

Plumbing the Depths for Fairness

Two Kings have tried to exercise a command over the waters, neither with much success. Canute took on the intractability of natural forces while the Secretary of State for the Environment, Mr. Tom King, confronted that of the unions. Since Canute wanted to demonstrate to his flatterers the limits of Kingly power he didn't rail against the sea when it refused to do his bidding. Tom King was less gracious. In the Commons debate of February 23, 1983 on a recently resolved dispute he was at pains to point out how little the water men had gained from this "unnecessary strike", to mention "some unattractive incidents" in the course of the dispute, and to take delight in the strikers' failure to achieve comparability with other groups, i.e. gas and electricity. King clearly believed in the 'irresponsibility' of the unions in pursuing a claim that was "far too high".

Labour spokesperson Gerald Kaufman blamed the government, and particularly Mr. King. The dispute was the fruit of an "Invidious and discriminatory back door incomes policy", he said, demonstrating that he doesn't understand what incomes policy means. Trying to restrict wage settlements in the public sector is analogous to what any employer will try and do within his firm in order to reduce costs. In this sense every employee could be said to have an incomes policy of his own. A real incomes policy, statutory or voluntary, would have to be across the board, taking in both private and public sectors and it would soon go the way of all incomes policies. This is a dark route indeed. In any event, unlike King, Kaufman said nothing to suggest that he thought the settlement 'unfair'.

SDP prima donna Shirley Williams was also, after a fashion, concerned with the justice of the settlement. Her fear was that high settlements for unions with muscle would rebound unfavourably on those without. Perhaps she was following Robert Owen (precursor of Marx) on this. Unions, Owen said, have it in for three groups: blacklegs, consumers, and other unions. All three types

of action split the working class (Later on Owen formed the Grand National Consolidated Union, but this was more of a friendly society than a union, and it functioned a little like a voluntary welfare state.) Shirley Williams was otherwise to be found turning the usual SDP trick of toeing the Tory party line. There were only losers in this dispute, she said, and wouldn't Mr. King like to pay tribute to the way emergency supplies were maintained? Mr King thought that there were only losers in the dispute, and he also wanted to pay tribute to the way emergency supplies were maintained.

Of the three, Williams has come closest to demonstrating that she has understood the nature of Trade Unions. Their interests do not lie in obtaining the fairest possible settlement for members, but the best settlement. To expect them to take account of the rate of inflation, its effects on weaker unions, unemployment, or the plight of little old ladies in Clapham is as naive as hoping that people will buy British because it is supposedly in the nation's interests. It is on a par with commanding the motion of the tides.

Getting the best for their members is the obvious function of Trade Unions, but not the source of their meagre popularity. They exist because they offer an appearance of protection from the risks of the open market. They are the supposed guarantee of steady employment and high wages, and a solid restraining hand on ruthless capitalists out to exploit the working class. In fact profit is usually proportional to risk, and the best they can actually secure is relative poverty. Unions cannot create wealth, they can only inhibit its creation by striking and workers enjoy a higher standard of living now than they did a hundred years ago not because unions have wrung it out of the bosses, but because prosperous industry has led to an overall expansion of wealth from which everyone has benefited. Some writers hold that this is pure justice. In *A Theory of Justice* (1971) John Rawls holds that justice inheres only in: (1.) maximum possible freedom consistent with a similar freedom for others, (2.) positions and offices being open to all, with inequality being tolerated so long as the lowest group gains (the

difference principle, p.60). As libertarians, we would suggest that (1.) implies (2.) in free market.

Tom King's response to a union performing its natural function is disgust and affront, while Margaret Thatcher takes the opportunity to attack abuses of union power. She is apparently giving thought to legislation prohibiting industrial action in essential services. Bishop Berkeley complained of philosophers that they first raise the dust and then complain they cannot see. Politicians produce legislation and then complain of its effects. Their suggested cure is more legislation. More dust. Meanwhile unions and government make pleas for a 'fair' settlement when the negotiations are (or aren't) in progress, and whichever side wins will invariably claim that the selected settlement is a 'fair' one. Or, where face can be saved, the two sides will agree that the settlement is 'fair'. Otherwise they will display affront and disgust. The truth is that government, unions, you, me and the owl and the pussycat all have an equal claim to know what amounts to a fair claim or settlement, and we may choose whatever criteria we like on which to base our judgement.

But a more objective assessment can be put on whether a settlement is economic. An employer can make a judgement on whether an employee's contract makes economic sense, and his decision will be assessed in the harsh light of the market place. If his judgement was wrong he will not be able to survive in business. In a market distorted by minimum wage rates, government-enforced monopolies and the like, what is economic may become lost, and we will instead begin to hear about what is fair. Only with the departure of government from the marketplace can we expect to see clearly that disputes like the water strike are settled on economic grounds. When this happens we will find that the tide of union authority has been turned.

Free Life