

The real subversives

According to a BBC investigation MI5 was in regular contact with up to 20 'senior trade union leaders'. Special branch was also involved in providing information to companies like Ford on job applicants.

This will come as no surprise to most people on the left. This follows news of the involvement of senior trade union figures in TUCETU (Sir Ken Jackson and Barry Reamsbottom to name only two) linked to the establishment in the USA.

Whilst state institutions of this sort were often more ramshackle and amateurish than might be imagined, this activity, *subversive* of union democracy could be crucial. One of the most interesting questions which arises relates to the role of NUM leader Joe Gormley. While he was certainly providing information on the left in his union, one wonders whether there was any discussion of tactics in the NUM with the state.

Gormley's role in the NUM was pivotal, and destructive. Prior to the 1984 strike he was instrumental in creating conditions which would undermine the unity of the national union. This great 'democrat' was twice defeated by the members in a referendum on productivity deals. Instead of accepting the democratic decision of the members he managed to push through the executive a vote which allowed regions to negotiate area productivity deals. This gave the go-ahead for regions like Nottingham, which were likely to benefit most from a productivity deal.

Whilst the issue of whether or not a ballot for strike action should have preceded the 1984 strike, remains a question much debated, the divisions which emerged in the strike, were based on the introduction of area productivity which was seized on by narrow minded elements within the union who placed the interests of areas above unity of the national union.

It would, of course, have been in the interests of the state to foster divisions within the NUM. It would be interesting to know to what extent Gormley discussed internal NUM issues with MI5. What is certainly true is that Gormley's action was in the interests of the state.

Gormley was one in a line of dishonourable individuals, masquerading as 'democrats', who were prepared to undermine union democracy when decisions did not go their way. Moreover, they were prepared to collaborate with the state in furtherance of their war against their opponents. It was (and no doubt still is) this type who are the real subversives; prepared to subvert the democracy of the trade union movement in furtherance of their right wing, mostly 'Atlanticist' agenda, acting as a fifth column within the labour movement.

Network Rail

Network Rail organised a series of staff briefings in December. An RMT member reports.

In the first of these Chair Ian McAllister informed us that Network Rail was in crisis, facing an estimated loss of £1.6

billion this year, with a probable minutes delay (of trains) of 13.9 million. McAllister reckoned that Network Rail had around 18 months to succeed, or else, lurking in the background, the Treasurer was putting together (an undefined) Plan B.

The presentations were riven with contradictions. On the one hand we were told that safety would come first, yet McAllister unambiguously stated that "profit is the only measure of our efficiency as an organisation".

Having told us that the Board was fed up with hearing about his experience at Ford, he then proceeded to tell us about the marvellous job which Ford did, under the hammer of competition from Japanese car companies. McAllister said "we have to create competitive pressure to succeed". Who 'we' are competing with wasn't made clear. The audience learned that Ford cut 30% of jobs (was he trying to tell us something?), doing so in a "humane" fashion.

The Chairman scotched the nasty rumour that NR was a "not for profit" company. It is a 'not for dividend' company which will run on commercial lines and will definitely be seeking to maximise profits (or maybe minimise losses!). This was reflected in the possibility that there might be a 20% cut in money available for renewals next year. One manager present raised this issue and predicted that such a cut would "cause chaos" in his area.

Another member of the audience (new to the company) raised the difficulties faced in dealing with infrastructure maintenance contractors. He said that the fact that these companies are only interested in driving their profits up, minimising the numbers of their staff and so on, made our job impossible.

Chief Executive John Armitt told us that £5 billion out of £6 billion expenditure went to consultants and contractors. Although NR is seeking to develop a greater control over the work that these contractors do, the reality is that they will not be able to do so unless the infrastructure maintenance and renewals work is brought in house (one of the demands of the RMT). Even then, of course, the issue of the underlying philosophy remains crucial. Is the main criteria to maximise profits or improve the infrastructure to the point that train services are safer and more reliable?

The network cannot be brought up to a reasonable condition, never mind 'modernised' if it continues in this limbo world of a privatised network, supposedly providing a public service.

The degree to which McAllister is out of touch with staff was reflected by his parting remarks. He hoped that we would go away from the briefing "excited by the new vision". Yet from 1994 staff have been through a whole series of road shows, briefings and the like, in which we have been buried under a mountain of jargon which has proved vacuous. The applause for the Chair and the other speakers was polite and unenthusiastic. If anybody departed from the meeting excited they should be sent for a drugs test.

Foundation fiasco continued

the hands of an unelected Management Board, and the extent to which local 'stakeholders' would actually influence the day to day running of the Trusts, if at all, is not clear.

There are also big questions to be answered over the extent to which such 'stakeholder' groups would be representative of anybody, let alone the ethnic and social mix of the communities they cover. The probability is that control freakery would rule the roost, and that the usual suspects ex-councillors, former MPs and bigwigs from local quangos and businesses, will find themselves included, with the usual absentees; working people and those with disabilities, and particular health needs will again be left on the outside.

Some of Milburn's colleagues, such as Ian McCartney, have gone even further, and argued that Foundation Trusts, supported as they are by the Tory Party, and Thatcherite organisations such as the Institute of Directors and the Adam Smith Institute, represent popular socialism and hark back to the old Labour, socialist values of mutualism and the cooperative movement.

Businesses

But the Foundations will be run as businesses, and encouraged to show 'entrepreneurial' spirit: they will have to pay commercial interest on any loans they take out with the private sector. They might not be for-profit bodies, but they will have to break even, and will seek to retain a growing surplus year on year.

We should expect that like city businesses they will set up a generous scheme of bonuses and salaries for their top directors. And they will inevitably seek to strengthen their market share by competing against other Trusts for contracts to treat more NHS patients, as another aspect of Milburn's reforms: a re-establishment of the internal market system through a new system of payment by results takes effect.

They may even pick and choose which specialities and services they see it as economic to offer to local Primary Care Trusts and which they see as less attractive and leave to non-Foundation Trusts.

With so many unanswered questions, it is perhaps surprising that a mere two dozen Labour MPs out of over 100 who had expressed reservations, abstained on the second reading of the legislation for Foundation Trusts. The level of debate will have to be raised to ensure this latest half-baked plan, which few if any health workers support, is not railroaded through a dozy House of Commons.

Foundation Trust fiasco

John Lister of Health Emergency looks at the implications of the new 'Foundation Trusts' for the NHS.

Health Secretary Alan Milburn is doggedly pressing through his controversial plans for "Foundation Trusts", which will give new powers and privileges to ten or a dozen of the country's top-rated "3 star" hospitals. The plan has been denounced by health unions and by the BMA as a return to the type of market-style methods wheeled in by Margaret Thatcher's government in the early 1990s, and which Labour ministers claimed to have swept away after 1997. Former health secretary Frank Dobson and other former ministers have also attacked the plan for precisely these reasons, pointing out that the new freedoms to be granted to Foundation Trusts could only be at the expense of other NHS Trusts that have been excluded from the elite status.

Foundation Trusts will have extra freedoms to borrow, including from the private sector, but their borrowing will count against the total cash limits on the NHS, and so their extra will mean less capital for maintenance or new building in other Trusts.

They will be free to retain any cash raised from the sale of Trust property assets, prompting fears that some may embark on a new round of asset-stripping. They will be free to set up private companies that offer managerial and other services inside or outside the NHS and which can bid to run neighbouring "failing" Trusts under



the government's franchising scheme.

They will also have freedom to vary the pay of their staff, giving scope in some areas to offer more to recruit staff with particular skills, subject only to vague restrictions on "poaching" staff from other Trusts.

And they will be given a guarantee of independence from legal direction by the Secretary of State raising serious questions over the extent to which they can be prevented from using these freedoms in ways which threaten the survival of other Trusts.

"Locked" assets

Despite all the unpleasant echoes of the Tory reforms which first created the internal market within the NHS, establishing the bureaucratic and wasteful purchaser provider split. Mr Milburn has insisted that the Foundation Trusts will be

non-profit making bodies, with their assets "locked" to prevent Foundations being privatised at a later stage.

But what of a Foundation Hospital that is already owned by a private consortium through PFI? What protection would there be against it being converted into a straightforward business, selling care to the NHS, with profits bolstered by its local monopoly position?

Mr Milburn should take warning from the experience of the first foundation-style hospital

experiment in Sweden, where a major hospital in Stockholm was privatised by its board against the wishes of the local health authority and the government. He has already retreated in front of those warning that Foundations would (like the first wave NHS Trusts in the Tory reforms) seek to expand their treatment of private patients and numbers of private beds. He has insisted that they would be prevented from doing so, and that applications will be preferred which propose to switch existing pay-beds back to treat NHS patients: it is not clear if any such plans exist.

He has also argued that Foundations will remain part of the NHS, and that they will be controlled by elected 'stakeholder' members from the local community, who would elect representatives to comprise a majority of a Board of Governors. However the real power would remain in (Continued on page 19)

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