

## Chapter 6. Did I Say That?

The idea of Parliament derives from the ‘advisor groups’ that were appointed by the King in medieval times. The first parliaments (for example those in England) were completely staffed with cronies of the monarch – various Barons and Bishops and Earls who were seen as wise and of ‘sound mind’. Such persons were there to council the King on his decisions – though it was understood that the King was not bound to follow their advice. Since only the King was privy to all the information, it was accepted that only the King should have ‘executive’ power – that is the power to make actual laws.

Modern government is still based on this old model. This can be seen in number of ways. One surviving similarity is the idea of having two parts to the decision-making system in government – an ‘Executive’ part and a ‘Parliamentary’ part. In some countries the Parliament has the job of ‘discussing and debating’ (and is somewhat ‘advisory’ in its role) whereas the Executive actually ‘proposes and implements’ laws. (Depending on the particular country, the Executive can be chosen in different ways. In Ireland and the UK, for example, the Executive is usually composed of a group drawn from the largest political party in the Parliament, whereas in the USA the Executive is elected separately). Either way, the great change with the past, we are told, is that we now ‘choose’ who will be in the Parliament and who will be in the Executive. Because of this the decisions that are taken should ‘reflect’ what we think.

True? The answer most definitely is NO.

## Parliament or Democracy?

Kevin Doyle

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question'. Yet these assumptions influence the reporting, the evaluation and the assessments of elections — thereby structuring the discussion and debate in society in a way that is suitable to those who already have power and privilege. Some of these assumptions are listed below — they can be easily seen.

1. Parliamentary elections are democracy in action.
2. A parliamentary election is your chance to have a real say.
3. The political parties who offer themselves for election are varied and quite different; they represented the full spectrum of political options.
4. Politicians going back on their promises is just 'human nature'.
5. The outcome of a election makes a real difference

Fundamentally important issues relating to parliamentary elections are never examined or pursued by the media — for clearly evident reasons. As will be seen below, many elections repeat certain themes: 'putting the people first', 'investing in education and health', 'tackling crime' — yet precious little ever happens or changes. So Does your vote actually have any effect? Is there an actual (as opposed to a nominal) choice at election time? Will a politician keep his/her word? These are important questions and are central to the subject of democracy — yet they are carefully avoided by a media attendant to the interests of the powerful and privileged.

3. Media reliance on information provided by government, business and ‘experts’ funded by same: The media news services rely on ‘respectable sources’ for news. In part this is to save on costs, but it also reflects the need to get information from ‘official sources’ and ‘not just anyone’. The Government is often relied on because the ‘Government is neutral’. The results are predictable.

4. ‘Flak’ as a means of disciplining the media: The media is seen as an important arena of debate in many parliamentary democratic societies. For this reason, many ‘Think-Tanks’ target the media and monitor its output. Think-Tanks are not cheap to set up or to run. Needless to say, they are funded by and support those who have money and privilege. They can play a vital role in altering the ‘focus’ of the media on an issue.

5. ‘Anti-communism’ as a control mechanism: ‘Anti-Communism can mean the traditional Cold War rhetoric that was powerful in the USA and in Western Europe for much of the last fifty years. But it can also be the ‘general idea of socialism’. Labelling a journalist ‘pro-communist’ or the coverage of a strike as ‘pro-communist’ is often a subtle but powerful way of putting pressure on a news feature to moderate its focus (especially if the said coverage or journalist is anything but ‘communist’).

News coverage of parliamentary elections is a special application of the above. Coverage is shaped by a number of key assumptions – many of which are generalised within the media services to such an extent that they are seen as being ‘beyond

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bias not through any one particular agent but rather through a series of effects. None of these effects if taken in isolation would constitute a dominant influence on what the news media presents. But taken together they can and often do. These effects they call 'filters'. Taken together these 'filters' alter the balance of new coverage in favour of the current economic structure. In Manufacturing Consent the following five are listed:

1. Ownership, size and profit orientation of the dominant mass media firms: The modern media is largely 'in private hands' despite the existence of many national radio and TV stations. Some of these news networks — News International, Hearst, etc. — are multi-billion pound businesses, with their own profit demands. Many news companies also invest outside of the media — in mining, manufacturing etc. — giving them a 'vested' interest in the current (unequal) state of the world.
2. Advertising as the primary income source of the mass media: Most radio, TV and newspapers depend heavily on advertising. There are two aspects to this. Advertising revenue acts as a subsidy to production costs, allowing 'advertiser friendly' media to undercut and expand relative to their 'advertiser unfriendly' rivals. Secondly, as is well-known, advertising is mainly funded by private business leading to an in-built subsidy to 'business friendly' media and coverage. Media that challenges the direct interests of the 'rich and privileged' will simply not get advertising revenues. Accordingly it may not survive, or if it does, it will remain small and under-funded.

This brought change in its own right. For the first time in history, the technology, wealth and means existed to implement democracy on a mass scale. Democracy, in its proper sense, had always consisted of two aspects: The first of these was having the power to take decisions — this was a right that was increasingly being won as the twentieth century proceeded. But the second of these aspects was, to a point, more difficult to achieve. This was providing people with the information around which decisions could be based. This was especially important with the emergence of national economies, and with the increasing enlargement of society to include larger geographical areas. The mass media was a potential solution to this need. Large sections of the population, for the first time, had access to the media at low cost. In this way they could keep informed and abreast of major political and social events of the day from beginning through to end. Such was the potential of the emerging newspaper and radio industry (and later on, television). But it was not to be used for these democratic objectives.

The new era of parliamentary democracy was dominated by the idea of ‘manufacturing consent’. Not surprisingly this process relied heavily on the emergent mass media. The primary objective was not to ‘investigate and inform’ but to ‘report and shape’. By virtue of what was or wasn’t reported the nature and basis of political debate could be set (and altered). Certain viewpoints, conducive to the interests of the ‘rich and privileged’, tended to dominate on the airwaves and in political debate. Other viewpoints — ‘less friendly’ — received less attention.

The general bias in the media has been best explained by Noam Chomsky and Edward S. Herman<sup>4</sup>. In *Manufacturing Consent* they outlined how the modern media operates its

From the 1850s onwards, against a background of great new wealth in society and a working class that was more independent and resourceful, the ‘problem of democracy’ became urgent for the rich and powerful. In general wealth was rising throughout society, but so was the greed of those who owned the new factories, mines and plantations. The key question was: what was to be done about the general demand for democracy, and about the incessant clamour for political rights which, during the revolutions of 1848, had almost got completely out of hand?

Maintaining their privilege and wealth while generally conceding a semblance of democracy was the principal aim of the ‘rich and privileged’ during the second half of the 19<sup>th</sup> century. Parliament is a means of diffusing democracy, of channelling real struggles into a safe dead-end. Time and time again it has become a graveyard for the workers’ movement.

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<sup>4</sup> E. Herman and N. Chomsky, *Manufacturing Consent* (Pantheon, 1988).

# Chapter 1. The Problem of Democracy

The French Revolution of 1789 put an end to the idea that some people were born to rule. In only a short number of years one of the oldest and most powerful monarchies in Europe was swept away. In its place came the idea of legal equality and individual rights as set out in the 'Declaration of the Rights of Man and the Citizen.'

The basis of these new rights, established on foot of a great social upheaval, was the real hallmark of the French Revolution since it was accepted, from that point on, that laws and how they were made were the expression of the 'general will'. As such these laws could be made and unmade as that 'general will' was discerned. This was the real break with the past.

At the time of the French Revolution the idea of the 'general will' was still new in politics. Even so the implications for the future were not difficult to make out. Sixty years earlier, in England, during the Civil War the very same issues had come to the fore. If the monarchy was to be dispensed with, what type of society should replace it? What exactly constituted the 'general will'? And, as importantly, in whose service was its rule to be applied?

During the Putney Debates, the anti-Royalist forces who had fought to depose Charles II argued over these very issues. The principal leaders of the anti-Royalist movement, men such as Oliver Cromwell and others, were definite that the King's arbitrary rule should end. But, equally, they were clear that the

In Lippmann's eyes, then, two important roles formed the basis of the new democratic order, that is modern parliamentary democracy. 'Firstly, there is the role assigned to the "specialised class", the "insiders", the "responsible men", who have access to information and understanding. These "public men" are responsible for "the formation of a sound public opinion ... They initiate, they administer, they settle", and should be protected "from ignorant and troublesome outsiders..."

'The second role is the "task of the public", which is much more limited, Lippmann explains. It is not for the public to "pass judgement", but merely to place "its forces at the disposal" of one or other of the "responsible men" ... "the public acts only by aligning itself as the partisan of someone in a position to act executively".<sup>3</sup>

Lippmann describes this new order of things as a "revolution" in "the practice of democracy". The public's opinion must be shaped and formed so that the important decisions can be made in their name. He describes this process, honestly, as 'the manufacture of consent' noting that 'it is a self-conscious art and a regular organ of popular government.'

These priorities, articulated by Lippmann and others, were not new. In fact they were strikingly similar to earlier views, for example J.S. Mill's advice that: 'the intellectual classes [should] lead the government, and the government should lead the stupid classes.' But other, newer developments had compounded the problem from the perspective of the 'rich and privileged'. During the inter-war years (1918-39) newspaper readership rose steadily, as did cinema attendance and radio listener-ship. The first television networks were on the air in the late '40s.

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<sup>3</sup> Noam Chomsky, 'The Struggle For Democracy In The New World Order', *Low Intensity Democracy* (Pluto Press, 1993), p81.

end of the 1940s that the modern parliamentary democracies emerged fully formed.

The USA, for reasons briefly mentioned above, was different. Already one of the strongest economies by the end of WW1, it progressed unhindered towards the modern model of parliamentary democracy from the beginning of the century. Though it didn't concede full suffrage until 1961 – on foot of the Civil Rights Movement – it already operated reasonably smoothly and without major hiccup from the 1870s onwards.

It was here in conditions of economic stability and growth that the influential American 'democrat', Walter Lippmann, examined the new priorities and the new 'problems of democracy' from the perspective of the 'rich and privileged'. Widely praised – for his progressive views, it would appear – Lippmann provided the modern day reasoning for public 'thought control'. The masses, as he saw it, were the problem. Technically, they had a role to play in the new 'democratic' order, but this 'out of necessity' was passive. As he saw it the public 'does not reason, investigate, invent, persuade, bargain or settle.'<sup>1</sup> The public's ability to understand the complex nature of society, the important issues of the day or, for that matter, to evaluate the 'common interest' was limited. The public, as he noted, was ill-informed:

'In the absence of institutions and education by which the environment is so successfully reported that the realities of public opinion stand out very sharply against self-centred opinion, the common interests very largely elude public opinion entirely and can be managed only by a specialised class whose personal interests reach beyond the locality...'<sup>2</sup>

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<sup>1</sup> Noam Chomsky, *Deterring Democracy* (Hill and Wang, 1991)p367-8. See also references therein.

<sup>2</sup> *ibid.*, p367.

running of society could not be left to just anyone. The King's right of power had rested on his birthright. Now that this was gone, a new form of distinction was needed, they argued, lest the rule of society fall into the hands of the common people. That new distinction was to be property. As Cromwell's general, Henry Ireton, put it:

'I think that no person hath a right to an interest or share in disposing of the affairs of the Kingdom... that have not a permanent fixed interest in the Kingdom.'<sup>1</sup>

But this view was not shared by others who had also fought the King. The Civil War had thrown up many groupings. Some, such as the Levellers, were conscious of the social conditions of the day. Others still, the Diggers, had seized un-worked land and declared it their own by virtue of the plants they had put on it and the labour they had expended. Such groupings were profoundly stirred by the struggle against the autocrat Charles II. They were anti-authoritarian and viewed matters differently from the likes of Cromwell. The well-known Leveller, Thomas Rainsborough, countered Ireton with:

'I think that the poorest ... in England hath a life to live as the greatest...and therefore ... every man that is to live under a government ought first by his own consent to put himself under that government.'<sup>2</sup>

But this idea that everyone, irrespective of individual wealth, was entitled to a say in the running of society had dangerous implications. Implications that directly threatened the interests of the 'men of property' and the rich. Ireton again:

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<sup>1</sup> S. Bowles and H. Gintis, *Democracy and Capitalism* (Routledge Keegan Paul, 1986), p28.

<sup>2</sup> *ibid.*, p28.

‘By the same right of natureÉ by which you say a man hath an equal with another of the choosing of him that govern him, by the same right of nature he hath the same right in any goods he sees.’<sup>3</sup>

The central matter being ‘goods’. English society in the era of the Civil War was a much poorer society than it is today but, relative to the population of the time, there was still an abundance of wealth. That wealth was not shared equally. There was a massive disparity in who owned what, a major source of grievance as the Digger, Winstanley, noted:

‘And this is the bondage that the poor complain of, that they are kept poor by their brethren in a land where there is so much plenty for everyone.’<sup>4</sup>

So, in the English Civil War, the abolition of the rule of the King had raised almost immediately a more intractable problem. If full equality was conceded wouldn’t the privilege of the rich be brought to an end? After all, it was Aristotle, thousands of years earlier, who had pointed out the most glaring fact: ‘The rich are few and the poor are many.’ In any straight forward count (or referendum) the interests of the rich would be swamped alongside the priorities of the more numerous poor. So was born the ‘problem of democracy’.

The immediate solution employed by the rich during the English Civil War was, of course, force of arms. This was the fate suffered by democrats such as the Diggers and the Levellers, both of which were dispersed using military means. It was ‘propertied’ men such as Cromwell and Ireton who benefited most. They ruled through a new Parliament, and had greatly increased power, while the poor suffered on. As an observer noted<sup>5</sup> in his journey across England in 1660:

<sup>3</sup> *ibid.*, p28.

<sup>4</sup> A. Arblaster, *The Rise And Decline Of Western Liberalism* (Basil Blackwell, 1984), p160.

in its age old sense, was primarily concerned with one major objective. This was overseeing the conditions in which business could prosper. Enacting laws, ensuring that social peace prevailed and bringing the forces of the State to bear on the unruly, were the traditional roles of government. Over time these important, primary tasks had not disappeared — far from it. As the 20<sup>th</sup> century progressed and the economy of the world grew, the instability of an economic system that rested primarily on exploitation became more apparent. Left to its own devices, capitalism undoubtedly created great wealth for the ‘rich and privileged’. But, and this was its great misfortune, it also created massive misery. Invariably, bust followed boom and depression followed growth. A century that produced two world wars and the ‘Great Depression’, inevitably brought forward those theories — Keynesism in particular — that argued for more State intervention in society’s affairs, and for greater management of the economy.

To an extent this was a break with the past. But, less obvious at the time, was the longer term shift in emphasis that occurred generally in the more economically advanced countries. The State, previously the agent of the ‘rich and privileged’, shifted from being a partisan player in the struggle between the rich and the poor to the new and more benign role of mediator. This required, in turn, a new type of political operation — where consensus between the classes replaced confrontation and, under the guise of parliamentary democracy, exploitation was carried on as before.

This new state of affairs, a reflection in part of greater suffrage and a reflection in part of new priorities among the ‘rich and privileged’ emerged across the world in a piecemeal fashion. In Europe, war and its after effects (including revolution and economic depression) checked any immediate shift away from the traditional method of repression. On the contrary, progress was slow and it was only towards the



## Chapter 5. ‘Manufacturing Consent’;

**The arrival of the popular vote (universal suffrage) marked an important transition in those societies that ‘granted it’. This was the change in the political order from one in which the mass of the people were excluded from having any say, to one in which they were nominally included. Finally, and despite the delay, it was being recognised that power in society derived from the people. For the present, it was intended that this power would be carefully managed – through parliament – and neutralised for the most part. But, even so, it was an important concession. The arrival of the vote was a recognition that all people, irrespective of title or wealth, were entitled to an equal say in the running of society. This remains, for most people, an appealing idea.**

Secondly, the vote gave people leverage, albeit of a very weak kind – a situation that was most obvious at election time. Tripping over themselves to get elected to parliament and ‘serve the people’, politicians were liable to promise anything. This raised expectations in the electorate and, as was usually the case, indignation later. But, even so, on some occasions, real concessions were achieved.

How was this new situation to be managed? On the one hand there were the demands of the electorate; on the other hand there was the usual business of government. These two interests did not necessarily go hand in hand. Government,

‘The island ... is ... governed by the influence of the sort of people that live plentifully and at ease upon their rents extracted from the toil of their tenants and servants ... each of whom within the bounds of his own estate acts the prince; he is purely absolute, his servants and labourers are in the nature of his vassals; his tenants indeed are free, but in the nature of subjects.’<sup>5</sup>

Like the English Civil War, the French Revolution would have a limited effect on how society was organised in the short term. Though the French monarchy was fatally weakened and the ‘rule of law’ was established, the real beneficiaries were the emerging bourgeoisie. These, the merchants and bankers of France, had been one of the motive forces in the fight against the monarchy. They had provided the ideas and reasoning for the Revolution. For too long they had suffered unjust taxes, levied on them by a corrupt King. In the aftermath of the French Revolution, with their hands on the reins of power, they remade the laws in their own interest, to benefit trade and those who traded.

But the French Revolution was also crucially different – in a way that would have important overall consequences. Firstly, it ‘was alone of all revolutions which preceded and followed it a mass social revolution’.<sup>6</sup> The masses themselves had been one of the prime forces in its success. At crucial periods in the struggle for power they had, by their very presence, pushed events forward. This had struck a chord with the downtrodden everywhere, but it also taught a crucial lesson: where reform from above proved fruitless, revolution from below could work. In part, as a reflection of this, political consciousness rose across Europe.

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<sup>5</sup> *ibid.*, p160.

<sup>6</sup> E. Hobsbawm, *The Age Of Revolution* (Mentor, 1962), p54.

The French Revolution was particularly important for a second reason. It occurred as the very early stages of the industrial revolution were getting underway. Overall, wealth in society was increasing. In France and England it is estimated that society's wealth doubled in the 18<sup>th</sup> century. But, in the next fifty years, as machinery and labour were harnessed, the rate of increase in wealth accelerated rapidly.

Beginning first in England, where conditions were most favourable, industrialisation spread relatively quickly to the continent of Europe. By the 1840s 'the actual industrial transformation of the non-English speaking world was still modest ... a little more than one hundred miles of railway line in the whole of Spain, Portugal, Scandinavia, Switzerland and the entire Balkan peninsula...'<sup>7</sup> But, even so, 'the actual rise in production and exports were gigantic'.<sup>8</sup>

What this meant for the 'rich and privileged' was a vast increase in their wealth. How vast is often not appreciated. The historian, Eric Hobsbawm, gives one indication with his explanation for the dramatic rise in railway construction that occurred at this time in Britain. In just twenty years railway construction there jumped from just a few dozen miles of line (in the 1820s) to 4,500 miles of line by 1840, to 23,550 miles by 1850. Where, he asks, did the money come from, for such endeavours? His answer is instructive: 'The fundamental fact about Britain in the first few generations of the Industrial Revolution was that the comfortable and rich classes accumulated income so fast and in such quantities as to exceed all available possibilities of spending and investment'.<sup>9</sup> Hence, the 'speculative frenzies' concentrating on railway stock investments which hit England in 1835-7 and again in 1844-7, known with hindsight as 'railway mania'.

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<sup>7</sup> *ibid.*, p168.

<sup>8</sup> *ibid.*, p42.

<sup>9</sup> *ibid.*, p45.

This strategy was to be basis for the most important example of democratic practice in the 20<sup>th</sup> century – the workers' collectives built during the Spanish Revolution in 1936-37 (see Chap 9).

Summing up his impressions after being arrested, one Australian Railways Union member said of the Labor Party, 'If ever there was a weak collection of salary chasing opportunist humbugs devoid of any semblance of working-class principles, it was members of the Labor Party.'<sup>30</sup> He concluded that no anti-Labor government 'could have been more vicious'.

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The emergence of the parliamentary socialist movement, in the early part of the 20<sup>th</sup> century, played a key role in breaking large sections of the working-class away from their own independent efforts at bringing about change. As a result, a form of democracy that was both tokenistic and insubstantial became the order of the day. This was a major achievement for the 'rich and privileged'.

The particular result, however, was not so much that social peace prevailed but, rather, that other forms of democracy, more substantive in content and less acceptable to the interests of the 'rich and privileged', were smothered or, at the very least, curtailed. These forms — ideas of direct action and direct democracy, democracy in the workplace etc. — posed a real challenge to the social order in that they brought the disenfranchised into the struggle for an improved society as participants rather than as observers — a difference that mattered enormously in the long run.

There would be one significant exception to this overall trend. This was in Spain. Here the anarchist movement was strong enough from the earliest days to set a political course independent of 'parliamentary socialism'. At the core of the anarchist strategy was direct democracy and direct action. Eschewing the parliamentary road and all its trappings, anarchists advocated that instead the workers should reclaim democracy at their place of power — at work and on the street.

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<sup>30</sup> *ibid.*, p251.

Yet, this enviable predicament contrasted sharply with the lot of the multitude whose role it was to labour for such enterprises. For them '...the transition to the new economy created misery and discontent...' <sup>10</sup> Those without property — those who, in effect, became known as the proletariat — didn't immediately take to the new order. 'Labour had to learn to work in a manner suited to industry... It also had to learn to be responsive to monetary incentive...' <sup>11</sup> The early generations of workers didn't find this easy, nor did they like it. There was considerable resistance.

The solution, notes Hobsbawm, 'was found in a draconian labour discipline, but above all in a practice where possible of paying labour so little that it would have to work steadily all through the week in order to make a minimum income...' <sup>12</sup> that it could survive on. This often required the whole family to work. Between 1834 and 1839, in the English cotton mills, of all workers, 'one quarter were adult men, one half women and girls and the balance boys below the age of eighteen.' <sup>13</sup> By the 1840s, in Western Europe, 'the characteristic social problems of industrialisation ... the horrors of breakneck urbanisation ... were commonplace and of serious dimensions' <sup>14</sup>

Small wonder then that Europe was convulsed by revolution in 1848. Whilst liberals in Italy, France, Hungary and Germany pressed forward against the continuing power of royalty in their own countries, independent demands of a serious nature emerged from the 'workers in Paris and other European cities'. Raising the cry for 'social revolution, for the Red republic' their 'demands challenged both property and the laws of the market' <sup>15</sup>

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<sup>10</sup> *ibid.*, p38.

<sup>11</sup> *ibid.*, p49.

<sup>12</sup> *ibid.*, p49.

<sup>13</sup> *ibid.*, p49.

<sup>14</sup> *ibid.*, p173

<sup>15</sup> A. Arblaster, *op. cit.*, p267.

## Chapter 2. A Suitable Solution

**From the 1850s onwards, against a background of great new wealth in society and a working class that was more independent and resourceful, the ‘problem of democracy’ became urgent. In general, wealth was rising throughout society, but so was the greed of those who owned the new factories, mines and plantations. The key question was: what was to be done about the general demand for democracy, and about the incessant clamour for political rights which, during the revolutions of 1848, had almost got completely out of hand?**

This matter weighed heavily on the minds of the ‘rich and privileged’ during this era. Two main positions emerged. On the one hand, there were people such as Thomas Babington Macaulay who believed that ‘the higher and middling orders are the natural representatives of the human race’.<sup>1</sup> He was concerned about the issue of enfranchising the poor and property-less. This issue had already come to the fore in Britain with the rise of the Chartist movement in the 1830s. One of the leading Chartists, Cobett, had made the important point that the people wanted the vote ‘that it might do some good, that it might better our situation... and not for the gratification of any abstract ... whim’.<sup>2</sup> Macaulay attacked the idea of universal suffrage in this context. He argued it would

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<sup>1</sup> *ibid.*, p265.

<sup>2</sup> *ibid.*, p264.

worked for social reforms in housing, education, wage rates, unemployment protection and pensions,<sup>26</sup> expounding, in the end, ‘a welfarism that was often little different from liberalism.’<sup>27</sup> A project that was eloquently captured by Ben Chifflly, Labor Prime Minister in Australia from 1945–49, when he said:

‘We have a great objective — the light on the hill — which we aim to reach by working for the betterment of mankind not only here but anywhere we may give a helping hand.’<sup>28</sup>

On occasions when workers resisted, expecting — well they might — that Labor would be more sympathetic to their cause, the results were a brutal eye-opener. A case in point being the 1946 railway strike in Australia.

The ALP were in power just one year when this nation-wide dispute broke out. The Labor minister in charge, Hanlon, himself a former strike leader in the infamous Brisbane general strike of 1912, ‘exceeded his own draconian response to the 1946 metalworkers strike ... he proclaimed a state of emergency under the Transport Act, authorised the arrest of strike leaders and the rank and file picketers, and portrayed the dispute ... as a civil war.’ The strike continued, however. So, ‘Hanlon rushed through parliament the Industrial Law Amendment Act which gave the police even wider powers than the state of emergency. They could now take action against anyone they considered might be prolonging the strike; they could arrest without warrant, prohibit picketing, enter union offices or meetings at any time, and use force when they considered it necessary. On St. Patrick’s Day a small orderly demonstration ... was brutally attacked without warning by a large police contingent...’<sup>29</sup>

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<sup>26</sup> *ibid.*, p315.

<sup>27</sup> *ibid.*, p315.

<sup>28</sup> R. McMullin, *op cit.*, p1.

<sup>29</sup> *ibid.*, p251.

degree with the other Parties in the House ... and, considering their lack of experience, ... have acquitted themselves with credit in the House of Commons. [...] The Labour Government has also shown the country that patriotism is not the monopoly of any single class or party.... They have in fact demonstrated that they, no less than any other party, recognise their duties and responsibilities, and have done much to dispel the fantastic and extravagant belief which at one time found expression that they were nothing but a band of irresponsible revolutionaries intent on wreckage and destruction.<sup>23</sup>

Almost immediately, once some degree of success came their way, the trend amongst the Labour and socialist parties of the world was away from the working-class. In Australia, 'Party militants... were disillusioned by Labor's orientation in office towards the whole community rather than the working-class exclusively ...'<sup>24</sup>. This reflected electoral concerns, principally the desire to appear moderate and accommodating to the wider electorate — even to those sections whose interests conflicted directly with the interests of workers.

This resulted in even more moderate policies as time progressed. A point that was noted by commentators: 'Although, during the inter-war period, social democrats had won office in Austria, Belgium, Denmark, Finland, France, Germany, Great Britain, Norway and Sweden, "with the exception of the French armaments industry in 1936, not a single company was nationalised." '<sup>25</sup> Instead of opting for policies of public ownership — previously advocated — the socialist and Labour parties 'attempted to mitigate the worst aspects of capitalism. They

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<sup>23</sup> K. Laybourn, *op cit.*, p57.

<sup>24</sup> R. McMullin, *op. cit.* p90.

<sup>25</sup> Norman Wintrop, *op. cit.*, p315.

lead 'to the rich being 'pillaged' ... which in turn would lead to the destruction of civilisation and a reversion to barbarism.'<sup>3</sup>

Others were not so obtuse. J.S. Mill, the well known 19<sup>th</sup> century liberal philosopher, was among these. He was well aware that times had changed. He noted that the age had passed 'when the uninstructed have faith in the instructed'<sup>4</sup> with the result that 'the multitude are without a guide and society is exposed to all the errors and dangers'.<sup>5</sup> One of these dangers was social revolution. Mill was well aware that something had to be done, but also that the clock could not go backwards.

Not that he was under any illusions: 'We dreaded the ignorance and especially the selfishness and brutality of the mass.'<sup>6</sup> The lower orders were, in his eyes, 'the mass of brutish ignorance', 'the common herd' or 'the uncultivated herd'.<sup>7</sup> In contrast, he saw himself and his ilk as 'an endowed class, for the cultivation of learning, and for diffusing its results among the community'.<sup>8</sup> The role of such a class was clear, he said: 'No government by a democracy ... could rise above a mediocrity except ... by the council and influence of a more highly instructed one or few.'<sup>9</sup> The alternative, a meaningful say for the 'common herd', was inconceivable: 'It is not useful, but hurtful, that the constitution of the country should declare ignorance to be entitled to as much political power as knowledge.'<sup>10</sup> A suitable solution then, in Mill's view, was this: 'the intellectual classes [should] lead the government, and the government should lead the stupid classes.'<sup>11</sup>

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<sup>3</sup> *ibid.*, p265.

<sup>4</sup> *ibid.*, p278.

<sup>5</sup> *ibid.*, p278.

<sup>6</sup> *ibid.*, p279.

<sup>7</sup> *ibid.*, p280.

<sup>8</sup> *ibid.*, p279.

<sup>9</sup> *ibid.*, p279.

<sup>10</sup> *ibid.*, p280.

<sup>11</sup> *ibid.*, p278.

What would, in time, become the *modus operandi* of parliamentary democracy everywhere was not in the 1850s immediately practicable. The natural disadvantage suffered by the ‘middling and higher orders’ alongside the ‘brutish multitude’ when it came to the numbers game (‘the rich are few and the poor are many’) was only part of the problem. More pressing was the different expectations that both sides, rich and poor, brought to the particular subject of suffrage and its extension.

Mill, once again, was clear in this regard. Democracy was ‘not that the people govern themselves, but that they have the security for good government’. Such ‘good government’ already existed in his eyes: this was parliament. Hobsbawm notes the state of play in Europe in the middle of the 19<sup>th</sup> century: The ‘parliamentary tradition had been established in virtually all European countries, with the exception of Russia. In most cases, however, the power of the traditional elite remained secure if not unchallenged, for parliaments had only nominal power against the executive, and hence were at best weak influences on state policy.’<sup>12</sup>

These bald facts about parliament and its irrelevance were widely known at the time. Those who attended the various parliaments of Europe were, for the most part, the appointees of the ruling elites throughout Europe – the various sons of the landed classes and of businessmen, lawyers and the other professions. This was hardly the democracy that the ‘stupid classes’ had in mind. On the contrary, the perception was widespread that ‘rule by the people’ must mean just that – hence the dangerous connotations that the word democracy had throughout this period of history.

Mill and others were very much aware of this difference of ‘understanding’ between the rich and the poor. It was a major problem. There was not, in a sense, a ‘tradition of governance’ or, as it was also put, ‘common ground between the rulers and

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<sup>12</sup> E. Hobsbawm, *The Age of Capital* (Mentor, 1975), p102.

definite policies on wealth redistribution. As Keith Laybourn notes in his book, *The Rise of Labour*, ‘the party of hope and aspiration had come to office.’<sup>18</sup> It was to be a bitter lesson for the workers of Britain.

Philip Snowden, the first Labour Chancellor of the Exchequer, introduced a budget he claimed was a ‘vindication against no class and no interest’.<sup>19</sup> In fact, at the time, it was said to have had ‘devastating consequences for working-class living standards’.<sup>20</sup> In any case, Snowden’s first budget ‘received the general approval of all sides of the House of Commons. It was praised by the Tories and Liberals just as much as the Labour politicians.’<sup>21</sup> though a number of years later (‘looking back on his life’) Snowden was able to justify his performance as follows:

‘I have been active in political life for forty years, and my only object has been to improve the lot of the toiling millions. That is still my aim and my object, and, if I ask for some temporary suspension, some temporary sacrifices, it is because that is necessary to make future progress possible.’<sup>22</sup>

A disastrous result and a cause for dismay in Labour ranks? Far from it. On falling from power at the end of 1924, the first Labour Party prime-minister in British history, Ramsay MacDonald, felt moved enough to write to the King about the Labour Party’s performance, impressing on him as follows:

They [The Labour Party] have shown the country that they have the capacity to govern in an equal

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<sup>18</sup> K. Laybourn, *The Rise of Labour, 1890 -1979* (Edward Arnold, 1988), p57.

<sup>19</sup> G. Foote, *op cit.*, p55.

<sup>20</sup> G. Foote, *op cit.*, p56.

<sup>21</sup> K. Laybourn, *op cit.*, p58.

<sup>22</sup> G. Foote, *op cit.*, p56.

typical toiler — higher wages, comfortable leather chairs, billiard tables, dining rooms, well-stocked library, free rail travel and invitations to lavish functions. Close contact with Labor’s adversaries could be disarming too. After lashing union bashers on the hustings it was different matter altogether to confront them in relaxing surroundings and find they are not bad blokes to share a drink with or a game of cards with. Many Labor men “were obliged to adjust and often did so without being aware of the process”.<sup>14</sup>

And indeed, in power, Labor were moderate. The ALP formed its first federal Australian government in 1910. The success ‘was saluted as the culmination of twenty years of arduous work’.<sup>15</sup> True to form the ALP ‘enacted far more legislation than any previous national administration’. But the overall programme of legislation did not tackle wealth or its distribution. Far from it. A policy of State arbitration of wages and conditions already begun under the previous non-Labor Government was extended. As was a tax imposed on large ranchers who didn’t improve land under their control. Finally, ‘a popular measure ... the baby bonus, an allowance of five pounds payable at the birth of each white Australian child.’<sup>16</sup> (As perhaps might be expected from a party whose members regularly ‘said grace before meals and toasted the monarchy’.<sup>17</sup> )

Worse was to come. The Labour Party in Britain came to power, unexpectedly, when it won 191 seats in the House of Commons in the general election of December 1923. Unlike its Australian counterpart it had, previous to this, adopted some

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<sup>14</sup> *ibid.*, p89-90.

<sup>15</sup> *ibid.*, p71.

<sup>16</sup> *ibid.*, p75.

<sup>17</sup> *ibid.*, p38.

the ruled’ in which both sides knew their place and lot. Naturally, until such traditions were established, the vote would have to be withheld or manipulated into ineffectiveness.

The ‘qualified vote’ was the means by which this was done. Though not before another idea — the ‘weighted vote’ — had been toyed with. This idea, also developed by Mill, was nothing if not novel:

‘If every ordinary unskilled labourer had one vote, a skilled labourer ought to have two. A foreman... whose occupation requires something more of general culture, and some moral as well as intellectual qualities should perhaps have three. A farmer, manufacturer, or trader... should have three or four. A member of any profession, requiring... systematic mental culture... ought to have five or six. A graduate of any university at least as many.’<sup>13</sup>

In this way the numerical disadvantage of the rich could be mitigated until such time as the poor had accepted their lot.

But, it was not to be. The qualified vote was far more practical. Using any arbitrary difference — educational level, possession of property, religion, race, skin colour, sex, age — access to the vote was curtailed. Until such time as people showed appropriate ‘maturity’. Gladstone, the British Prime-minister, spelled out what ‘maturity’ entailed during a debate in 1864 on whether the franchise should be extended (from 4% to 8% of the population!) The voter, Gladstone said, should be a person with ‘self-command, self control, respect for order, patience under suffering, confidence in the law and regard for superiors.’<sup>14</sup>

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<sup>13</sup> Norman Wintrop ed., *Liberal Democratic Theory and Its Critics*, (Croom Helm, 1983) p33.

<sup>14</sup> A. Arblaster, *op. cit.*, p273.

Between 1850 and 1950 then, a period of one hundred years, the main modern parliamentary democracies emerged in western Europe, north America, Australia and New Zealand. The situation in these countries changed from one in which Parliament (or the Legislature as it was also known) was elected by only 1–5% of the adult population to one in which almost 100% were involved. This slow pace reflected the overall problems associated with the building of ‘traditions of governance’ between the rulers (the ‘rich and privileged’) and the ruled (the labouring classes), given both the social problems of the era and the continuing massive inequality. It was however, though slow, a broadly successful process relying on two important developments apart from the usual method – repression – for success. These were:

1. The emergence of a compliant parliamentary socialist movement.
2. The growth and influence of the mass media which from early days was attendant to the interests and agenda of the ‘rich and privileged’.

socialism, he argued, but for the present the immediate goals must take precedence:

“For me the achievement of the most immediate demands is the main thing, not only because they are of great propagandist value and serve to enlist the masses, but also because, in my opinion, this gradual process, this gradual socialisation, is the method strongly indicated for a progressive transition.”<sup>10</sup>

A viewpoint that culminated in Bernstein’s now classic re-formulation of his priorities and those of the GSPD, when he stated: ‘the movement means everything... what was usually called the final aim of socialism ... nothing’.<sup>11</sup>

On the other side of the world matters were not much different though they were a mite more successful. The ALP had been formed after a series of industrial defeats by Australian workers in the last decade of the 19<sup>th</sup> century. From this bitter legacy ‘there emerged a determination to right the wrongs through committed parliamentary action.’<sup>12</sup> The ALP achieved success early on, particularly at the regional state level. This ‘early progress of Australian Labor in politics attracted the interests of the rest of the world...’<sup>13</sup> But, at home, doubts were already setting in. During its first periods in power, at a regional level, there was disappointment all around:

‘Labor people commonly criticised their MPs for not being icy enough. They saw Parliament as a comfortable club which seduced Labor members with facilities way beyond the reach of the a

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<sup>10</sup> *ibid.*, p313.

<sup>11</sup> *ibid.*, p214.

<sup>12</sup> R. McMullin, *op. cit.*, p6.

<sup>13</sup> *ibid.*, p38.



The ballot is the thing, my boys, the ballot is the thing..'

The ballot, in other words, became everything. 'Until the First World War, Social Democratic Parties worked mainly to obtain democratic reforms such as the extension of the suffrage, first to males, then to women, as well as seeking the secret ballot, equal constituencies and "one man, one vote".<sup>9</sup> Particularly in the northern European countries this prioritising affected the whole social struggle. Labour and socialist parties not only set the agenda but also they tended to foist this agenda, with greater and lesser degrees of success, on the wider trade union movement.

Thus the real threat posed by industrial based struggles was at first moderated, then later dispersed. In many countries workers played a militant part in winning an extension of the franchise. In Belgium, Austria and Finland among others, general strikes ushered in more extensive voting rights. But, at the end of the day, the workers' role was secondary. Once representation in Parliament was achieved the job of building socialism fell into the 'capable' hands of the parliamentary socialists. A convenient outcome as it turned out.

For the 'parliamentary socialists' the great prize had always been to win control of the State. Through enlightened leadership, they argued, the State could be used for the benefit of society at large. What happened in reality?

From the earliest days divisions occurred. The demands of electoralism were all important and, as early as 1890, Bernstein in Germany signalled the importance of this issue. Declaring that democracy was 'the high-school of compromise' he argued successfully in the German SDP for a policy of moderation and alliance with forces that did not share in the desire for fundamental wealth distribution. The eventual aim was still

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<sup>9</sup> Norman Wintrop, op. cit., p313.

## Chapter 3. The Role of the State

**Maintaining their privilege and wealth while generally conceding a semblance of democracy was the principal aim of the 'rich and privileged' during the second half of the 19<sup>th</sup> century. But patience with this was thin on the ground, especially amongst the 'multitude' who were, as always, 'truculent and overly concerned with who got what'. This impatience broke out in full force in France, once again, with the famous events of the Paris Commune (1871), which, even by today's standard, remain a benchmark in the achievement of democratic practice.**

The Commune, though short-lived, broke with the past in a number of obvious and direct ways that met with the popular mood of revolution. 'Those elected to represent the people were to act as delegates, not as parliamentary members ... Those elected were subject to recall by the people, and it was the duty of those elected to report back and remain in constant contact with the sources of popular sovereignty.'<sup>1</sup> This was like nothing else that existed in the world at that time. 'The police was at once stripped of its political attributes ... So were the officials of all other branches of the Administration. From the members of the Commune down, the public service had to be done at workman's wages.'<sup>2</sup>

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<sup>1</sup> Stewart Edwards ed., The Communards of Paris, 1871 (Cornell University Press, 1973) p31.

<sup>2</sup> Karl Marx, The Civil War In France, (Progress Press, 1979) p53.

This was a system of administration that led the Commune to institute or attempt to institute reforms of a very radical nature — worker co-operatives were formed, plans were drawn up for workers' control of industry, special attention was paid to the provision of basic education for all, to improve the position of women and to provide crèche facilities for workers (near their place of work).<sup>3</sup> For the time it was an enormous achievement.

But if the Commune highlighted anything — generally speaking as an example of democracy it was vilified by the 'rich and privileged' — it was that the real threat in society to the continuance of privilege no longer emanated from the 'general masses' but rather from that more specific quantity, the working-class. How to deal with this entity was further complicated by the still small but growing influence of anarchist and socialist ideas in its ranks. An influence that was clearly evident in the events of the Commune.

Repression, the immediate solution to the Commune (approximately 25,000 Parisians were slaughtered<sup>4</sup>), would not do in the longer term, especially given, even in this period, the evident capacity of workers to articulate and defend their own interests. Indeed, this was perceived to be the real danger of the emerging working-class — its independence and autonomy which set it apart from all other producing classes in society heretofore, most notably the peasantry.

For the 'rich and privileged' then, containing this new found independence of workers and, if possible, dispersing it would be crucial aims in the general struggle against democracy. Unless this was done a society more technologically based than ever before would, in time, become dangerously vulnerable to its most important of constituents — its workers. Even in the

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<sup>3</sup> Stewart Edwards, op. cit., p34-39.

<sup>4</sup> Stewart Edwards ed., *The Communards of Paris, 1871* (Cornell University Press, 1973), p158.

formative figure in the Labour Party in Britain, was an early hero in this mould. Hardie himself, in the personal sense, was no stranger to oppression. Born illegitimate to a farm servant from Lanarkshire in Scotland, he criss-crossed England, Scotland and Wales building support for the parliamentary road to change. He was, in every respect, an eloquent speaker with, it seemed, a radical vision. He described the type of socialism he was fighting for as follows:

'...the ugliness and squalor which now meets you at every turn in some of the most beautiful valleys in the world would disappear, the rivers would run pure and clear as they did of yore ... and in the winter the log would glow on the fire the while that the youths and the maidens made glad the heart with mirth and song, and there would be beauty and joy everywhere.'<sup>7</sup>

In his eyes the important thing was to participate in the electoral process. Parliament was a good institution, with real power and the potential to satisfy the democratic wishes of the people. The problem, as he saw it, was that rich people kept getting elected to its hallowed halls. If this could be changed, if people from a working-class background, who knew what it was like to be poor were elected, then things could be changed. As went the ditty, popularised among Australian workers at the beginning of the 20<sup>th</sup> century to win support for the Australian Labour Party (ALP)<sup>8</sup>:

'Then keep your heads I say my boys; your comrades in the town.

Will help you get to win the vote and put your tyrant down.

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<sup>7</sup> G. Foote, op. cit., p48.

<sup>8</sup> R. McMullin, *The Light on the Hill* (Oxford University Press, Australia, 1991),p6.

Nevertheless, the growth of the 'parliamentary socialist' movement in the latter part of the 19<sup>th</sup> century and the beginning of the 20<sup>th</sup> was meteoric. Across Europe, in South America and in Australia socialist parties were formed with the expressed aim of taking power.

Nowhere was the growth more impressive than in Germany. The GSPD 'increased its vote from 125,000 in 1871 to 1.4 million in 1890 (20 per cent of the total vote) and to 4.2 million in 1912 (35 per cent of the total vote). Similar dramatic increases in the socialist vote occurred elsewhere ... Social Democrats obtained 37 percent of the vote in Finland in 1907, 40 per cent in Austria in 1919, 30 per cent in Belgium in 1925 and 46 per cent in Denmark by 1935.<sup>5</sup> In 1910 the first elected socialist government in the world came to power in Australia.

These results were indeed dramatic, an indication no doubt of the desire in this period for real and substantial change, or wealth distribution. It seemed as if great things were in the offing, a view enthusiastically voiced by Frederick Engels in 1895. Engels, co-author with Marx of the 'Communist Manifesto', could only marvel at the growth of the German SPD. He seemed to believe that all things would fall before the emerging giant of 'parliamentary socialism' :

Its growth proceeds as spontaneously , as steadily, as irrepressibly, and at times as tranquilly as a natural process. All Government intervention has proved powerless against it ...If it continues in this fashion, by the end of the century we shall ...grow into the decisive power in the land, before which all powers will have to bow, whether they like it or not.<sup>6</sup>

Such a message was also carried faithfully to the working-class electorate by the thousands of party activists who joined the various socialist parties during this era, often to the neglect of the trade union movement they left behind. Keir Hardie, a

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<sup>5</sup> Norman Wintrop, op. cit., p312.

<sup>6</sup> ibid., p312.

late 19<sup>th</sup> century, the direction of economic development was pointing to this worst of scenarios, where, irrespective of the interests of the rich, workers might be powerful enough to implement democracy anyway.

What was confirming a still small but growing number of workers in such dangerous 'delusions' was the very process of industrial struggle itself which became an important feature as the 19<sup>th</sup> century continued on into the 20<sup>th</sup>. In confronting the owners of industry, workers had, right from the beginning, very little to rely upon. Against the brute force and superior material resources of the wealthy, workers had only organisation and solidarity to hold them together – this they used to full effect.

By forming themselves into unions and syndicates (organisations that were built systematically throughout this period) workers were able to use their industrial power to full effect. But there was, most importantly, an added bonus. Unions and syndicates were in their own right 'schools of democracy' and political learning. Not only did workers become politicised by getting involved, but also by being part of a union, workers were given valuable lessons in democratic administration. As if this was not bad enough, it was through such involvement that workers were – when successful – confirmed in that most dangerous of ideas: that by their own efforts and organisation they could alleviate their exploitation. An idea which, if left unchecked, could be the basis for far more substantial undertakings.

Industrial struggle then was a crucial means by which a revolutionary consciousness was developing among the working-class. The practical political experience being gained there was also influencing the wider struggle for democratic reform. In a similar way, the wider struggle for democracy was also influencing the demands in the workplace. A feature that was clearly evident in the 'proposal' put forward by coal workers in the Rhondda Valley of Wales in 1912:

‘Our only concern is to see to it, that those who create the value receive it ... Today the shareholders own and rule the coal fields. They own and rule them mainly through paid officials. The men of the mines are surely as competent to elect these, as shareholders who may never have seen a colliery. To have a vote in determining who shall be your fireman, manager, inspector, etc. is to have a vote in determining the conditions which rule your working life. On that vote will depend in a large measure your safety of life and limb, of your freedom from repression by petty bosses, and would give you an intelligent interest in and control over your conditions of work.’<sup>5</sup>

Such ideas were indeed dangerous. The notion that democracy should be a part of work and the workplace as much as it should be a part of any other aspect of life directly challenged the rule of the boss. Particularly so when married to notions of industrial strength and union solidarity which were developing at this time. In this context it was crucial for the ‘rich and privileged’ to divert the political aspirations of workers away from the industrial arena and towards some more benign institution. Parliament was custom built for this job.

Alone on the left, anarchists signalled the danger which the lure of the Parliament would in time become. One the one hand there was the crucial question: what could Parliament actually achieve or change given that it had only ‘nominal powers’? What would be the point in gaining control of it, if this control could effect little real change?

Though these questions were very important, they were accompanied by a more general debate about the nature of democracy and the role of the State. The real division of

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<sup>5</sup> Reprints in Labour History, *The Miners’ Next Step*, (Pluto Press, 1973), p32.

idea of ‘the State’ than the very capitalists who had relied upon it, time and time again, as a means of repression. They saw control of ‘the State’ and its chain of command as all important and a desirable goal in its own right.

Secondly, however, there was the question of the ‘multitude’ and what role they should have in any future society. Were they to be participants, citizens who were active in bringing about change or were they to be simply people who were called upon to vote every few years – with little other input? Which was it to be: active and participatory or passive and in the background? Here the views of the ‘rich and privileged’ and the parliamentary socialists also coincided.

At one level there was disdain. Beatrice Webb, a member of the Fabians and a founder member of the British Labour Party, ‘was horrified at the immorality and mental dullness of the lower orders. At the turn of the century she noted, “To us, public affairs seem gloomy; the middle classes are materialistic, and the working classes stupid, and in large sections sottish, with no interest except in racing odds.”<sup>1</sup>

At another level however there was doubt about the political capacity of the working-class. The Fabians in general were influential in the founding of the British Labour Party, but they could not imagine workers originating political ideas of their own. ‘The utmost function that can be allotted to a mass meeting [of workers] in a democracy is the ratification or rejection of a policy already prepared for it.’<sup>2</sup> A view that was also held by Eduard Bernstein<sup>3</sup>, a key figure in the GSPD, and also, interestingly, by the Russian revolutionary, Lenin, who had noted that workers were only capable of ‘trade union consciousness’.<sup>4</sup>

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<sup>1</sup> *ibid.*, p31.

<sup>2</sup> *ibid.*, p29.

<sup>3</sup> Norman Wintrop, *op. cit.*, p216.

<sup>4</sup> V.I. Lenin, *What Is To Be Done* (Progress, 1947), p78.

Similarly, while suffrage was gradually conceded, it was done so in a reluctant and strategic way. Extensions of voting rights were met with expressions of 'grave concern for the future of society'. In turn, the 'stupid classes', women or black people — anyone whose turn it was — were chastised with: Were they capable of understanding political issues? Could they be objective? Would it mean the end of society as it was then known?

These questions were debated intensely during the era of reform (1850–1950) that culminated in the establishment of the main modern parliamentary democracies. But, from the very beginning, as a general process reform proceeded furthest and with greatest speed in the countries of the so-called 'New World'. These states — the USA, Canada, New Zealand and Australia — extended the popular franchise quickly, in part because of their special circumstances. Being countries that were built up on the theft of land (from their indigenous peoples) they commanded greater loyalty from their (usually) white citizenry than was possible in Europe itself. A loyalty that was, in effect, a further safeguard to the economic interests of the 'rich and privileged'.

The general process of extending suffrage to 'the masses' was perceived to be dangerous, and so it was. For this very reason it could not have proceeded successfully without substantial participation from below. This participation was provided by the emerging 'parliamentary socialist' movement which, from early days, had a view of social change and reform not radically different from that which was tolerable to the 'rich and privileged'.

There were two important and essential components to this. Firstly, as was mentioned above, the 'parliamentary socialists' saw the State and its role as all important. Leaving aside the objections of the anarchists and some marxists, they viewed 'the State' with a degree of respect that bordered on awe. In many respects the parliamentary socialists were more attached to the

the day was between two views. Between that which saw 'the State' as a beneficial agent in society and that (held by anarchists and some marxists) which saw it, on the contrary, as an impediment to social and economic progress of any substantial kind.

The burgeoning social reform movement of the era, which in time would be dominated by the various Labour and Socialist parties of the world, was the principal advocate of the idea that 'the State' could be used to benefit workers and the disenfranchised generally. Lassalle, the founding father of the German Social Democratic Party (GSDP), held that social improvement of any substantial kind could only come about from State intervention. This was the 'great prize' to be had if workers and their representatives played the game of Parliament. Towards this end, Lassalle urged the German workers 'to look [neither] to the left nor to the right and to be deaf to everything except universal franchise and the secret ballot'.<sup>6</sup>

Lassalle was no exception in holding this view. In Britain, the Fabians, a formative force in the Labour Party, had a similar outlook, believing that 'the State was fundamentally neutral ... It could be used to hinder progress or ... to further the evolution of humanity towards its collectivist goals. The problem was merely which class was in control of its function...'<sup>7</sup> As they saw it, 'the state machine of army, police and law courts 'will continue to be used against the people by [the rich] classes until it is used by the people against the [the rich] classes...'<sup>8</sup>

The anarchist view, however, was quite different, and, as time would tell, more realistic. As the anarchists pointed out, 'the State', in essence, was a chain of command. Democratic practices animated none of its many segments and sections. The Parliament, moreover, was but a minor part of any Gov-

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<sup>6</sup> N. Wintrop, *op. Cit.*, p216.

<sup>7</sup> G. Foote, *The Labour Party's Political Thought, A History* (Croom Helm, 1985), p28.

<sup>8</sup> *ibid.*, p28.

ernment. And the Government was but a minor part of a much wider body that also included the army, the police and judiciary. All of which were authoritarian in terms of structure and ethos. How could such bodies be used to benefit society at large?

The argument put by Lassalle and others was that if a more 'enlightened' or 'compassionate' leadership took the helm, more beneficial ends could be achieved. But the anarchist view rejected this. Not because they doubted either the 'compassion' or 'enlightenment' of Lassalle, though it was questionable, but because, as they argued, authoritarian institutions could not be used to bring about democratic objectives (i.e. policies that would lead to wealth distribution, the key issue, could not be brought about by a minority, no matter how well intentioned. Rather the active and democratic involvement of all of society was required to achieve such an end.)

For anarchists then, the views and beliefs of reformers were not decisive. What would determine the outcome was the political structures used to bring about change. For the anarchists 'the State' was not neutral. It was authoritarian and undemocratic as befitted its purpose. Lassalle, as the anarchists saw it, would not change the direction of Government or 'the State' if he was elected. Rather it would change him. He would become authoritarian and self-serving as befitted the institution he was being empowered to run.

Time would tell who was right.

## Chapter 4. 'A Light on the Hill'

**Meanwhile, the real problem remained. The crucial issue for the 'rich and privileged' was how to concede a semblance of democracy while keeping the mass of people as far removed from the levers of power as was practically possible. In this way the business of making money could be got on with, while the demands for a meaningful democracy were diverted into a cul de sac.**

Parliament, as stated above, was the method of choice. It had nominal powers and concerned itself with the mundane. The real issues in society — the accumulation of wealth by a few, the massive exploitation of labour, the draconian rule of the boss in the workplace — hardly graced its doorstep. Therein lay its beauty. But therein also lay its weakness. The gap between the institutions of power — the State and Government — and the huge numbers of people living in poverty was massive in the last half of the 19<sup>th</sup> century and early 20<sup>th</sup>. The prestige of parliament was low. As an institution it was viewed with suspicion, and as a plaything for the rich. How, it was asked, could such an institution bring about fundamental reform? Or, for that matter, a major redistribution of wealth?

Throughout the period this was an important limitation — in most countries. In order to channel the broader demands for democracy and political rights in a safer direction, it was necessary in the first place to build up the perception that 'Parliament' was democracy in action.

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Kevin Doyle

Parliament or Democracy?

1998

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A second similarity with the old medieval system makes sure of that. This is the notion that only the Executive is privy to all the information necessary to make decisions, and in essence is the only body in society that can and should be allowed to make laws. So while politicians do stand at election time for various policies and positions, and the voters cast their ballots on the basis of these policies, an elected politician is not bound by any law to follow these previously proclaimed policies and positions. Indeed, once elected and a member of Government, a politician is entirely within his or her rights to jettison any promises s/he may have made at the election. The politician in question is quite entitled (legally) to say: ‘Having examined the state of the public finances I have changed my mind about what I previously said – I now think the opposite!’

It is through this notion that an elected parliament is able to discard ‘the wishes’ of the electorate, and to act as it sees fit. In actual practice this is how your vote is discarded.

Though this idea (that a politician is not bound by your vote) may seem like a minor technicality – it is not in practice. The idea that Parliament and the Executive should retain ‘autonomy’ from those that elect them was deliberately retained during the period of reform that saw suffrage being extended to the mass of people in society. Though people were gradually ‘granted’ the right to vote for who should make up parliament, the crucial right of a direct input was withheld. As J. S. Mill emphasised in a subtle but meaningful way: democracy is ‘not that the people govern themselves but that they have the security for good government’.

To see how effective Parliament is at ‘remaining independent’ of the electorate’s wishes it is worth looking at a few examples. (These it should be said have been chosen at random. There are hundreds of others and each election throws up a new set. The following however do show the scope of the problem.)

**PERU:** The elections in Peru in 1990 were fought against a backdrop of increasing poverty and economic ruin. The Peruvian electorate was offered a choice between the policies of Mario Vargas Llosa and those of Alberto Fujimoro. Llosa, a writer and something of a novice in politics, made his policies well known. He argued stridently for austerity and for massive cuts to anti-poverty programmes in Peru (such as they existed) as a means of curbing the State's debt. Fujimoro, who was also somewhat new to politics, said a lot less but campaigned openly as 'an alternative to Llosa'. Not surprisingly, the election saw the wise people of Peru vote against Llosa and his IMF sponsored policies; Fujimoro won. Yet within months, Fujimoro adopted Llosa's previously stated policies and inaugurated unprecedented cutbacks and an attack on the poor — a process that later came to be known as 'Fujishock'!<sup>1</sup>

**USA:** Bill Clinton's victory in 1992 came after twelve years of 'Reaganomics' — policies that had led to a massive shift in wealth from the poor to the rich (see later). Clinton made a number of important promises — some directly economic and some related to 'social' issues.

- The introduction of a 'national health care system' was central to Clinton's campaign, and directly affected some 35 million US citizens. Clinton 'eventually' abandoned the idea of a promised medical insurance system in 1995. (It has not resurfaced.) In fact, there were more Americans without medical insurance at the end of Clinton's first term of office than before it began!
- Clinton's election slogan was 'to put people first' — a policy that had a certain ring to it after so many years of Reaganomics. Yet Clinton quickly changed his mind once elected and adopted what later became known as the 'Wall Street strategy'. As one commentator said:

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<sup>1</sup> Barry Gillis, op. cit., p47.



‘But, after the election, his economic team convinced him instead to concentrate on reducing the deficit’<sup>2</sup> A strategy that led Clinton to abolish the ‘heating subsidy’ for over 5 million poor Americans and to put a ‘two year limit on welfare payments’ after which time a person had to take a job (no matter what the pay) or starve.

- Gay Americans played a prominent part in Clinton’s campaign and were promised equality of service in the US armed forces as a reward – this was abandoned within a year in favour of a ‘don’t ask, don’t tell’ policy.

**Ireland:** Before the 1987 general election, Fianna Fail flooded the country with posters and billboards declaring “Health Cuts hurt the old, the sick and the handicapped”. Within months of their being returned to government they were implementing massive cutbacks in spending on health.

Prior to the general election of 1982, Fine Gael took out newspaper advertisements warning that if Fianna Fail were elected they would impose a new local tax in the form of service charges. Fianna Fail, meanwhile, warned in the same newspapers that if Fine Gael won, they would impose service charges. The Labour Party made a “clear and unambiguous” statement that they were totally opposed to such charges. Following the election, a Fine Gael-Labour government was formed and in July 1983 the Local Government Provisions Act No. 2 was passed by them. This empowered County Managers to charge for services. Fianna Fail fought the subsequent 1985 local elections on an anti-service charge ticket but immediately after the elections their councillors around the country did a U-turn and voted for charges. Just before the general election of 1987, Fianna Fail gave a written guarantee to the National Association of Tenants Organisations (NATO) that if returned to government they would scrap local charges. They were and

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<sup>2</sup> Economist, 11 June 1994, p54.

they didn't. In fact charges continued to be levied for the next decade until a massive campaign of people power led to their abolition. Over that ten-year period several TDs were elected to Dail Eireann on anti-charges tickets. Eamonn Gilmore, Kathleen Lynch (both Democratic Left) and Emmett Stagg (Labour) were all initially involved in anti-charges campaigns and were actively calling on people not to pay the charges. Yet all ended up in a government which was dragging people before the courts for exactly that.

**Australia:** The 1993 general election in Australia was a close run affair. Eventually it did end with a win for the ALP(Australian Labor Party) who partly secured their victory by promising some 'popular reforms' aimed at improving hospital waiting lists and helping the 'middle range' of people financially (through tax reform). These promised reforms played an important part in the election since the gap between the rich and poor in Australia had widened considerably during the 1980s. Yet by August of 1993, just three months after the election, the ALP had ditched five specific promises it had made at the election:

1. a special tax relief for pensioners
2. a dental health assistance subsidy for low-income earners
3. money to be made available to pay for private hospital beds (in order to cut waiting lists)
4. improvement to housing grants and
5. a broad tax cut.

**France:** During the Presidential election in 1995, Chirac made an important (in the eyes of the electorate) promise not to 'raise taxes.' He also promised to create jobs by increased

spending. A few months after his election, during the notoriously 'quiet' summer period in French politics, Chirac's Prime-Minister Alan Juppé presented a 'supplementary budget to raise an extra \$6 billion in taxes by the end of the year'<sup>3</sup> which interestingly (noted the Economist) 'hit the poor hardest'<sup>4</sup> Not that this sufficed. In a later twist, Juppé and Chirac having promised to create 700,000 jobs by the end of 1996, ended up increasing unemployment by announcing spending cuts of \$5 billion to 'meet the Maastricht criteria'!

**Brazil:** The seasoned politician Fernando Cardoso used a thoughtful ploy on his 'campaign trail' that saw him win the 1994 election. Before the crowds he would hold up this hand and begin ticking off each of his main priorities — health, education, housing, infrastructure and employment — one for each finger.<sup>5</sup> It was obviously effective in a country notorious for its levels of inequality. (One percent of the population of Brazil received 15% of the income in 1994 alone)<sup>6</sup>. Yet Cardoso seemed to have forgotten all of this less than one year later when, noted the Economist, 'In Congress, Mr Cardoso and his team have been busy with a package of market-freeing constitutional reforms, needed both to keep inflation down and ensure growth'<sup>7</sup> A set of priorities that made him 'veto the minimum wage rise' and introduce a 'tall order' in legislation, of such magnitude in fact that 'Britain's Conservatives ... have not achieved it in 16 years'.<sup>8</sup>

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<sup>3</sup> Economist, 15 July 1995, p24.

<sup>4</sup> Economist, 15 July 1995 p25

<sup>5</sup> Economist, 23 September 1995 p43

<sup>6</sup> Economist, 29 April 1995, Survey p24.

<sup>7</sup> Economist, 23 September 1995, p44.

<sup>8</sup> Economist, April 29. 1995, Survey p10.

## Chapter 7. Many Roads, One Destination

**The important issues in politics are as plainly obvious in India as anywhere else in the world — if not more so. The country that is often called ‘the largest democracy’ in the world is also one of the most unequal. Some 36% of the population are estimated<sup>1</sup> to be living in ‘absolute poverty’ (a condition defined by the UN as ‘malnutrition, illiteracy, disease, high infant mortality or low life expectancy’). Alongside this, the top 10% of Indian society absorbed nearly 35% of the income of the nation in 1985 alone, skewing the wealth distribution into even more unequal figures.**

These are startling statistics. But in a society in which ‘the people rule’ this situation — one would predict — should be quickly changed. Plain ‘self-interest’ should see to that. After all with so many poor people in such a majority, it would seem to be just a case of simple mathematics to right the wrong. One election is all it should take. Yet what has happened? In fact the opposite has occurred. Despite some 40 years of parliamentary democracy and ‘universal suffrage’, India’s inequality has remained impervious to change for the better. In the last decade or so, the gap has actually been growing again.

The reasons why are not difficult to discover — nor are they particularly Indian in content. Indian politics has been dominated almost since independence by the Congress party, a po-

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<sup>1</sup> G.T. Kurian Ed., The New Book Of World Rankings, (Facts On File, 1991), Table 52.

litical movement that is seen by many, interestingly, to be on the left and to even have ‘socialist’ ideas. The other significant party is the BJP. Besides the BJP there is a host of smaller parties (some on the left, others on the right). However none of these ever dent the arena of national politics so the practical choice is between only two parties – Congress and the BJP.

Asked to clarify the differences between these two political parties in 1993, an Indian business journalist<sup>2</sup> saw none in practice. Both parties, he concluded, were ‘travelling down the one road.’ The only point of difference between the BJP and Congress, he pointed out, was the ‘speed’ of the journey and the ‘side of the road they [the parties] were travelling on’. So while the electorate in India does have a choice at election time, both parties on the roster have – in effect – the same overall policies. What are these?

Politics in India has been dominated since its foundation by the broad idea of ‘reform’. More recently however, these ‘reforms’ have had a more focused target. According to the Indian Prime-Minister, PV Rao of the Congress Party, they ‘had to do with changes in the companies act ... capital acquisition tax and the financial sector reforms’ and also ‘introducing value added tax’<sup>3</sup>. Noting the effect of these ‘reforms’, the Economist recorded a familiar picture. It reported that ‘Among unskilled Indians, real wages dropped in the first 18 months of economic reforms.’ Not that this was the entire picture – far from it. Though grain production in India was enlarging under the new reforms (‘not many people know it but India is sitting on a mountain of 30 million tonnes of grain’), the Economist went on to point out that ‘the poor could no longer afford to buy’.<sup>4</sup> Indeed even Prime-Mister Rao, the architect of the reforms, was appalled at this. And lashed out that it was ‘scandalous

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<sup>2</sup> Interview for Indian Business Report, BBC Asia, 1 August 1993.

<sup>3</sup> see ‘Reforms’, Times of India, 28 September 1993.

<sup>4</sup> p61, Economist, June 3, 1995.

that grain should be exported when so many Indians still go hungry'. Though in a speech to the Federation of the Indian Chambers of Commerce, two years earlier, in a more sober mood, he had said (about the reforms) 'the difficult part lies ahead. We have a long way to go. The journey is bound to be long and difficult'.<sup>5</sup> And returning to that all important question, that of speed, he said 'the pace of reform would be governed by the ability of the system to absorb changes 'without collapsing.' Such are the realities of 'the largest democracy' in the world.

Providing no effective choice to the electorate amid the colour, pomp and drama of 'General Election Fever' is the stuff of parliamentary democracy. In this game the media play a valuable and vital role. The 1993 parliamentary election in Australia being a case in point.

It was described by the one of the main national papers as 'The most important election since WW2.' Yet when asked to point out the differences between the two options being 'offered' to the electorate, four different financial commentators saw no 'real differences' that mattered in the long run. Why this was so is quite easy to see. The Australian Labor Party had been in power throughout the '80s in Australia and had presided over a 'historic drop in wages'<sup>6</sup> and a variety of 'labour market reforms' that had 'borne fruit'<sup>7</sup>. Challenging the ALP were the traditional parties of big business and big farmers — an alliance of the Liberal and the Country Party (whose central election policy was the introduction of VAT — a tax that invariably effects the poor more than the well off!).

The ALP eventually won the election after issuing a slew of promises (quickly forgotten — see above). Though when he addressed a large 'group of business leaders' shortly afterwards,

nity health centres. At their 1937 Congress these workers developed a health plan for a future anarchist Spain which could have been implemented if the revolution had been successful.

The importance of the workers' collectives in Spain lie in the example that they provide. Elitist opinion since time immemorial has portrayed 'popular rule' as an impossibility on the one hand, or as a state of affairs that is likely to result in a shambles, on the other. The workers of Spain showed this to be entirely false — and showed this on a grand scale. Now as much as then, they offer us a concrete idea of how society can be organised by workers in a democratic and free way. This is viable alternative.

Despite the power of such an example we are still faced with a difficult and tough struggle ahead — how to end the capitalist system with its greed, its misery and its competition. Now is as good a time as any to consider how we should conduct this struggle, what its aims should be, and what methods we should use. We must aim for revolution and we must aim for real democracy. These are the essential goals, the points that we must reach before we can ever change anything. To do this, we argue as anarchists that we must build where we are actually strong — at work and in the community. Our methods must build on class solidarity, they must use direct action, they must aim to increase the self-activity of workers and the poor; they must always encourage participation.

About one thing we have no doubts. Parliament will not bring us the change that we now need. Parliament is a means of diffusing democracy, of channelling real struggles into a safe dead-end. Time and time again it has become a graveyard for the workers' movement. That is a mistake we must not repeat again.

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<sup>5</sup> see 'Reforms', Times of India, 28 September 1993.

<sup>6</sup> see 'Historic FallÉ', The Australian, 5 March 1993.

<sup>7</sup> Peter Roberts, Australian Financial Review, 23 March 1993.

of distribution. The wholesale business in fish and eggs was taken over as were the principal fruit and vegetable markets. The milk trade in Barcelona was collectivised which saw over 70 un-hygienic pasteurising plants closed down. Everywhere supply committees were set up. All of this made the middle classes very unhappy. To them, with their notions of becoming bigger bosses, the revolution was a step backwards.

Equalisation funds were established to help out the poorer collectives. Indeed there were many problems. Many markets were cut off in the fascist zone and some foreign markets were also temporarily lost. Raw materials were often scarce, as sources of supply had been cut off; there was the added problem that money was held back from the collectives by the central government (for political reasons). This was one serious, though artificial, short-coming of the collectivisation – its lack of credit facilities which would have allowed investment and future planning. (During the Revolution the banks had not been seized and the gold reserve already referred to stayed in the hands of the government. The CNT did hatch a plan to seize it, but backed down at the last moment).

Despite all this, production was increased and living standards for many working class people improved. In October 1936 the government was forced to recognise the collectivisation by passing a decree that recognised the *fait accompli*. It was also an attempt to control future collectivisation.

This is only a very brief look at the collectivisation that happened. But in keeping with anarchist beliefs the revolution did not stop there. For the first time in Spain many workers had the benefit of a health service – organised by the CNT Federation of Health Workers. The Federation consisted of 40,000 health workers – nurses, doctors, administrators and orderlies. Once again the major success was in Catalonia where it ensured that all of the 2.5 million inhabitants had adequate health care. Victims of the Civil War were also treated. A programme of preventive medicine was also established based on local commu-

the ALP leader, Paul Keating, was less forgetful. In his speech Keating ‘foreshadowed a historic deregulation of the labour market’ though he stressed (being a man who had not ‘forgotten his roots’) that ‘economic reform should be moderated by a concern for the disadvantaged.’ Not that this ‘should put the Government and business at odds,’ he added, ‘The success of economic policy depends on the success of business’<sup>8</sup>

We can look anywhere else in the globe and see a similar process. The Presidential elections in Honduras in 1989 were hailed ‘as a milestone’ though the effective choice between the two candidates left a lot to be desired: ‘The elections were effectively restricted to two candidates, one from a family of wealthy industrialists, the other from a family of large landowners.’ Even top advisors to both camps acknowledged that ‘there is little substantive difference between the two and the policies they would follow as president.’. Not that a lacklustre campaign resulted. The candidates, noted Central America Report, ‘relied on insults and accusations to entertain the crowds at campaign rallies and political functions’. As US president Bush pointed out about the victor, Rafael Callejas: He is ‘an inspiring example of the democratic promise that is spreading throughout the Americas.’<sup>9</sup>

In Eastern Europe the experience of parliamentary democracy is somewhat new, but it is not that much different. ‘Painful shock therapy’ was used on many of the countries in this region after the fall of State Capitalism and Soviet Power. This ‘free-market madness’ provoked a backlash in the population (are we surprised?) with the result that ‘reformed communists have come back into power on waves of discontent’ (the Economist noted)<sup>10</sup>. In Poland this saw a victory for the Democratic Left Alliance (DLA) in 1993 (in the

<sup>8</sup> ‘Keating sets reform agenda É’, *The Australian*, 22 April 1993.

<sup>9</sup> see in Noam Chomsky, ‘The Struggle For Democracy In The New World Order’, *Low Intensity Democracy* (Pluto Press, 1993), p87.

<sup>10</sup> *Economist*, 25 November 1995, p31.

Parliamentary election) and again in 1995 (in the Presidential election). 'The once despised ex-communists gained votes by acknowledging the suffering of ordinary people'<sup>11</sup>

What did this sensitivity translate into? The Economist (no friend of the DLA's) pointed out that the situation was 'not as bad as it looked'. The DLA, it went on, is led by 'young urbane politicians who claim to be social democrats and preach free-market reforms and privatisation.' Assessing the impact of the election, they concluded 'It is possible that the new Government can be a little kinder to those in need without seriously jeopardising the reform programme.'<sup>12</sup> Which seems to be quite accurate, in hindsight. The gap between the rich and the poor is continuing to sky-rocket in Poland and throughout most of the former Eastern Europe. As one piece of astute Polish graffiti pointed out: 'We wanted democracy, but we ended up with the bond market'<sup>13</sup>

Providing no effective choice is the reality in the vast majority of parliamentary democracies. Parties vie for power at election time — the campaigns are often 'hard-fought' and 'tough' but the only difference lies in the faces that make up the next parliament, not in the policies. To all intents and purposes these policies continue as before, unabated.

This is the case in the majority of countries that are called parliamentary democracies. But it is not the case in all, and this must be borne in mind. Indeed parliamentary democracy is often most successful as a form of political control (as opposed to a form of democracy) because of its apparent 'openness' and because of the fact that 'popular constituencies' are often encouraged to participate in it. Many like to believe that 'if we got elected, we would be different' — despite the mounting evidence to the contrary.

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<sup>11</sup> Economist, 25 September 1993, p66.

<sup>12</sup> Economist, 25 September 1993, p66.

<sup>13</sup> Economist, 7 October 1995, Survey, p5.

The Barcelona trams are a good example of what workers achieved when they took over:

Out of the 7,000 workers on the tramways at the time of the Revolution, some 6,500 were members of the CNT. Because of the street battles, all transport had been brought to a halt. The transport syndicate (as unions of the CNT were known) appointed a commission of seven to occupy the administrative offices while others inspected the tracks and drew up a plan of repair work that needed to be done. Five days after the fighting stopped 700 tramcars, instead of the usual 600, all painted in the black and red colours of the CNT, were operating on the streets of Barcelona.

With the profit motive gone, safety became more important and the number of accidents was reduced. Fares were lowered and services improved. In 1936, over 183 million passengers were carried. By 1937 this had gone up to over 233 million. The trams were running so efficiently that the workers were able to give money to other sections of urban transport. Wages were equalised for all workers and increased over the previous rates. For the first time free medical care was provided for the work force.

Extensive reorganisation took place to make industry more efficient. Many uneconomic small plants, which were usually unhealthy, were closed down and production was concentrated in those plants with the best equipment. In Catalonia 70 foundries were closed down. The number of tanning plants was reduced from 71 to 40 and the whole wood industry was reorganised by the CNT Woodworkers Union.

In 1937 the central government admitted that the war industry of Catalonia produced ten times more than the rest of Spanish industry put together and that this output could have been quadrupled if Catalonia had the access to the necessary means of purchasing raw materials.

As with the examples of rural collectivisation, distribution was also changed. Many parasitic 'middlemen' were cut out



gasworks and waterworks, engineering and automobile assembly plants, mines and cement works, textile mills and paper factories, electrical and chemical concerns, glass bottle factories and perfumeries, food processing plants and breweries were confiscated and controlled by workmen's (sic) committees, either term possessing for the owners almost equal significance ... Motion picture theatres and legitimate theatres, newspapers and printing, shops, department stores and hotels, deluxe restaurants and bars were likewise sequestered.'

Often the workplaces were seized because the owners had fled or had stopped production to sabotage the revolution. But the workers did not stop with these workplaces — all major places of work were taken over. Some were run and controlled by the workers. In others "control committees" were established to ensure that production was maintained (these existed to exercise a power of veto on the decisions of the boss in cases where the workers had not taken over the actual power of management).

In each workplace an assembly of all the workers was the basic unit. Within the factory workers would elect delegates to represent them on day-to-day issues. Anything of overall importance had to go to the assembly. This would elect a committee of between five and fifteen workers, which would elect a manager to oversee the day-to-day running of the workplace. Within each industry there was an Industrial Council which had representatives of the two main unions (CNT and UGT) and representatives from the committees. Technicians were also on these committees to provide technical advice. The job of the Industrial Council was to set out an overall plan for the industry.

The history of parliamentary democracy is littered with examples of this: parties and individuals who 'become identified with the masses' and carry for them 'their hopes and dreams'. As was noted earlier with the examples of parliamentary socialism, the anger of the poor is often channelled into parliament and away from the workplace and the street where it can be particularly powerful. Once in Parliament it gradually gets 'lost and forgotten about'.

A recent example of this dynamic is the case of Brazil's Luiz Inacio Lula da Silva (known as Lula), the former 'lathe operator turned politician'. Indeed Lula's popularity is legendary with the poor of Brazil. And well it might be. In Brazil the power of business and the wealthy is only matched by the brutality of the military and the large land-owners who have come to dominate. Though phenomenally wealthy, Brazil has been steadily getting worse in terms of the gap between the rich and the poor — a fact that has played no small part in Lula's rise to fame. Brazil is a country where, in that timeworn phrase, 'the poor appear to have no voice.' As chairman of the Workers Party of Brazil, Lula quickly became such a voice, and in fact he very nearly won the 1989 Presidential election, so large was the genuine affection that was felt for him and his 'anti-poverty' policies.

Lula narrowly lost the 1989 Presidential election. Why is still a subject for debate. What is clear however is that Lula ran a very 'radical campaign' in 1989 — in particular he refused to compromise on his economic views. As a result he maximised his vote with the very numerous poor of Brazil.

Defeat however led to reassessment with the result that the Lula who ran again in 1994 was 'importantly different'. As the Economist noted, Lula 'may still rail against capitalism. But at round tables and in the auditorium, he takes care to turn down the volume'. Indeed the politician who boasted 'I'd never wear a coat and tie' went out of his way to present a different impression in 1994. 'In Washington ... 700 bankers and the like

crowded into a hall to hear him speak.' This was when he was 40% ahead in the polls.

So great was the change in Lula, in fact, that some wondered about 'who the real Lula was'. Though others were less bothered. Jose Sobrinho, chairman of Banco Pontual in San Paulo, observed, 'Lula attacks the banks for earning too much, but these days he also says the financial sector is a necessary evil'. A view underscored by another business man, Emerson Kapaz, who 'lavishes praise on his rival' noting that Lula 'understands that he cannot govern alone. These meetings with businessmen are not just for form's sake. He is looking for an alliance that will make it possible'.<sup>14</sup>

This example of Lula's turnabout is not unusual — it is quite typical and happens again and again. It was most notable with the rise to power of the various socialist and Labour parties of the world (see earlier), but it continues to apply in any situation where a large grassroots movement seeks 'a voice in parliament'. On the electoral road to power, political parties of the left (in particular) go through a process of 'adaptation' and 'realism'. Their radicalism is gradually diluted away so as to 'send the right message'. The important constraints of electoralism — to build alliances, to retain 'a positive media image' — all take their toll. Radical politics is the inevitable casualty.

Occasionally it does happen that individuals and parties get into power with the intention of making a few changes and/or 'fulfilling their popular mandate'. This is rare, but when it does happen, other important constraints are brought to bear 'on the situation' in order to prevent an 'un-welcomed outcome'. These are the financial markets and the 'threat of a coup'.

The 'financial markets' more than any other single factor are playing an increasingly important role in constraining 'your vote'. Though the effect of the 'markets' is somewhat dependent on the size and relative economic independence of the

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<sup>14</sup> Economist, 4 June 1994, p51.

enough for exchange with other collectives in the cities for machinery. In addition food was handed over to the supply committees who looked after distribution in the urban areas.

Federations of collectives were established, the most successful being in Aragon. In June 1937 a plenum of Regional Federations of Peasants was held. Its aim was the formation of a national federation 'for the co-ordination and extension of the collectivist movement and also to ensure an equitable distribution of the produce of the land, not only between the collectives but for the whole country'. Unfortunately many collectives were smashed, not by Franco's army but by the soldiers of the Stalinist General Lister, before this could be done.

The collectivists were not only concerned with their material well being. They had a deep commitment to education and as a result of their efforts many children received an education for the first time. This was not the usual schooling either. The methods of Francisco Ferrer, the world famous anarchist educationalist, were employed. Children were given basic literacy skills and after that inquisitive skills were encouraged. Old people were also looked after and where necessary special homes for them were built. Refugees from the fascist controlled areas were looked after too.

**IN THE CITY:** In industry the situation was a little different. The collectivisation was not as extensive in urban areas but it still occurred on a huge scale. In Barcelona over 3,000 enterprises were collectivised. All the public services, not only in Catalonia but throughout the Republican zone, were taken over and run by committees of workers.

To give some idea of the extent of the collectivisation here is a list provided by one observer<sup>3</sup>. He says

'railways, traincars and buses, taxicabs and shipping, electric light and power companies,

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<sup>3</sup> B. Bolloten, *The Grand Camouflage* (New York: Praeger, 1968).

agree to pool together whatever land, tools and animals they had. This 'pool' would be added to what had already been taken from the big landowners. The land was divided into rational units and groups of workers were assigned to work them. Each group had its delegate who represented their views at meetings of the collective. A management committee was also elected and was responsible for the overall running of the collective. They would look after the buying of materials, exchanges with other areas, distributing the produce and necessary public works such as the building of schools. Each collective held regular general meetings of all its participants. If you didn't want to join the collective you were given some land but only as much as you could work yourself. You were not allowed to employ workers.

Production was changed by the Revolution but so was distribution. This was altered so as to be on the basis of what people needed. In many areas money was abolished. People come to the collective store (often churches which had been turned into warehouses) and got what was available. If there were shortages, rationing was introduced to ensure that everyone got their fair share. But it was usually the case that production increased under the new system, thereby eliminating shortages.

In agricultural terms the revolution occurred at a good time. Harvests that would normally have been sold off to make big profits for a few landowners were instead distributed to those in need. Doctors, bakers, barbers, etc. were given what they needed in return for their services. Where money was not abolished a 'family wage' was introduced so that payment was on the basis of need and not the number of hours worked.

Production increased greatly. Technicians and agronomists helped the peasants to make better use of the land. Modern scientific methods were introduced and in some areas yields increased by as much as 50%. There was enough to feed the collectivists and the militias in their areas. Often there was

particular country involved, it is nevertheless becoming an important factor almost everywhere with time. The effect of the 'financial markets' can be in a number of different ways:

1. When an elected Government does pursue, on occasion, a policy that 'conflicts' with the overall interests of business the prospect of 'flight of capital can be brought into play' as a means of disciplining that Government. This happened in the very notable case of France in 1981 after the victory of the French Socialist Party. 'Initial hostility on the part of business was manifested in manoeuvres to avoid nationalisation and a flight of capital abroad'.<sup>15</sup> This was evident in the French media where 'Businessmen made a show of studied pessimism, painting reality in excessively dark colours and discouraging hiring and investment'. France entered 'a crisis'. And in due course, after the balance of power within the French Socialist Party shifted back towards a more moderate programme, French business once again 'became prepared to play its role with a certain amount of loyalty'.<sup>16</sup>
2. A similar, though importantly different, example is the recent case of South Africa. Here the source of 'financial constraint' is non-national — unlike in the case of France above. The actual achievement of popular suffrage in S. Africa after a long and bitter struggle against the apartheid system fuelled real expectations that substantial change would occur in the aftermath of the vote in April 1994 — in particular with regard to wealth distribution. This did not occur. The Irish Times' correspondent in SA, Edward O'Loughlin, noted in December 1994 (7 months after Government formation)

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<sup>15</sup> S. Padgett and W. Paterson, *A History of Social Democracy in Post-war Europe* (Longman, 1991), p189.

<sup>16</sup> *ibid.*, p189.

that the ANC's key problem 'is growing discontent among its black constituency, which believes the ANC has done little to improve their lot since taking power'.<sup>17</sup> However, despite this, in March 1995 the same correspondent reported that 'South Africa's second post apartheid budget ... has once again demonstrated the commitment of the country's new rulers to fiscal discipline and free-market reforms'.<sup>18</sup> Noting that the ANC's programme had been 'tempered by reality' O'Loughlin reported that the 'budget message' was overshadowed 'by the ongoing crisis over exchange rates and exchange controls'. Indeed the Rand's (South Africa's currency) fall from grace (its value slumped against the US dollar) was as a result of 'rumours' and 'perceptions'. Though the London based Financial Times, was less circumspect in assessing the impact of this. It noted that Trevor Manuel, the ANC's minister of finance, had 'moved a long way towards embracing free market policies. The challenge now is to persuade the rest of the ANC and in particular its union and communist allies to catch-up.' Emphasising the 'disciplinary effect' of the currency problem, the Financial Times continued: 'The value of the Rand in the months ahead is likely to provide an accurate reflection of the progress of that political struggle'.<sup>19</sup>

3. The third example is more general, but is also the most indicative of how little parliamentary democracy can mean in today's world. With the 'financial markets' skewed towards the rich and powerful countries in the First World, more 'dependent' economies are increasingly cut adrift by decisions made in say Washington,

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<sup>17</sup> The Irish Times, 17 December 1994.

<sup>18</sup> The Irish Times, 22 March 1994.

<sup>19</sup> Financial Times, 8 August 8 1996.

textile, building and wood workers as well as amongst agricultural labourers. As it preached social revolution it was subject to vicious repression not only under the semi-dictatorship which ruled in Spain until 1931 but also the 'reforming' governments which followed. The Popular Front Government in particular, with its social democratic and Stalinist supporters, showed no mercy to the anarchist movement.

The revolution that overtook Spain in July 1936<sup>2</sup> occurred initially as a response to the attempted coup by the military led by General Franco. The response to the coup in Catalonia, and Aragon and in many other places where the anarchists were strong, was the fruition of years of direct action and direct democracy in the Spanish workers' movement. Immediately the popular movement that had resisted the fascists moved beyond the notion of restoring 'parliamentary democracy' and began to implement a new democratic society.

**ON THE LAND:** Collectivisation of the land was extensive. Close on two thirds of all land in the Republican zone (that area controlled by the anti-fascist forces) was taken over. In all between five and seven million peasants were involved. The major areas were Aragon where there were 450 collectives, the Levant (the area around Valencia) with 900 collectives and Castille (the area surrounding Madrid) with 300 collectives. Not only was the land collectivised but in the villages workshops were set up where the local trades-people could produce tools, furniture, etc. Bakers, butchers, barbers and so on also decided to collectivise.

Collectivisation was voluntary and thus quite different from the forced "collectivisation" presided over by Stalin in Russia. Usually a meeting was called in the village (most collectives were centred on a particular village) and all present would

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<sup>2</sup> see E. Conlon, *The Spanish Civil War: Anarchism In Action* (WSM Pamphlets, 1993); P. Preston, *A Concise History Of The Spanish Civil War* (Fontana Press, 1996).

- Anti-parliamentarianism. Anarchists actively campaigned against using the Spanish parliament. They argued that the various Socialist and Communist parties in Spain would not bring about real change. Anarchists emphasised that only the workers themselves could do this. Anarchists refused to participate in the Spanish parliamentary process because they believed it would divert or even compromise the ‘revolutionary’ objective. Anti-parliamentarianism was a major part of the democracy movement in Spain.

The anarchist strategy of direct action and direct democracy in Spain was concretised by the formation of the syndicalist CNT union in 1910. Syndicalism was an attempt to provide a link between the broader anarchist movement and the workers on the shop-floor. Its basic ideas revolved around all the workers being in one big union. All the employees in a workplace would join. They would link up with those in other jobs in the same area, and an area federation would be formed. Delegates from these would go forward to regional federations who were then united into a national federation. All the delegates of the CNT were elected and recallable. They were given a clear mandate and if they broke it they could be replaced with new delegates.

Every effort was made to prevent the growth of a bureaucracy of unaccountable full-time officials. There was only one full-time official in all of the CNT. Union work was done during working hours where possible, otherwise after work. This ensured that the officials of the union stayed in contact with the shop-floor.

The CNT experienced rapid growth from the time of its formation. By the outbreak of the Civil War in 1936 it had almost two million members. Its strongholds were in Catalonia and in Andalusia. It also had large followings in Galicia, Asturias, Levant, Saragossa and Madrid. Its main strength was among

London or Tokyo. A classic example being the 1979 decision by the Chairman of the US Federal Reserves, Paul Volcker, to ‘raise the rate of interest and thereby also to raise the value of the dollar’.<sup>20</sup> According to the economist, Andre Frank, this decision ‘was the single most important cause of the debt crisis and consequently the depression and “lost decade” of the 80s’.<sup>21</sup> Indeed in Latin America and Africa the cost of this depression remains untold, though of huge dimension. Perhaps tens of thousands of lives were lost as a result of this ‘financial decision.’ Frank also notes, interestingly, that even in the specific context of parliamentary democracy neither the American electorate nor the Congress nor the President had any ‘right to intervene in such a decision of the Federal Reserve’. A timely reminder of ‘the limits’ of parliamentary democracy – if such a reminder is still needed.<sup>22</sup>

In contrast to the remoteness and ‘subtlety’ of the financial markets, the ‘threat of a coup’ is an entirely different matter, though no less unreal if we are to judge by even relatively recent examples e.g. Haiti (1991), Algeria (1992), Nigeria (1993) to name just a few.

It is often assumed that such coups occur in situations where ‘radical’ polices are involved but this, surprisingly enough, is not the case. Coups in parliamentary democracies often occur against relatively ‘reasonable’ Governments – a fact that supports the theory that it is often the broader social movement that is the real target of the military. An important example being the coup against the Allende government in Chile in 1973.

<sup>20</sup> Andre Gunder Frank in ‘Market Democracy In An Undemocratic Market’, *Low Intensity Democracy* (Pluto, 1993) p52.

<sup>21</sup> *ibid.*, p52.

<sup>22</sup> For a recent account of the trends see also ‘Survey of the World Economy’, *Economist*, 7 Oct. 1995.

It is often not recognised that the reforms being introduced by the popularly elected government of Salvador Allende were for the most part quite benign, involving 'land reform' of large estates (with compensation) and nationalisation of copper mines (with compensation).

However Allende's period in office was also accompanied by the emergence of 'assemblies of workers in factories, People's Supply Committees in the poblaciones ... Peasant Councils in rural areas'. These groups began to play a more and more important role as Allende's Government stalled on implementing its promised policies. 'Basic demands emerged from these popular organisations. The Government was supposed to represent the people, in that case it should put into operation the policies the people were demanding.'<sup>23</sup> Indeed this popular movement became increasingly confident and impatient as time went on, and in some areas began to supplant the State. Food distribution was taken over by community organisations; workers became more belligerent and occupied their places of work ejecting managers; in the countryside land was occupied.

The subsequent coup in Chile led to the loss of thousands of lives and the 'liquidation of the left'.

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<sup>23</sup> I. Roxborough, P. O'Brien, J Roddick, Chile: The State And Revolution, Macmillan Press 1977, p161.

will bring socialism. Anarchists fundamentally oppose this notion. We know — and history seems to vindicate the view — that 'the emancipation of the workers can only be carried out by the workers themselves'.

The methods used by anarchists in Spain were conscious and thought-out. They are as relevant now as they were then. The main ones were as follows.

- Direct action was stressed as a means of resolving disputes with the Government and the bosses. Anarchists pointed out that direct action is, firstly, very effective (since it often gets to the root of the problem). Secondly, it increases the confidence of those who struggle by showing them in practice the strength that they have (as a collective body).
- Workplace assemblies were the principal method for decision making in anarchist unions. Anarchists point out that workers are most powerful at their place of work. This is where we must organise. And this is where we must always attempt to implement democracy — not with the bosses but against them.
- Anarchists used delegation not representation as means of getting things done. Anarchists obviously recognised that a mass assembly of people is an unwieldy body for doing a lot of tasks. In a democracy it is natural that we will appoint people to do certain things — this is a vital division of labour that must be used. But this appointment should be on the basis of delegation not representation. Delegates unlike representatives are subject to recall (if they don't do what they were asked to do by the assembly, they can be relieved of their mandate and their actions reversed). This idea of delegation keeps the power of decision-making at the level of the mass assembly.

of capitalism. It seems obvious (though it is impossible under capitalism) that we should all have a say over the work we do, how we do it, when and in what way. When we do have these rights, the quality and nature of our work changes enormously — and this is one of the things that was achieved in Spain. Democracy and work should always go together — and it is one of the singular failures of parliamentary democracy that this has never occurred — nor is it ever likely to occur because of the threat it poses to capitalism and the rule of the boss.

The Spanish Revolution began in 1936 and was strongly influenced by anarchist ideas. It was a large-scale revolution and was without any doubt the most extensive workers' revolution in the 20<sup>th</sup> century — especially to the extent that Spanish society was transformed.

The Spanish Revolution was also particularly democratic — this was in part a reflection of the natural tendencies of popular revolutions, but it was also an expression of the wide influence of anarchist ideas which prioritised participation and mass assemblies in the struggle against Spanish capitalism.

Anarchist ideas are founded around the principle of 'means and ends'. We believe that the means we use will condition the ends we achieve. Anarchists want to build a free and democratic workers' society. As a result anarchists use methods that will build this within the struggle for change. Partly as a result of anarchist activity, the workers' movement in Spain was strongly influenced by the practice of democracy — this was a deliberate goal.

Anarchist methods of struggle set out to increase the self-activity and self-confidence of the working-class. For this reason anarchists oppose any involvement with the 'parliamentary road to socialism'. Parliamentary activity and 'electioneering' — in Spain as elsewhere — increases the passivity of workers and encourages people to believe that 'someone else'

## Chapter 8. The Rich get Richer...

Politics Is About Who Gets What,  
Especially As A Result Of Government Action

**George F. Will, 1988**  
**Conservative Commentator**

Governments change but policies don't. This, for the most part, is an adequate description of how parliamentary democracy operates. It probably sounds like something an anarchist would say — yet the figures bear it out. Take the case of the United States — often regarded as the 'home of democracy' or even 'the most democratic state in the world'. Despite the various changes in Government that have occurred in the US over the last twenty to thirty years, there has hardly been a hiccup in the most obvious result of Government policy — that rich people have got dramatically richer.

During the period of time covered by this survey of incomes (1954–84) there have been eight Presidential elections in the US. The outcome of these elections has led to a steady exchange — between Republicans and Democrats. The following 'administrations' have been in power: Republican (1956–60), Democratic (1960–64), Democratic (1964–68), Republican (1968–72) Republican (1972–76), Democratic (1976–80), Republican (1980–84).

Yet it is clearly evident that 'universal suffrage' has had only a marginal effect, if any, on the policies that have been pursued. The income of the top 40% of US society (the 4 and 5<sup>th</sup>

quintiles) has steadily increased in comparison with the bottom 60%. The real beneficiaries have been the so-called 'super-rich' — the top 5% of the population. As can also be seen, the very rich have been holding steady in terms of their percentage holding of wealth in US society throughout the entire period. (Interestingly enough, the one point where their wealth holding dropped by a significant amount, between 1972 and 1976, was due to the onset of recession and the 'oil crisis' and not due to any Government policy!)

In fact, to the extent that things have changed at all, in any significant way, from election to election, they have mostly changed for the worse. The policies implemented by Reagan, Bush and Clinton (Republican, Republican and Democrat) have had a dramatic impact on the distribution of income and wealth in the USA. Kevin Phillips' mainstream study, *The Politics Of Rich And Poor*, described the worsening situation as follows:

'By the middle of Reagan's second term, official data had begun to show that America's broadly defined 'rich' — the top half of 1% of the US population — had never been richer. Federal policy favoured the accumulation of wealth and rewarded financial assets, and the concentration of income that began in the mid-1970s was accelerating. In 1988, approximately 1.3 million individual Americans were millionaires by assets, up from 574,000 in 1980, 180,000 in 1972, 90,000 in 1964, and just 27,000 in 1953. Even adjusted for inflation the number of millionaires had doubled between the late seventies and the late eighties. Meanwhile the number of billionaires, according to *Forbes* magazine, went from a handful in 1981

2. Direct democracy is based on delegation not representation. The crucial difference between delegation and representation is that delegates are only elected to implement specific decisions. Delegates do not have the right (like TDs or MPs) to change a decision previously made by an assembly of people. Delegates (unlike representatives) can be immediately recalled and dismissed from their mandate if they don't carry out the specific function allotted to them.

3. Direct democracy is as much about the workplace as it is about the community. In parliamentary democracy, the workplace is 'immune' to democracy (save what rights workers have won through their unions). In direct democracy, the operation of a factory or a plant or an office will be via a general assembly of all workers. This body will decide on conditions of work, will elect re-callable managers, and will organise how work is done. It will also elect people (as delegates) who will co-ordinate with the other places of work and with the broader community. Regional organisation will be managed through a federation of workplaces using a delegate structure.

Could such a form of democracy work and what would it be like? As mentioned earlier, Spain provides one of the best examples of how far we can go in organising a new type of society. The collectives that were built by the workers of Spain between 1936–37 were highly democratic<sup>1</sup>. But they also showed the massive potential that we have if freed from the constraints

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<sup>1</sup> see A. Bauer, *With The Peasants Of Aragon* (Cienfuegos Press, 1982); G. Leval, *Collectives In The Spanish Revolution* (Freedom Press, 1975); S. Dolgoff, *Workers Self-Management: Anarchist Collectives In The Spain, 1936–39* (Black Rose, 1990).



## Chapter 9. Parliament or democracy?

**Throughout history there has been an alternative idea of democracy — this is the idea of direct democracy. It surfaced during the Paris Commune (in 1871), it surfaced in Russia during the early part of the revolution there, and it was put into large-scale practice in Spain between 1936–37. It is the method often used by workers in a strike; it is the method that often arises ‘spontaneously’ when people confront the State or the bosses. Direct democracy is the democracy that anarchists advocate.**

Direct democracy is different to parliamentary democracy in a number of important ways:

1. Direct democracy is about ‘originating’ ideas as much as it is about ‘approving’ them. In parliamentary democracy, people are never asked for their own ideas — they are only asked to ‘approve’ or ‘disapprove’ of ideas already prepared for them. Direct democracy is radically different in that way. Direct democracy is based on the realistic notion that ‘people know best how to look after their own situation’. We don’t need specialists to tell us how to run our places of work or our communities. Anarchists argue that we are quite capable of doing this ourselves. All we need are the resources and the right to do this. Direct democracy is the method.

to 26 in 1986 and 49 in 1987. As of late 1988, Forbes put that year’s number at 52 billionaires.<sup>1</sup>

This ‘phenomenal rise’ in the wealth of the rich occurred at the expense of those who work, it would seem.

Phillips continues:

‘Most of the Reagan decade, to put it mildly, was a heyday for unearned income as rents, dividends, capital gains and interest gained relative to wages and salaries as a source of wealth, increasing economic inequality.’<sup>2</sup>

A situation that was put down (quite rightly) to Reaganomics. Yet when Reagan and his successor, Bush, were finally removed from office in 1992 on foot of Clinton’s ‘put people first campaign’, the super-accumulation of wealth merely continued. Assessing Clinton’s impact (after his first term in office) in 1996, the Economist reported that ‘real wages are slightly lower than they were 20 years ago’.<sup>3</sup> Inequality had never been higher as we can see.

If we look at another flagship of ‘democracy’ — Britain — the picture is more complex but broadly similar. Even so what is interesting about Britain is the presence of the Labour Party — a party that until quite recently was committed ‘to public ownership’ of industry (Clause 4) among other things. Indeed, on face value, the British electorate would appear to have a ‘reasonable’ choice at election time (within the confines of very narrow limits admittedly). Face value is a deceptive thing, of course.

In *Wealth, Income and Equality*, A.B. Atkinson gives this assessment:

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<sup>1</sup> Kevin Phillips, *The Politics Of Rich And Poor* (HarperPerennial, 1990), pp9-10.

<sup>2</sup> *ibid.*, p11

<sup>3</sup> *Economist*, 11 May 1996, pp53-54.

‘The overall impression from the figures is a reduction in inequality but, if the decline in the share of the top 1% is ignored, the shape of the distribution of income is not greatly different in 1976–77 from what it was in 1949. The major part of the fall in the share of the top 1 per cent is balanced by an increase in the shares of the other groups in the top half of the distribution. The income distribution shows a remarkable stability from year to year’<sup>4</sup>

And of course, it normally follows that if income distribution fails to change, wealth (fixed asset) distribution doesn’t either.

The Labour Party was in power for considerable periods during this time: between 1945 and ’51 under Atlee, between 1964 and ’70 under Wilson, and — traumatically — from 1975-’79 under Wilson and Callaghan (apart from the brief Liberal-Labour pact, 1977–78). Indeed Labour’s period at the helm coincided with the creation of the ‘Welfare State’ — regarded as the high-point of achievement. So much so that the influential Labour MP, Anthony Crossland, was able to state in *The Future Of Socialism* in 1956 that, ‘almost all the basic features of traditional pre-1914 Capitalism have either been greatly modified or completely transformed.’<sup>5</sup> Indeed Crossland was so carried away with the success of Labour in power that he began to wonder if they hadn’t gone too far (the heady height of power, one imagines!). He said: ‘I’m sure that a definite limit exists to the degree of equality which is desirable. We do not want complete equality of incomes, since responsibility and exceptional talent requires and deserves a differential award’.<sup>6</sup>

Those who remained outside the corridors of power saw a different and depressingly familiar picture. Richard Titmuss,

wish to preserves the current unequal order — as the rich do. It delivers the essential result every time we vote: the rich get richer and the poor get poorer.

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<sup>4</sup> E.B. Atkinson, Ed., *Wealth, Income and Inequality* (Oxford University Press, 1980), p75.

<sup>5</sup> N Wintrop, ed., op. cit., p318.

<sup>6</sup> *ibid.*, p323.

The Welfare State'<sup>14</sup>, the same magazine speculates that this reform by stealth 'might yet transform the welfare state'.

'Reform By Stealth', it notes, has three distinct parts. Firstly, restrict claims by attaching conditions to benefits. Secondly, 'provide universal basic welfare coverage, but ... redefine 'basic' downwards.' Thirdly, introduce 'means-testing'. In Ireland, despite numerous changes in the Government. — Fianna Fail/PD, Fianna Fail/ Labour and Fine Gael/Labour/Democratic Left — this policy has been ongoing since 1985. It has been quite successful, the articles notes, and has led to 'a nibble here, and a nibble there'. The result is an ever familiar picture: poverty has risen<sup>15</sup> as a percentage of the Irish population during the period under review even though all the parties are committed to 'tackling poverty'.

In his well-known study of the democratic idea, C. B. Macpherson, notes the changing fortunes of the 'idea of democracy' among the elite of the world. It has been a rocky road:

Democracy used to be a bad word. Everyone who was anybody knew that democracy, in its original sense of rule by people ...would be a bad thing — fatal to all the graces of civilised living. That was the position taken by pretty nearly all men of intelligence from the earliest time down to about one hundred years ago. Then, within fifty years, democracy became a good thing. Its full acceptance into the ranks of respectability was apparent by the time of the First World War... Since then, in the last fifty years democracy has remained a good thing... so much so that everyone claims to have it.'<sup>16</sup>

It could not be put more plainly. Parliamentary democracy is a good thing (in fact it is one of the best thing around) if you

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<sup>14</sup> Economist, 25 August, 1995.

<sup>15</sup> See most recent survey by ESRI in The Irish Times, 20 December, 1996

<sup>16</sup> C.B. Macpherson, *The Real World Of Democracy* (Clarendon Press, 1967),pp1-2.

in his study, was one of the first to conclude that 'the Welfare State in Britain after WW2 has not led to any significant re-distribution of wealth in favour of the poor classes.'<sup>7</sup> An assessment that is backed up by Padgett and Paterson in their authoritative study, *A History of Social Democracy in Post-war Europe*. They note, 'Britain in the immediate post-war period saw a reduction in pre-tax incomes of the highest earners, but the beneficiaries were those in the upper-middle income bracket ... The share of pre-tax and post-tax income accruing to the bottom third of the income ladder remained steady from 1945 to the mid-1970s.'<sup>8</sup> Wealth distribution, in fact, was hardly affected until the late 1970s when, on foot of Thatcher's rise to power, the situation dramatically disimproved. So much so that Britain became 'the most unequal country in the Western World' by 1996. It could proudly claim that 'the richest fifth of Britain's population enjoy, on average, incomes 10 times as high as the poorest fifth'.<sup>9</sup>

The 'Welfare State' was an important development in the post-war period to the extent that it lifted the standard of living of society in general — though it did not markedly affect wealth distribution. This should not actually surprise us since, as commentators have noted, 'Social Democrats have often regarded the welfare state possessively as 'their own' property, looking to it as a vehicle for this egalitarian philosophy. However the origins of the welfare state predate government social democracy, and it is a common feature of all capitalist societies irrespective of their experience of party government.'<sup>10</sup>

Nevertheless, as the 1980s proceeded, and the balance of power shifted significantly in favour of the 'rich and privileged'

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<sup>7</sup> *ibid.*, p318.

<sup>8</sup> S. Padgett, *op. cit.*, p176.

<sup>9</sup> Report UN's World Development Report, Independent On Sunday, 24 July 1996, p1.

<sup>10</sup> S. Padgett, *op. cit.*, p176.

— especially in the workplace under the aegis of high ‘managed unemployment’ — it became possible in many countries to consider ‘ending the welfare state as we know it’. This broad objective was achieved in a number of countries in a number of ways. In Britain it was ‘Thatcherism’, in the USA it was the Reagan and Clinton administrations. In a host of other countries however — especially in Europe and in Australia — the various Labour and socialist parties did the bidding.

Indeed the period between 1980 and 1995 is remarkable for the large numbers of socialist and Labour parties that came to power — in France, Spain, Portugal, Greece, Ireland (in coalition), Italy, Belgium, Denmark, Australia and New Zealand, to name just some. We can of course speculate on why: was it a ‘cry for help’ by the working-class and the poor? If so, it went unheard.

Speaking about the situation in Spain, Portugal and Greece, Padgett and Paterson note that ‘The hallmark of governmental social democracy ... was its pragmatism, most marked in economic policy.’ This meant that in Spain and Portugal, for example, Socialist Governments ‘introduced austerity programmes immediately upon taking office.’ In Portugal this ‘bitter pill’ meant ‘cutting subsidies on basic commodities, inevitably driving up basic food prices. At the same time there was a freeze on wages and a clamp-down on public spending.’ In Portugal, the purchasing power of its workforce fell by 10% under ‘Socialist’ rule.<sup>11</sup> A situation that was broadly repeated in Spain, Italy, Greece, and France, to again name just a few. (France incidentally shot up the ‘inequality’ ladder after nearly a decade of ‘Socialist Party rule’).

A performance that was repeated on the other side of the world, in Australia, where the ALP was in power under Hawke and Keating for almost all of the 1980s. Here ‘many ALP supporters accepted that a degree of compromise was

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<sup>11</sup> S. Padgett, op. cit., pp167-170.

inevitable when a Labor Government was in office during difficult economic times. Yet many felt frustrated that the Hawke government seemed inclined to ... implement changes in the financial sphere ... often in line with views of conservative economists’.<sup>12</sup> Which led one Labor ‘stalwart’ to note: ‘There has been in Australia a move towards the philosophy that whatever is spent on the poor causes a deficit, whatever is spent on the rich encourages investment’.<sup>13</sup>

Indeed this role of the various Labour and socialist parties of the world in attacking ‘their own’ is often the basis for a wider decline. Rank and file party activists often suffer demoralisation and confusion in its aftermath, as does the (working-class) electorate, which as usual votes in good faith for such parties. This demoralisation is fertile ground for ‘right-wing’ politics. It is noteworthy that in a host of countries, where this has happened, the electorate has often returned a ‘Conservative’ government in the aftermath of a period of ‘socialist rule’ (France, Spain, Australia, to name just three.) Not surprisingly, the returned ‘Conservative’ alternative persists with policies that further attack the standard of living of the working-class. A complete circle, as they say.

The recent direction of economic policy in Ireland is a good example of one other tendency in parliamentary democracy: the people voted, but so what. In Ireland the proportion of the GDP that is allocated to ‘social spending’ has been declining since 1985. However this policy has never actually been voted on by the electorate, despite a number of elections in this time-span. Since the ‘public’ in Ireland and elsewhere cannot be persuaded to vote for such cut-backs, the various Governments have instead resorted to what is called by the Economist ‘Reform ... by stealth’. In a survey entitled the ‘Changing Face Of

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<sup>12</sup> R. McMullin, p 431.

<sup>13</sup> R. McMullin, p 432.