the response to an unpopular caller!

With limited capital investment, both industries achieved large transfers of technology and supply, with the electrification of the railway and the move from steam to diesel electrics, and in the gas industry the national conversion to natural gas, the creation of a National Gas Grid and the relaying of plastic pipe for the distribution network.

Although my view is not greatly researched and largely anecdotal, my employment with, firstly, British Rail (five years) and then British

Gas (eight years) was a far more positive experience than the next 20 years in the privatised gas industry and recently in the private sector. As well as my employment history, my views are supplemented by my role as a trade union rep in both industries and as a local councillor for 16 years. My father was also a railwayman, which may have given me some cultural inheritance, for which I give thanks.

Structure

Both industries had National Boards responsible for the strategic direction of the industries in the national interest, but, far from being monolithic, both the rail industry and gas industry, along with other utilities, were arranged in regional structures with strong local autonomy around policies and operations strategy. The 70s were celebrated times of revolt and upheaval, but I sensed from older employees that a healthy disdain for 'London' or 'HQ' was the order of the day, and senior managers took pleasure in developing singular regional and local identities, and revolt and upheaval dissipated into a cooperative 'public ethos' with controlled antagonisms. On the railways, differing rolling stock and locomotive strategies always led to great excitement when locos and stock from another region entered, and they were referred to as 'strangers', so protective were regions of their individual equipment to leave their confines. These encroachments were usually in times of emergency, and in the spirit of cooperation, but rows would quickly develop if the equipment was not returned promptly. Equally, in the gas industry, differing tooling and transport strategies, as well as operating procedures, often led to very different workforce structure and public profile. They too had emergency cooperation strategies, with regions able to call on national support and additional workers to assist with emergencies. After the creation of the national grid gas network on the discovery of natural gas, the network off-takes were designed to replicate a regional structure for operational ease.

From a political view it seemed to be a pragmatic solution to replicate the national, regional and local structure of government in place at the time, with the same recognition that not everything could be controlled centrally. Indeed, managers and employees were encouraged to be part of public life, and encouraged to take up public office and to be

active in community life, often with paid time to do so. You may have found that your local councillor was also your ticket collector or gas showroom salesperson.

Consumer involvement

Again, both industries had similar structures, with Gas User Panels and Passenger Groups representing users in the localities, regions and nationally. Although the culture was hierarchical and patriarchal, that was more a sign of the times than deliberate strategy. Managers recruited heavily from Rotary Clubs, and local panel members were nominated by local government, which may have given a slanted view of consumers. However, the post-war political consensus meant that policies and pricing strategies considered poorer consumers, unlike the slanted consumer groups of the newly privatised utilities that urge lower prices for direct debit customers rather than for those on lower incomes. Visits to local facilities by the public were encouraged and visits to schools were undertaken to encourage recruitment and to present an industry face to the consumer. Perhaps the most visible sign of customer relations were the gas showrooms for buying appliances, paying bills and accepting complaints.

Industrial relations

The post-war consensus also recognised a particular type of organised industrial relations, with local, regional and national Joint Industrial Councils setting the framework for the settlement of disputes and the discussion and negotiation of workplace issues. As with most of British industrial relations, it was a battle of Marxism versus paternalism, with a form of democratic socialism normally winning out, and the Marxism left to local disputes with particularly poor local managers who were looking for confrontation.

Most terms and conditions issues were settled through bureaucratic but effective procedures, and the greatest antagonism was left to wage bargaining at a national level, but mainly to satisfy the posturing of 'free collective bargaining'. Settlements were almost always within the limits both sides had set at the outset. As with the structures section of this

article, the industrial relations structures at local and regional level prided themselves on independence and local autonomy, and outside of the national framework local and regional agreements reflected the ebb and flow of power in industrial relations of the time and locality. Many local agreements were unrecorded and relied on the word of the manager and shop steward, and became the later much-derided 'custom and practice' attacked by Tory legislation. At the time of privatisation the word went out to managers to attack and disregard local agreements as power was centralised. Managers and stewards who tried to continue on an equitable basis were quickly removed.

Shop steward training by the unions was also provided, with not only industry agreements but also meeting procedure and trade union history. On being elected as a GMB shop steward, I was presented with *The Ragged Trousered Philanthropists*, *My Life's Battles* by Will Thorne, the union founder, and Walter Citrine's *A.B.C. of Chairmanship*. The Citrine stood me in good stead when I was elected as a councillor and came up against Tory opposition and obstructive officers. I contrast this with the unpreparedness of young councillors now elected. New stewards were first introduced to consultative committees to find their feet, and there were many of these, looking at tooling, transport and protective clothing and uniform.

The day-to-day work still could not entirely rid itself of the 'alienation' that Marx identified, but it did allow disputes to be resolved and a greater degree of workers' involvement than today. Some industrial relations academics refer to stewards of this time as 'managers of discontent'. Perhaps the greatest achievement of the industrial relations pattern was to create direct, stable and permanent employment for many thousands of workers. The work was not always well paid, but the stability of employment as well as fringe benefits of a paternalist employer was an improvement for many over what had gone before. I first left this country on a free employee travel permit from my home station of Boston in Norfolk to Naples, widening my social and geographical horizons as well as political. An important element not always recognised at the time was the respect and status given to employees in the 'public service', and the commitment many of those employees gave in return, not only to their employers but also to their communities. Community and social activities grew up around workplace social clubs, involving not only employees but their families and the wider community.

Training and education

The two industries, nationalised at the end of the war, had poor infrastructure and relied on a skilled workforce to keep them running, and training, supplemented by a workforce with huge experience, was very important. In the gas industry, all regions had at least one training college, and vocational qualifications were undertaken, with theoretical knowledge as the basis for the training. As one tutor said, 'It's not only knowing what to do but why you are doing it that's important'. The majority of attendees at the colleges were live-in apprentices recruited at 15 or 16 and given four years college training interspersed with 'on the job' training and a phased introduction to working alone. Numbers were always over-recruited, as it was expected that many would leave to become self-employed or go into the private sector, where training was poor. It was a national training strategy rather than an industry one. On privatisation of the gas industry, all colleges were closed, and not one other person was trained for almost ten years. Attitudes also changed, with one manager claiming that our training was 'gold-plated' and not needed.

The nationalised rail industry too had training colleges, but this was supplemented by a huge range of correspondence courses, with not only vocational training but also educational courses in languages and varied subjects. I learnt double entry book-keeping as well as signalling through the correspondence classes, as well as tutelage from other workers. The rail industry was famous for its autodidacts, and, alongside the usual football and racing topics, in the mess room politics and modern history had a place. Many had wartime experiences, and related them to their return to the UK and support for the Attlee government. Perhaps one of the greatest views I had was of a huge chalk religious mural on the wall of a goods van created by the guard while waiting for the train to leave. In the rail industry, great care was taken in training drivers and guards, who had periods of accompanied time before being launched on their own. Most drivers spent several years as 'second man' before driving on their own, and although this was condemned as a 'Spanish practice' by some outside of the industry, I contrast this with the driver in the Paddington rail crash in the privatised industry, on the second day after qualifying, driving perhaps one of the busiest rail junctions in the country. Later, the same destruction of training was seen in the rail industry with the casualisation of the Railtrack

workforce, and the end result of the Hatfield, Ladbroke Grove and Runrigg disasters. The Ken Loach film *The Navigators* gives an insight into the times of rail privatisation of rail engineering. The quality of training that existed under nationalisation not only kept the industry running but was productive and produced a high level of health and safety.

An important element to the training of new employees in both industries was the passing on of experience from older workers with many years of service. The stability of the employment attracted workers to stay and follow career paths within the industry, and to nurture younger joiners. Not only was the work experience valuable but also the life experience of workers who had known not only harder times but often wartime experience. This created a great culture of learning and security for younger workers. I left home at 17 for work further afield on the railway and, despite homesickness living in 'digs', it was the comradeship of the older workers acting in a 'father' capacity that made it bearable. It was not all milk and honey; younger workers were expected to 'know their place', to respect the older workers and to understand that respect had to be earned. In contrast, today the reliance on academic qualifications and 'fast tracking' has seen many promising managers 'crash and burn' or hold positions they can't wait to move on from, rather than gaining and consolidating experience.

On privatisation, it was a priority of the new owners to break the workforce's culture of independence, and many of the older workers were the first to be singled out to go, with enhanced redundancy and early pensions, with devastating effects on the knowledge base of the industry. This, followed by large-scale contractorisation, has led to poorer standards and a very different culture for workers.

Conclusion

Although my picture is based on one person's view, I believe it is representative, and contradicts the political view presented at the moment. The state is unpopular with politicians of both the right and the left at present, but I think it is valuable to represent the positive side of the nationalised industries not only as an economic 'commanding heights of the economy' strategy but also as a valuable 'community cohesion' strategy. The economic and social strategies contrast favourably with the failed

profit-motivated ones now represented by the privatised industries. We may not go back to the golden memories of mine but there is a clear basis for state intervention and ownership of key parts of the economy without them being represented as giant, unfeeling monoliths. They also have the ability to give the UK an opportunity to plan for the long term economic and social future. At the time of privatisation, the gas industry was supplying the Treasury with £300m each year and had energy buying capacity of thirty years ahead. The privatised rail network receives five times the subsidy provided under national ownership, and parts of the industry have had to be renationalised because of financial or safety failures. The profits taken from both industries could be more accurately described as private taxation than as a free-market 'solution'.

The right will always damn the nationalised industries because of the lack of profit motive and the strength of their organised workforce, but I believe that they also recognise their success and the challenge they offered to the capitalist model. Its venom knows no bounds, and the recent publicity around the NHS is not a coincidence as the attack on it begins. The left still lacks the confidence to celebrate our past, but with the loss of the nationalised industries and the trade union participation that went with them Labour lost a political force to bolster its parliamentary and party role, and it has never regained the traction in society to promote either democratic socialism or even mild social democracy. We are beginning to witness the Thatcher legacy falling apart, as well as the policies of this government. We should recover our industrial past and celebrate it, not condemn it as the monolithic state.

