5 On the Brink, 1921-6

1. INDUSTRIAL WARFARE

In 1921 85.9 million working days were lost in industrial disputes, a figure surpassed only once in British history, in 1926, and then only in the unique circumstances of a general strike. The bitter climate of industrial relations during 1921 is perhaps not difficult to explain. Since the end of the war the unions, strengthened by amalgamation and federation, and inflated by vast membership increases, had pushed up money wages and cut the length of the working day. Labour's offensive continued long after the brief post-war boom collapsed, and money wages did not reach their peak until early in 1921, when prices and employment levels were already falling at an alarming rate. In these circumstances the labour offensive led directly into a capitalist offensive, as employers sought to force down labour costs and so recover their profit margins. But the unions were strongly entrenched in industry and determined to retain as far as possible their post-war gains. Head-on clashes between capital and labour thus occurred along almost the entire industrial front, the most dramatic being the national lock-out in the coal industry. After 1921 the struggle abated somewhat, but nevertheless 1922 witnessed a national lock-out in the engineering industry, and 1923 strikes and lock-outs over wage reductions in agriculture, building, and port transport. In conditions of heavy unemployment the unions were certainly fighting a losing battle, and money wages were cut sharply, but they did not fall so fast as the cost of living, so that for those who retained their employment real wages in fact rose. Furthermore, the unions were in the main successful in preserving intact the shorter working day they had gained just after the war.

By 1924 the worst of the slump appeared to be over, employment was improving, and prices at last began to turn upwards. In this situation there were some attempts by the unions to recover wages lost since 1920, most notably a national dock strike called by Ernest Bevin's powerful new Transport and General Workers...
Union. Employment levels did not, however, improve further after 1924, leaving about a million men still without work. There was thus no renewed labour offensive during the twenties. Instead it seemed likely that a period of relative industrial peace would ensue. In 1925, however, Britain returned to the Gold Standard at the pre-war parity, and in so doing over-valued the pound, thus worsening the competitive position of the already ailing export industries. A remedy was sought in the further reduction of labour costs, so that the unions found their standards once more under pressure. Employers in both the coal and textile industries demanded wage cuts, and the Prime Minister, Stanley Baldwin, was said to have told the Miners’ leaders, ‘all the workers of this country have got to take reductions in wages to help put industry on its feet’. Given the commitment to the Gold Standard at the pre-war parity, the British price level was too high. If it was to be lowered, wages would have to be cut. The miners were adamant against accepting wage reductions, but they had little hope of winning any struggle single-handed. They could, however, claim that in standing out against any worsening of conditions in the coal industry they were fighting not merely their own battle, but that of British wage earners generally. For if cuts were successfully forced on the miners, they would quickly be forced on workers in other industries as well. It was on this basis that the Miners’ Federation appealed to the General Council of the T.U.C. for assistance in July 1925.

In 1919 Congress had turned down an appeal by the Miners for assistance; in 1925, however, the General Council promised support. In part the change in policy reflected parallel changes in the policy of the Miners’ Federation. In 1919 the T.U.C. was asked to organise industrial action to secure nationalisation of the coal industry. In 1925 the Miners still looked to nationalisation as a long term solution to their problems, but the T.U.C. was being asked only to defend their wage and hour standards. It was a straightforward industrial issue, with no political overtones. But there was more than this to the T.U.C.’s change of policy. Ever since the creation of the General Council, in 1921, the issue of whether or not it should organise assistance for affiliated unions had been subject to constant debate. There were resolutions on the question at every Congress between 1921 and 1925, and the issue forms the central theme running through these years. The