

Thatcherism, trade unionism and all that [1]

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Dr. Charles Hanson explains the importance of Thatcher's union-taming policies for analysing her influence and impact, which he believes have been underplayed or ignored in many conventional histories.

There have been many retrospective analyses of Margaret Thatcher and her influence and legacy since her death on 8th April 2013, but I doubt that any of them have given her sufficient credit for her greatest achievement - the taming of the trade unions. In this short piece I want to ensure that this omission is fully rectified.

During her premiership Margaret Thatcher faced external and internal threats. The main external one was from Argentina in 1982 when that country attempted to take over the Falkland Islands; and the main internal one was from the trade unions which seemed to many people to have been running the country for some time when she became Prime Minister. She told the Conservative backbench committee in 1984 that 'the Falklands were the enemy without, but the miners were the enemy within, more difficult to fight, but just as dangerous to liberty.' It wasn't that the trade union threat had gone unrecognised, because all of MT's three predecessors as Prime Minister - Wilson, Heath and Callaghan - had tried and failed to reform trade union law. In fact Harold Wilson had famously told Hugh Scanlon, President of the Amalgamated Union of Engineering Workers, to 'get your tanks off my lawn'. But the trade union tanks remained on the Downing Street lawn, and Arthur Scargill was a more ruthless and dangerous foe than Hugh Scanlon.

Margaret Thatcher was elected to the office of Prime Minister in 1979 because of the preceding Winter of Discontent. Consequently her priority from that moment was trade union reform. But nearly everyone knew that was impossible because the trade unions had record high levels of membership and they had faced down her three predecessors. So how could our first female Prime Minister succeed where the men had failed? Clearly she had to have a toughness of character that was lacking in others. This had to include a willingness to take risks and to play for high stakes, knowing that many of the men would be delighted if she failed. It was often said, rightly in my view, that MT was the only minister around the cabinet table with balls. What must it have been like for her to sit at that table, surrounded by Tory wets, understanding that she couldn't govern without them, but that they probably didn't fully support her? But that was the situation she faced in 1979 and she had to come to terms with it.

Well aware that Ted Heath's 'at a stroke' trade union reforms in 1972 had been a disastrous failure, MT decided to proceed with caution. Her policy, by contrast, was 'step by step' or 'softly, softly catchee monkey'. That suited James Prior, her first Employment Secretary, who doubted that fundamental reform was possible. But MT understood that implementation of that policy required the right people in charge. James Prior was duly replaced by Norman Tebbit, one of the few true Thatcherites in her cabinet, and he (and his successor Tom King) moved the legislative reform process rapidly forward, the key pieces of

legislation being the Employment Act 1982 and the Trade Union Act 1984. These reversed the Trade Disputes Act of 1906, which had put trade unions above the law for 76 years, and showed that the elected government, not the trade unions, were now calling the shots as far as the legislation was concerned

Trade union law had been reformed, but the coal miners were itching for a fight, led by the Marxist Arthur Scargill who had been elected President of the National Union of Mineworkers in 1982, and MT knew that this battle, too, had to be won. She had backed away from this fight in 1982, because she was not ready for it. But by then she was already ordering that coal stocks should be built up in preparation for this titanic struggle and in September 1983 she appointed Ian Macgregor, a tough businessman who had proved his competence on both sides of the Atlantic, as Chairman of the National Coal Board. Meanwhile on 2 April 1982 Argentina invaded the Falkland Islands at a time when MT's popularity was at a low ebb because of high unemployment. This was a major test of character, and she came through it with flying colours. But, as suggested above, the miners would be an altogether more formidable foe, led by Arthur Scargill and backed by every left-wing politician and journalist in the country. Scargill, as a young official in the NUM, had made his name during the oil crisis of 1974, when he closed the Saltley Coke Depot, Birmingham with thousands of flying pickets. The police there were simply overwhelmed, and this was a tactic which he seemed to have perfected. No doubt he thought he could repeat this tactic as President of the NUM and he brought his members out on strike, ostensibly about the closure of uneconomic pits, in March 1984 with no holds barred.

Given the build up of coal stocks, it might be thought that the miners' cause was hopeless. Actually that was not the case at all, and between October 1984 and March 1985, when the strike ended, there were several occasions when it seemed likely that the lights would go out and the government would be defeated. The government was unwilling to test its new employment laws, and it was often touch and go as to whether the government or a militant trade union would prevail. That raises the question of 'What would have happened if MT had been unwilling to face down the National Union of Mineworkers in 1984-85?', and my answer is that we would have had a situation in which there would have been some degree of civil unrest and a clear recognition that the trade unions, rather than the elected government, were running the country. Given Arthur Scargill's political views, isn't it likely that the country would have quickly become ungovernable? And if so, shouldn't we recognise that Margaret Thatcher not only saved our economy, but also our democratic political system?

As David Owen, now Lord Owen, wrote perceptively in *The Times* on 19 April 1989 two weeks before the tenth anniversary of Margaret Thatcher's premiership:

Her most fundamental, far-reaching and sustainable success is the trade union legislation. Not only will that legislation stay on the statute book well into the 21st century, but, though she will hate the word, she has achieved a consensus in this area which embraces a far broader constituency than that of the Conservative voter. Paradoxically, she achieved these reforms not by a bold and radical stroke, but by a series of steps building upon each other in a logical and indeed evolutionary manner. But the legislation would, of itself, have been insufficient. A successful confrontation with mindless militancy was the essential buttress. Until Arthur Scargill was soundly and humiliatingly defeated, the spectre of 1979's winter of discontent hung over the country. It was Mrs Thatcher who, virtually alone, understood this.

So Margaret Thatcher not only reformed trade union law in a way that her predecessors had tried but failed to do, but in Arthur Scargill she faced a more ruthless and dangerous foe than her predecessors and succeeded in proving that a democratically elected government could prevail over a mindlessly militant minority who were trying to hold the country to ransom. Truly a prophet is not without honour except in his,

or her, own country and especially in Oxford University whose members denied this most distinguished alumnus an honorary degree.

Despite the Thatcher reforms trade unions remain especially powerful in the public sector of the UK economy, much helped by the kowtowing of New Labour to its public sector paymasters. In this regard we need to keep the crucial achievements of Margaret Thatcher constantly in mind, and build upon them in the future.

Charles Hanson is the author of Taming the Trade Unions, Macmillan, 1991. He was Special Adviser to the House of Commons Employment Committee 1980-81 and had numerous papers published by the Institute of Economic Affairs and the Adam Smith Institute 1973-1993.

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